

Please note that the following is an unofficial English translation of the original Japanese text of the press release of Nichi-Iko Pharmaceutical Co., Ltd. Nichi-Iko Pharmaceutical Co., Ltd. provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.



June 3, 2013

To whom it may concern:

Company name: Nichi-Iko Pharmaceutical Co., Ltd.
(Securities code: 4541 Tokyo Stock Exchange, First Section)
Representative: Yuichi Tamura
President and CEO
Contact: Noboru Inasaka
Managing Executive Officer and General
Manager of Management Division
(Tel: 076-432-2121)

Notice Concerning Issuance of Short-term and Mid-term Stock Options for Stock-based Compensation

Nichi-Iko Pharmaceutical Co., Ltd. (the “Company”) hereby announces that undetermined items regarding the short-term and mid-term stock options for stock-based compensation (stock acquisition rights) to its Directors (excluding external director), Entrusted Executive Officers and Entrusted Administration Officers, as resolved at the meeting of Board of Directors held on May 14, 2013, have been determined as follows. With respect to the short-term stock options for stock-based compensation, although ordinary income and net income for the fiscal year achieved the target, sales was short by 74 million yen to the target of 94,000 million yen and operating income was short by 271 million yen to the target of 8,500 million yen against the management target revised upward on November 13, 2012, and all eligible persons have declined to receive their allocation.

Particulars

1. Short-term Stock Acquisition Rights for Stock-based Compensation

(1) Total Number of the Stock Acquisition Rights

Short-term Stock Acquisition Rights No. 1 will not be issued since there was no application to the offer.

2. Mid-term Stock Acquisition Rights for Stock-based Compensation

(1) Total Number of the Stock Acquisition Rights

Mid-term Stock Acquisition Rights No. 1: 2,033 (10 shares per one stock acquisition right)

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(2) Amount to be Paid for the Stock Acquisition Rights

21,410 yen per one stock acquisition right (2,141 yen per share)

The above amount was calculated by Black-Scholes model on the allotment date.

The person to whom the stock acquisition rights is allotted shall offset the payment of such amount against remuneration receivables to the Company.

(3) Class and Number of Shares Underlying the Stock Acquisition Rights

Common stock of the Company: 20,330 shares

(4) Category and Number of Persons Eligible to Receive Allocation

Directors of the Company: 6

Entrusted Executive Officers of the Company: 6

Entrusted Administration Officers of the Company: 2

(For Your Reference)

Date of the meeting of Board of Directors at which the matters to be discussed at the Annual General Meeting of Shareholders were determined: January 12, 2012

Date of the resolution of the 47th Annual General Meeting of Shareholders: February 28, 2012

Date of the resolution of the Board of Directors for issuance: May 14, 2013

Allotment date: May 31, 2013

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