Company name: DAIICHI SANKYO COMPANY, LIMITED

Representative: Takashi Shoda, President and Representative Director

(Code no.: 4568, First Section, Tokyo, Osaka and Nagoya Stock Exchanges)

Please address inquiries to Toshio Takahashi, Corporate Officer in Charge,

Corporate Communications Department

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Business Transfer of the Chemical Products Business of Sankyo Lifetech (a subsidiary of Sankyo)

Sankyo Co., Ltd. of Daiichi Sankyo Group (President, Yasuhiro Ikegami, hereafter "Sankyo"), its subsidiary Sankyo Lifetech Co., Ltd. (President: Hirokazu Ando, hereafter "Sankyo Lifetech"), Ciba Specialty Chemicals Holding Inc. (Chairman of the Board and CEO: Armin Meyer), and its group company Ciba Specialty Chemicals K.K. (President: Kazuhiko Tanaka) (hereafter collectively "Ciba Specialty Chemicals Group) have signed an agreement today to transfer the Chemical Products business of Sankyo Lifetech to Ciba Specialty ChemicalsGroup.

The Chemical Products business will be further developed under the management of Ciba Specialty Chemicals Group in future. The employees of the Chemical Products business will leave Sankyo and be transferred to Ciba Specialty Chemicals K.K. prior to the date of business transfer subject to the consent of each individual.

Daiichi Sankyo Group has been reviewing its non-pharmaceutical businesses to concentrate its management resources on its pharmaceutical businesses. In so doing, the company plans to make all non-pharmaceutical businesses of Daiichi Sankyo Group independent by the end of March 2007.

The effect that this business transfer will have on Daiichi Sankyo's business performance after March 2007 will be disclosed at a later date.

1. Planned dates of business transfer

Conclusion of Business Transfer Agreement

October 27, 2006

Business Transfer

March 30, 2007

This business transfer will be the short-form transfer that does not require the approval by the shareholders of Sankyo Lifetech pursuant to the provisions of Article 467, Paragraph 1.2 of the Company Law.

2. Outline of the Companies Involved

(1) Sankyo Lifetech Co., Ltd.

Location of Head Office: 23-14, Hongo 4-chome, Bunkyo-ku, Tokyo

Date Established: April 1, 2003 Representative: Hirokazu Ando

Capital: 300 million yen

Sales: 16,716 million yen (Fiscal Year Ended March 2006)

Number of Employees: Approximately 150 (Fiscal Year Ended March 2006)

Main Businesses:

Manufacture, import and sale of veterinary pharmaceutical products, food additives, drug ingredients, wood preservatives, pesticides for public health, polymer stabilizers, and other products

< Chemical Products business of Sankyo Lifetech>

Major Products:

Product Area	Major Products
Light Stabilizer	SANOL LS-292
	SANOL LS-765
	SANOL LS-770

(2) Ciba Specialty Chemicals Group

Main Office: Basel, Swistzerland Date established: January 1997

Representative: Armin Meyer, Chairman of the Board and CEO

Sales: 7,419 million Swiss francs (Fiscal Year Ended December 2005, including textile functional material business)

Number of employees: 19,105 (Fiscal Year Ended December 2005)

Major businesses: Manufacturing, sale, and research & development of additives, pigments, coating agents, paper chemicals, water processing agents, materials for home & personal care products, etc.

Ciba Specialty Chemicals K.K.

Location of Head Office: (Tokyo Office) 2-4-1, Hamamatsucho, Minato-ku,

Tokyo (Osaka Office) 3-4-30, Miyahara Yodogawa-ku, Osaka

Date established: November 1, 1996

Representative: Kazuhiko Tanaka

Capital: 2,500 million yen

Sales: Approximately 42.9 billion yen (Fiscal Year Ended December 2005)

Number of employees: 128 (As of October 2006)

Major businesses: Import/Export, manufacturing, purchase and sale of additives, pigments, coating agents, paper chemicals, water processing agents, materials for home & personal care products, etc.