



March 22, 2013



## Notice on Yakuhan Pharmaceutical Becoming a Wholly Owned Subsidiary

We hereby give notice that Nichi-Iko, having already signed a capital / business alliance agreement with Yakuhan Pharmaceutical Co., Ltd. (headquarters: Kitahiroshima City, Hokkaido; hereafter "Yakuhan Pharmaceutical") and having already strengthened its business and management infrastructure, has made Yakuhan Pharmaceutical a wholly owned subsidiary through complete acquisition of all common shares of Yakuhan Pharmaceutical as of February 20, 2012, out of the need to further improve the efficiency of operations, improve synergy with the Nichi-Iko Group and raise its corporate value.

Yakuhan Pharmaceutical has been engaged in the manufacturing and sales of pharmaceuticals centering on pharmacopoeia drugs such as antibacterial agents. After it became a subsidiary of Nichi-Iko through the capital / business alliance agreement, Nichi-Iko's manufacturing of antibacterial agents became concentrated in Yakuhan Pharmaceutical, intensifying and raising the efficiency of operations of Nichi-Iko.

By acquiring all the shares of Yakuhan Pharmaceutical to make it a wholly owned subsidiary, the Nichi-Iko Group will be able to undertake business initiatives as a group with greater unity and swiftness.