For Immediate release

Shionogi&Co., Ltd.
Eli Lilly Japan K.K.

Eli Lilly Japan and Shionogi to Co-Develop and Co-Market Duloxetine in Japan

Shionogi & Co., Ltd. and Eli Lilly Japan K.K. today announced that the two companies have signed an agreement to co-develop and co-market duloxetine hydrochloride (codenamed LY248686) in Japan. Duloxetine is a serotonin-norepinephrine reuptake inhibitor (SNRI), approved in more than 70 countries in Europe, Latin America and in the United States, for the treatment of major depressive disorder and the management of diabetic peripheral neuropathic pain, both in adults. Duloxetine is also approved for the treatment of stress urinary incontinence in more than 30 countries. Duloxetine is not approved for use in pediatric patients. Its 2006 worldwide sales were US$1.316 billion.

Underscoring the important synergy created by this partnership, Dr. Isao Teshirogi, Director of the Board and Senior Executive Officer responsible for Research & Development at Shionogi stated, “We fully anticipate that this partnership will leverage the strengths of both companies. Together with Eli Lilly Japan, Shionogi will be better positioned to develop and deliver this innovative medicine to patients in Japan faster.”

“We are very excited that this partnership with Shionogi will be adding duloxetine to our CNS portfolio in Japan,” said Masanobu Kambara, Director, CNS Business Unit for Eli Lilly Japan. “With both duloxetine and Zyprexa, an existing treatment of schizophrenia, Eli Lilly Japan will be able to provide patients and doctors with a broader range of innovative medicines for the treatment of serious mental illnesses and related diseases.”

In Japan, Duloxetine is currently undergoing Phase III and Phase II clinical trials sponsored by Shionogi for the indications of depression and pain related to diabetic peripheral neuropathy. As a result of this agreement, the two companies will collaborate on the development in Japan of duloxetine for pain related to diabetic peripheral neuropathy, while Shionogi will continue sole development of the drug for the indication of depression. Both companies will co-market the drug under the same product name.
About Duloxetine

Duloxetine is believed to potentiate both serotonin and noradrenaline in the brain and the spinal cord, impacting nerve signaling. Based on pre-clinical studies, duloxetine is a balanced and potent reuptake inhibitor of serotonin and noradrenaline. While the mechanism of action of duloxetine in humans is not fully known, scientists believe its effect on improvement of depressive symptoms and pain perception is due to increasing the activity of serotonin and noradrenaline in the central nervous system.

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