

**Shionogi Announces Completion of Construction of a New Facility
for Formulation and Packaging of Solid Dosage Forms at the Settsu Plant**

Osaka, November 11, 2008 – Shionogi & Co., Ltd. (Head Office: Osaka; President: Isao Teshirogi) has completed construction of a new facility at the Settsu Plant (Settsu, Osaka) for formulation and packaging of solid dosage forms, and today conducted a ceremony to mark its completion.

The Settsu Plant started operations in spring 1968 as a core plant for producing oral solid dosage forms. Since then, Shionogi has added facilities for vial injections, analysis and ampule injections, developing the Settsu Plant as a key plant for the Company. Now in its 40th year of operations, the Settsu Plant has reached a new milestone. In order to globally supply an increasing number of drugs in development and new products, Shionogi has constructed a new solid dosage form facility that complies with cGMP*, set forth by the U.S. Food and Drug Administration (FDA), to make use of its accumulated experience in manufacturing technologies and introduce state-of-the-art technologies.

In the field of drug development, advanced manufacturing technology is indispensable for ensuring that compounds created at the research stage are absorbed effectively and safely in the human body. Employing state-of-the-art technologies, the new facility has manufacturing equipment with the flexibility necessary to accommodate a wide range of drug configurations including special dosage forms using fine particle coating in addition to tablets, capsules, granules and fine granules. Swifter development and production of candidate compounds as high-quality drugs will also be achieved by establishing side-by-side manufacturing facilities for investigational new drugs and commercial production in a single building to enable smooth industrialization and technology transfer.

Pursuing the Company's corporate philosophy of "striving constantly to provide medicine of the best possible kind essential for the protection of the health of the people," all Shionogi employees, including those at the Settsu Plant, are committed to providing quality drugs in order to make an even greater contribution to all patients and healthcare professionals in Japan and around the world.

***Reference:**

cGMP (Current Good Manufacturing Practice): Standards regulated by the U.S. FDA for manufacturing and quality control, comprising standards for both tangible elements, or manufacturing facilities, and intangible elements, or management.

Outline of New Facility for Formulation and Packaging of Solid Dosage Forms

Location	5-1 Mishima 2-chome, Settsu, Osaka
Building area	4,007.37m ²
Floor space	9,085.30m ²
Construction	Steel frame
Building height	28.06m
Number of stories	3 floors above ground level
Total construction cost	Approx. ¥6.0 billion
Main products	Solid dosage forms for domestic and overseas (investigational new drugs and commercial drugs)
Manufacturing capacity	0.55 billion tablets per year; 1.0 billion capsules per year
Construction started	September 2007
Construction completed	November 2008
Operations commence	Beginning of 2009 (scheduled)
Design and construction	Taisei Corporation



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