

Shionogi Announces the 2009 Results of Drug Discovery Competition

Osaka, October 30, 2009 – Shionogi & Co., Ltd. (Head Office: Osaka; President: Isao Teshirogi) announces the final selection results of its drug discovery competition, FINDS (PHarma-INnovation DIscovery competition SHionogi).

From a total of 193 submissions of original ideas from researchers, Shionogi selected 3 research themes, as noted below. Selected research themes will start upon execution of the research contracts.

The FINDS drug discovery competition which started in fiscal 2007 is a newly collaborative industry-academic initiative in which researchers in Japan with innovative drug seeds can submit ideas that meet Shionogi's specified needs and work with the Company to develop them into commercially viable drugs. (Research themes selected / total submissions in the past 2 years: FY2007 11/242, FY2008 6/153) Recently, Shionogi has signed an agreement with the British Embassy and the three universities in the UK on the formation of an international network for industry-academic collaboration in research and development. The Company will make efforts toward the realization of industry-academic collaboration, including FINDS, with United Kingdom research institutions (including academic institutions and venture companies).

As a major research-driven pharmaceutical company, Shionogi will dedicate to develop and manufacture new drugs for use around the world.

Competition Results

Number of submissions: 193

Number of research themes selected: 3

- Discovery of seeds for drugs to treat allergies 1
- Novel technologies for identification of target proteins to interact with bioactive compounds 1
- New drug discovery technologies for next-generation leading-edge pharmaceuticals 1

Competition Overview

1. Application period: June 1 to June 30, 2009
2. Selection method: Two-stage process, with the first-stage screening completed at the July and the second-stage screening completed at the September to October
3. Selection criteria: Submissions were assessed and selected on the basis of factors including degree of correspondence with Shionogi's needs, originality, practicality, potential for industrialization and conflict with existing the Company projects
4. Research budget: ¥2 million to ¥5 million per project (scheduled)*

* It is not awarded for a scholarship or a prize

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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