

November 20, 2015

Press Release

SEKISUI CHEMICAL CO., LTD.
(TSE Code: 4204)

Notice of the Acquisition of Shares in the
Clinical Diagnostic Reagents Company "EIDIA Co. Ltd."

SEKISUI CHEMICAL CO., LTD. (Headquarters: Osaka City, Osaka Prefecture; President: Teiji Koge; hereinafter called "SEKISUI CHEMICAL") has signed a share transfer agreement with Eisai Co., Ltd. (Headquarters: Bunkyo-ku, Tokyo; Representative Corporate Officer and CEO: Haruo Naito; hereinafter called "Eisai") today, to receive all of the shares thus far issued in the 100% Eisai subsidiary EIDIA Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President: Atsushi Saito; hereinafter called "EIDIA"), which manufactures, imports, and sells clinical diagnostic reagents, clinical analyzers, laboratory reagents, and physical and chemical equipment.

1. Background

SEKISUI CHEMICAL places its "Diagnostic System" as one of its "Growing 8" businesses that are driving growth throughout the Sekisui Chemical Group as part of the midterm management plan "SHINKAI-Advance 2016" (FY2014 to FY2016) in which we are currently involved, and are pouring our efforts into expanding business in the Life Science fields, including the Diagnostic System business, centering on SEKISUI MEDICAL CO., LTD. (Headquarters: Chuo-ku, Tokyo; President and CEO: Hideo Tagashira; hereinafter called "SEKISUI MEDICAL").

SEKISUI MEDICAL has hitherto configured a broad partnership with EIDIA from the joint development to the manufacture and sale of clinical diagnostic reagents.

The diagnostic reagents/ analyzers market size in Japan shows a stable trend of approx. 500 billion yen, and in recent years this trend has increased slightly. Meanwhile, globally, the market is approx. 6 trillion yen, and there are prospects for market expansion concomitant with the economic growth of the emerging countries.

2. Reasons for Publishing the Shares Acquisition

The incorporation of EIDIA's specific technologies, products, and human resources into the Sekisui Chemical Group aims to grow the Sekisui Chemical Group's life science fields into a global business corpus with a real presence. Specifically, it is expected to manifest the following three effects in particular.

(1) Expansion of the Scale and Content of the Diagnostics Business

Whereas SEKISUI MEDICAL focuses on diagnostics business such as "hyperlipidemia", "hematological disorders", "diabetes", "infectious diseases" and "rheumatism", EIDIA's strengths lie in diagnostic reagents for "cancer" and "rheumatism".

SEKISUI MEDICAL not only plans to expand the nature of its business by focusing anew on the "cancer" diagnostics business, encouraged by the receipt of EIDIA shares, but also plans to further expand its business by reinforcing its product lineup by focusing on "rheumatism", which is shared by both companies.

(2) Sales Expansion through Reinforcement of Sales Links

SEKISUI CHEMICAL not only has manufacturing and sales bases for diagnostics businesses in America, Europe, and China through its consolidated subsidiary Sekisui Diagnostics, LLC. and SEKISUI MEDICAL TECHNOLOGY (CHINA) LTD., but also has sales companies that handle Sekisui Chemical Group products in each corner of the globe. After acquiring EIDIA, Sekisui Chemical group intends to expand sales of EIDIA's products through its sales routes both in Japan and other countries. In addition, EIDIA intends to maintain the sales collaboration with Eisai.

(3) Reinforcement of R&D in New Areas

We will promote the prompt marketization of new products and the development of unique reagents through the mutual use of specific technologies unique to both SEKISUI MEDICAL and EIDIA.

Specifically, in addition to developing the diagnostic reagents in the key areas of "cancer" and "rheumatism", we will also pour our energies into the development of new biomarkers.

3. Summary of Subsidiary Company Being Transferred (EIDIA Co., Ltd.)

(1) Name: EIDIA Co., Ltd.

