

Dissolution of a Subsidiary

Osaka, September 1, 2010 – Shionogi & Co., Ltd. (Head Office: Osaka; President and Representative Director: Isao Teshirogi, Ph.D.; hereafter “Shionogi”) today announced that the Company decided to dissolve a wholly owned subsidiary, Shionogi Engineering Service Co., Ltd., as of the last day of March, 2011.

1. Background of Subsidiary Dissolution

Primary service of Shionogi Engineering Service Co., Ltd. has been planning, design, construction and validation of pharmaceutical facilities. Shionogi needs to improve overall manufacturing technology including construction of facilities to expand the global business in the 3rd Medium-Term Business Plan. For this aim, Shionogi will restructure and enforce the system of facilities technology, and will strive to maintain and enhance the quality levels of our products continually by dissolving the subsidiary and taking over its business and employees.

2. General Information of the Subsidiary to be dissolved

Corporate Name	Shionogi Engineering Service Co., Ltd.
Head Office	1-3, Kuise Terajima 2-chome, Amagasaki, Hyogo 660-0813, Japan
Chief Executives	President and Representative Director: Yoshiyuki Okumura
Category of Business	Multidiscipline Engineering for pharmaceutical facilities
Paid-in Capital	¥20 million
Incorporated	November 2, 1992
Main shareholder	Shionogi & Co., Ltd.: 100.0%
Financial Results	Amount of Sales: ¥3,539 million (for the Year ended March 31, 2010)

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.

For further information, contact:

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