

October 2, 2007
Shionogi & Co., Ltd.

Establishment of Shionogi Analysis Center Co., Ltd.

The Board of Directors of Shionogi & Co., Ltd. (Head office: Osaka, Japan; President: Motozo Shiono) decided at its meeting of October 1, 2007 to establish a wholly owned subsidiary, Shionogi Analysis Center Co., Ltd., on January 1, 2008.

Shionogi's Manufacturing Division has the objective of reducing costs and promoting the solutions business to support progress in the Company's second medium-term management plan. Shionogi therefore decided to establish a new company that will handle contract testing and analysis of pharmaceutical and other related products. It will integrate the chemical analysis function currently in operation as part of the quality control at the Settsu Plant and the Kanegasaki Plant with the Kuise Analysis Center of subsidiary Nichia Pharmaceutical Industries Ltd. The new company will make use of Shionogi's collective technological strengths to promote its solutions business.

Overview of the New Company

1. Company Name	Shionogi Analysis Center Co., Ltd.
2. Location	1-3, Kuise Terajima 2-chome, Amagasaki, Hyogo
3. Date of Establishment	January 1, 2008
4. Capital	¥200 million (Shionogi & Co., Ltd. ownership: 100%)
5. Representative	Undecided
6. Businesses	Operations include contract testing and analysis of pharmaceutical and other related products
7. Number of employees	80 (planned)

Note: The new company's name of Shionogi Analysis Center Co., Ltd. is the tentative name and might be changed later

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