

Otsuka Techno and Otsuka Pharmaceutical Factory Take an Equity Interest in a Chinese Firm That Manufactures and Markets Plastic Film for I.V. Solution Bags

Tokyo, Japan, January 28, 2011 — Otsuka Techno Corporation and Otsuka Pharmaceutical Factory, Inc. today announced their decision to take an equity interest in Nanjing Techbond Biomedical Material Co., Ltd., a company located in Nanjing City, Jiangsu Province, China which is engaged in the manufacture and marketing of plastic film for I.V. solution bags. This move is part of the two companies' efforts to expand their overseas I.V. solutions business. An umbrella agreement was concluded on January 6, 2011.

Pursuant to the agreement, Otsuka Techno and Otsuka Pharmaceutical Factory plan to acquire a 61.3% equity interest in the Chinese company around the end of January 2011. Following acquisition of shares, the name of the company will be changed to Nanjing Otsuka Techbond Techno Co., Ltd. The shift from glass and plastic bottle I.V. solution containers to plastic bags that boast superior safety and convenience is steadily gathering momentum in China. As a result, demand for plastic film for I.V. solution bags is forecast to expand going forward.

The Otsuka Group's I.V. solutions business in China began in 1981 with the establishment of China Otsuka Pharmaceutical Co., Ltd. in Tianjin City, a joint venture between Otsuka Pharmaceutical Co., Ltd. and the Chinese government. Through this equity participation, the Otsuka Group is bolstering its capabilities in the manufacture and marketing of high-quality I.V. solutions and related products in China and the rest of Asia.

In addition to plastic film for I.V. solution bags, Nanjing Otsuka Techbond Techno will in the future look toward manufacturing such I.V. solution-related products as caps and rubber stoppers. Looking ahead, every effort will be made to strengthen the manufacture and marketing of high quality I.V. solution-related products in China and the rest of Asia.

Company Profiles

Otsuka Techno Corporation

Established: December 2, 1985
Capital: 40 million yen
President: Yasuo Tsutsui
Head Office: 120-1, Setocho Akinokami Aza-Itayashima, Naruto, Tokushima
771-0360, Japan
Employees: 389 (As of March 31, 2010)
Business Description: Manufacture and marketing of pharmaceutical plastic container materials and precision molding products

Otsuka Pharmaceutical Factory, Inc.

Established: September 1, 1921
Capital: 80 million yen
President: Ichiro Otsuka
Head Office: 115 Kuguhara, Tateiwa, Muya-cho, Naruto, Tokushima 772-8601, Japan
Employees: 2,489 (As of March 31, 2010)
Business Description: Manufacture and marketing of pharmaceuticals and nutritional products

Nanjing Techbond Biomedical Material Co., Ltd.

Established: September 25, 2003
Capital: 8.8 million dollars
President: Hong Dikang (Chairman of the Board)
Head Office: Nanjing City, Jiangsu Province, China
Employees: 60 (As of March 31, 2010)
Business Description: Research, development, manufacturing and marketing of non-PVC biomedical film, new biomedical-related and other materials, as well as technical support