

Notification with Respect to Issuance of Unsecured Straight Bonds

Shionogi & Co., Ltd. (Head Office: Osaka; President: Isao Teshirogi) announces that it has determined the conditions for the issuance of its 2nd and 3rd Series of Unsecured Straight Bonds (with limited inter-bond pari passu clause) as outlined below.

1. 2nd Series of Shionogi & Co., Ltd. Unsecured Straight Bonds;

- (1) Issue amount: 10 billion yen in total
- (2) Denomination: 100 million yen
- (3) Application of the Law Concerning Book-Entry Transfer of Corporate Bonds, etc.:
The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, etc. shall apply to each Bond.
- (4) Interest rate: 0.769 % per annum
- (5) Issue price: 100.00 percent
- (6) Redemption price: 100.00 percent
- (7) Maturity: 3 years
 - ①Maturity date: The principal of the Bonds shall be redeemed in a lump sum on June 11, 2012.
 - ②Purchase or cancel: The issuer may at any time purchase or cancel the Bonds from but excluding the payment date.
- (8) Interest payment dates: June 11 and December 11 of each year
(Initial interest payment date: December 11, 2009).
- (9) Offering period: Thursday, June 4, 2009
- (10) Payment date: Thursday, June 11, 2009
- (11) Method of offering: Public offering
- (12) Status of the Bonds: The Bonds constitute senior unsecured obligation of Shionogi & Co., Ltd.
- (13) Negative pledge: Applicable
- (14) Underwriters: Nomura Securities Co., Ltd. and Daiwa Securities SMBC Co. Ltd. shall serve as the co-lead managing underwriters for this syndication.
- (15) Fiscal agent: Sumitomo Mitsui Banking Corporation
- (16) Book-entry transfer instituti: Japan Securities Depository Center, Inc.
- (17) Rating: “A+” from Rating and Investment Information, Inc

2. 3rd Series of Shionogi & Co., Ltd. Unsecured Straight Bonds;

- (1) Issue amount: 20 billion yen in total
- (2) Denomination: 100 million yen
- (3) Application of the Law Concerning Book-Entry Transfer of Corporate Bonds, etc.:
The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, etc. shall apply to each Bond.
- (4) Interest rate: 1.123 % per annum
- (5) Issue price: 100.00 percent
- (6) Redemption price: 100.00 percent
- (7) Maturity: 5 years
 - ①Maturity date: The principal of the Bonds shall be redeemed in a lump sum on June 11, 2014.
 - ②Purchase or cancel: The issuer may at any time purchase or cancel the Bonds from but excluding the payment date.
- (8) Interest payment dates: June 11 and December 11 of each year
(Initial interest payment date: December 11, 2009).
- (9) Offering period: Thursday, June 4, 2009
- (10) Payment date: Thursday, June 11, 2009
- (11) Method of offering: Public offering
- (12) Status of the Bonds: The Bonds constitute senior unsecured obligation of Shionogi & Co., Ltd.
- (13) Negative pledge: Applicable
- (14) Underwriters: Nomura Securities Co., Ltd. and Daiwa Securities SMBC Co. Ltd. shall serve as the co-lead managing underwriters for this syndication.
- (15) Fiscal agent: Sumitomo Mitsui Banking Corporation
- (16) Book-entry transfer instituti: Japan Securities Depository Center, Inc.
- (17) Rating: "A+" from Rating and Investment Information, Inc

Forward-Looking Statements

This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining

regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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