(2) Address: 1-10-6 Iwamoto-cho, Chiyoda-ku, Tokyo

(3) Representative: President: Atsushi Saito

(4) Principal Business: The manufacture, import, and sale of clinical diagnostic reagents, clinical analyzers, laboratory reagents, and physical and chemical equipment

(5) Capital: ¥5,262,480,000

(6) Establishment: May 1954

(7) Shareholder: Eisai Co., Ltd. 100%

(8) Latest Business Results

Fiscal Year End	March 2013	March 2014	March 2015
Net Assets	12,636 million yen	12,975 million yen	13,321 million yen
Total Assets	15,449 million yen	15,604 million yen	16,244 million yen
Net Sales	6,188 million yen	6,252 million yen	6,285 million yen
Operating Income	519 million yen	554 million yen	585 million yen
Ordinary Income	558 million yen	585 million yen	616 million yen
Net Income	320 million yen	333 million yen	345 million yen

(9) Website: <http://www.eidia.co.jp/>

4. Summary of Share Seller

(1) Name: Eisai Co., Ltd.

(2) Address: 4-6-10 Koishikawa, Bunkyo-ku, Tokyo

(3) Representative: Representative Corporate Officer and CEO: Haruo Naito

(4) Principal Business: R&D, manufacturing, sales, import, and export of pharmaceuticals

5. Assigned Price

22,450 million yen

6. Schedule

November 20, 2015: Share transfer agreement signed

December 28, 2015: Scheduled date of share transfer

7. Impact on Business Results

The impact on the consolidated business results of SEKISUI CHEMICAL through the period of March 2016 is thought to be negligible, and there are no changes to the consolidated business results forecast announced on October 29, 2015.

Reference: Consolidated business forecast for the period (announced October 29,2015) and the previous period

consolidated business results (unit: million yen)

	Consolidated Net Sales	Consolidated Operating Income	Consolidated Ordinary Income	Net Income Attributable to Shareholders
Consolidated Business Forecasts for the Period (To March 2016)	1,120,000	90,000	89,000	58,000
Consolidated Business Results for the Previous Period (To March 2015)	1,112,748	85,764	87,978	52,995

8. Addendum

Approval of the relevant authorities is a condition for the transfer of these shares.

Reference 1: Sekisui Medical Summary

(1) Name: SEKISUI MEDICAL CO., LTD.

(2) Address: KDX Nihombashi 313 Building, 13-5, Nihombashi 3-chome, Chuo-ku, Tokyo

(3) Representative: President and CEO: Hideo Tagashira

(4) Principal Business: Diagnostics Business, Pharmaceuticals & Fine Chemicals Business, ADME & Tox. Research Business

(5) Paid in Capital : 1.275 billion yen

(6) Establishment: April 1, 2008 (previous incarnation as Daiichi Pure Chemicals Co., Ltd. established on July 10, 1947)

(7) Shareholder: SEKISUI CHEMICAL CO., LTD. 100%

(8) Sales: 36.7 billion yen (as of March 2015. SEKISUI MEDICAL alone)

(9) Website: <http://www.sekisuimedical.jp/>

Reference (2): Main SEKISUI CHEMICAL Policies in the Field of Life Sciences (Medical) in Recent Years (M&A, etc.)

October 2006: Acquired Daiichi Pure Chemicals Co., Ltd. from Daiichi Pharmaceutical Co., Ltd.

April 2008: SEKISUI CHEMICAL's medical business departments were merged with Daiichi Pure

Chemicals Co., Ltd., and the company name changed to SEKISUI MEDICAL CO., LTD.

August 2008: Acquired US-based in vitro pre-clinical studies contract research organization Xenotech, LLC.

April 2009: Acquired US-based diagnostic business company American Diagnostica Inc.

February 2011: Acquired the diagnostic business from US-based Genzyme Corporation, and not only established Sekisui Diagnostics, LLC. in the United States, but also started business by establishing new foundations or acquiring subsidiaries in the UK, Canada, and Germany

April 2012: Merged American Diagnostica Inc. with Sekisui Diagnostics, LLC.