

For Immediate Release

Company name: KYORIN Holdings, Inc.
Representative: Masahiro Yamashita
Representative Director, President
(Securities Code: 4569, TSE 1st Sec.)

**Kyorin Pharmaceutical and Daiichi Sankyo Brasil Reach Agreement in Brazil for Activities
Related to the Development and Marketing of Imidafenacin**

TOKYO, Japan (November 8, 2011) — The KYORIN Holdings, Inc. subsidiary, KYORIN Pharmaceutical Co., Ltd. (hereafter Kyorin Pharmaceutical), and the Daiichi Sankyo Co., Ltd. (hereafter, Daiichi Sankyo) subsidiary, Daiichi Sankyo Brasil Farmaceutica Ltda. (hereafter, Daiichi Sankyo Brasil), have reached a basic agreement for activities in Brazil related to the development and marketing of Imidafenacin, a treatment for overactive bladder (OAB) that was discovered and developed by Kyorin Pharmaceutical.

Under the terms of this agreement, Kyorin Pharmaceutical grants Daiichi Sankyo Brasil exclusive rights to activities related to the development and marketing of Imidafenacin in Brazil.

Imidafenacin is a novel anticholinergic agent that acts as a selective antagonist on M₃ and M₁ muscarinic subtype receptors to improve the urgency of urination, pollakiuria and urge urinary incontinence associated with OAB. Imidafenacin selectively acts on the bladder, and therefore incidence of dry mouth is rather small. In Japan, Kyorin Pharmaceutical launched Imidafenacin under the Uritos® 0.1mg tablets name in June 2007. An additional dosage form as an orally disintegrating (OD) tablet was launched in April 2011.

While Kyorin Pharmaceutical has achieved early market penetration in Japan and contributed to the QOL of patients suffering from symptoms of OAB, it aims to popularize Imidafenacin in the Brazilian market and promote its global business through this agreement with Daiichi Sankyo Brasil.

Daiichi Sankyo possesses a sales network in Brazil, Venezuela and Mexico. In order to further increase its presence in these Central and South American markets, Daiichi Sankyo is promoting its “Japan Pharma Strategy,” a specialized strategy for these areas which integrates novel drugs discovered by its Japanese peers with the “Japanese brand” fostered by Daiichi Sankyo to create high added value. This is the first agreement to leverage this strategy.

Through this agreement, Kyorin Pharmaceutical and Daiichi Sankyo expect to contribute to improving quality of life for patients suffering from OAB in order to further contribute to the health of people around the world.

The companies expect the impact that the conclusion of this agreement on consolidated financial forecasts for the fiscal year ending March 31 2012 to be negligible.

About Daiichi Sankyo Brasil Farmaceutica Ltda.

Established: January 1962

President: Eloi Bosio

Sales volume: JPY 5.2 billion yen (FY ending March 2011)

Employees: 312 (as of March 31, 2011)

Overview: Daiichi Sankyo Brasil has a strong presence in the cardiovascular area through sales of the hypertension treatment, olmesartan, and is working to complement its portfolio to increase its presence in Brazil. Its San Paolo factory serves as a supply chain hub for the Daiichi Sankyo Group's Latin American business.

About KYORIN Pharmaceutical Co., Ltd

Established: December 1923

Representative: Keiji Hirai, President

Sales volume: JPY 92.531 billion (FY ending March 2011)

Employees: 1,804 (as of March 31, 2011)

Overview: Trusted among patients and professionals in the medical industry, KYORIN Pharmaceutical strives to be a company that contributes to the public health and is recognized as a one with social significance by improving its presence in specified therapeutic areas and through global discovery of novel drugs. KYORIN Pharmaceutical uses its franchise customer strategy in focusing on respiratory medicine, otolaryngology, and urology, and concentrates resources on the core areas of respiratory, urological and infectious diseases in developing ethical drugs.

Overactive Bladder (OAB)

Overactive bladder (OAB) is a urological condition characterized by difficulty in pooling urine in the bladder. Its predominant symptom is an urge to urinate, which is often accompanied by frequent urination and nocturia, and in some cases by urge urinary incontinence. One of the major problems of OAB is the fact that patients refrain from leaving the house due to anxiety about going to the bathroom, cannot get enough sleep at night, or face limitations in their daily activities, which could lead to significantly-reduced quality of life. Anticholinergic agents that show antagonistic effects, mainly on muscarinic receptors, are thought to be effective in treating OAB. However, their continuous use may be limited due to side effects, such as dry mouth, associated with their pharmacological effects.