

Shionogi Announces the Conducting of an International Industry-academic Collaboration, SHIONOGI Science Program 2012, and a Drug Discovery Competition, FINDS 2012

Osaka, October 1, 2012 – Shionogi & Co., Ltd. (Head Office: Osaka; President & CEO: Isao Teshirogi, Ph.D.; hereafter “Shionogi” or “the Company”) today announced that it will implement an international industry-academic collaboration, SHIONOGI Science Program 2012 (SSP 2012) on October 1. Moreover, Shionogi will publicly invite researchers in Japan to enter their innovative ideas in a drug discovery competition, FINDS 2012 (PHarma-INnovation Discovery competition Shionogi).

The SSP and FINDS are collaborative industry-academia initiatives in which researchers 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. Shionogi implemented the SSP in the United Kingdom (UK) for the first time in last year and has implemented the FINDS since 2007 in Japan.

“SSP 2012” will be conducted in seven countries (UK, Denmark, Belgium, the Netherlands, Luxembourg, Australia, and Japan). Shionogi will invite ideas of two themes. One is on “the discoveries of emerging drug seeds” aimed at unique researches, which are just ideas, or technological developments for innovative drug discoveries. The other is on “the solutions of drug discovery needs” aimed at researches or technologies with some scientific evidences, which are expected to very close to practical use.

Through these initiatives including the SSP and FINDS, Shionogi will establish the presence as an international company and continue to develop new drugs for patients who suffer from diseases around the world.

Competition Overview 【SSP 2012】

1. Application period: 1:00 am 1st October 2012 - 8.00 am 31st October 2012

(The above date and time are provided in UTC; please check the corresponding date and time in each country in consideration of summer time.)

2. Applicants: Researchers must carry out their research in UK, Denmark, Belgium, the Netherlands, Luxembourg, Australia, and Japan.

3. Application areas: 7 areas

Novel target molecules for drug discovery to treat pancreatic islet dysfunction related to type 2 diabetes, Novel target molecules for drug discovery to treat chronic kidney disease, Novel target molecules for drug

discovery to treat HIV or emerging and re-emerging infectious diseases, etc.

4. Selection method: Two-stage processes

5. Selection criteria: Submissions will be assessed and selected on the basis of factors including degree of correspondence with Shionogi's needs, originality, practicality, possibility, potential for industrialization and conflict with existing projects of the Company.

6. Research budget: Maximum 15 million yen per project in a year

It covers the staff costs of staff on exclusive contracts. It cannot be used to fund students or scholarships.

Please refer to web site here for details. <http://www.shionogi.co.jp/ssp/index.html>

Competition Overview 【FINDS2012】

“The discoveries of emerging drug seeds” and “The solutions of drug discovery needs”

1. Application period: 10:00am 1st October 2012 - 5.00pm 31st October 2012

2. Applicants: Researchers must carry out their research in Japan

3. Application areas: 15 areas

Drug seeds for diabetes, obesity, dyslipidemia, arteriosclerosis and chronic kidney diseases. Drug seeds for HIV and “emerging and reemerging infectious diseases”, etc.

4. Selection method: Two-stage process

5. Selection criteria: Submissions will be assessed and selected on the basis of factors including degree of correspondence with Shionogi's needs, originality, practicality, possibility, potential for industrialization and conflict with existing company projects.

6. Research budget:

Maximum 3 million yen per project in a year for “the discoveries of emerging drug seeds”

Maximum 10 million yen per project in a year for “the solutions of drug discovery needs”

It cannot be used to fund scholarships.

Please refer to web site (Japanese only) here for details. <http://www.shionogi.co.jp/finds/index.html>

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:

Corporate Communications Department

Shionogi & Co., Ltd.

Telephone: +81-6-6209-7885

Fax: +81-6-6229-9596