

FOR IMMEDIATE RELEASE

October 15, 2015

Listed Company Name: Eisai Co., Ltd.
Representative: Haruo Naito
Representative Corporate
Officer and CEO
Securities Code: 4523
Stock Exchange Listings: First Section of the Tokyo
Stock Exchange
Inquiries: Sayoko Sasaki
Vice President,
Corporate Affairs
Phone +81-3-3817-5120

Listed Company Name: Ajinomoto Co., Inc.
Representative: Takaaki Nishii
Representative Director,
President and CEO
Securities Code: 2802
Stock Exchange Listings: First Section of the Tokyo
Stock Exchange
Inquiries:

company will be one of Eisai's consolidated subsidiaries and an affiliated company accounted for by the equity-method for Ajinomoto Co.

1. Purpose of establishing the new integrated company

In the field of gastrointestinal diseases, Eisai has a history of drug discovery and information provision activities spanning more than 60 years, with a wealth of knowledge, experience and networks based on years of work on its powerful products and pipeline. On the other hand, as a member of the Ajinomoto Group which aims to be a group of companies that contributes to human health globally based on its amino acid technology founded upon the discovery of umami, AJINOMOTO PHARMACEUTICALS has a unique pipeline and products that no other company possesses, especially in the field of gastrointestinal diseases. The integration of Eisai's gastrointestinal disease business and AJINOMOTO PHARMACEUTICALS' business will result in the establishment of EA Pharma Co., Ltd., one of Japan's largest gastrointestinal specialty pharma.

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Extraordinary General Meeting of Shareholders (AJINOMOTO PHARMACEUTICALS)	March 2016 (scheduled)
Effective date of the absorption-type company split	April 1, 2016 (scheduled)

(Note) The absorption-type company split is to be conducted by Eisai as a simplified absorption-type company split as defined in Paragraph 3, Article 784, of the Companies Act. Accordingly, no approval by a general meeting of shareholders is required.

2) Method of absorption-type company split

In this absorption-type company split, Eisai will be the splitting company and AJINOMOTO PHARMACEUTICALS will be the succeeding company.

3) Details of stock allocation

As consideration for the absorption-type company split, AJINOMOTO PHARMACEUTICALS will allocate 6,000 ordinary shares of AJINOMOTO PHARMACEUTICALS to Eisai. As a result, Eisai will hold 60% of the new integrated company's total stock issued.

company split (share allotment), Eisai and Ajinomoto Co. have each hired a third-party appraiser to perform this calculation. For this purpose, Eisai has hired Nomura Securities Co., Ltd. (Nomura Securities), and Ajinomoto Co. has hired JPMorgan Securities Japan Co., Ltd. (J.P. Morgan), respectively.

Nomura Securities used the discounted cash flow (DCF) analysis to calculate the share allotment, and Eisai has received a valuation report regarding the share allotment from Nomura Securities.

The result of the calculation of the share allotment according to the abovementioned method is as follows. Furthermore, the following calculation result assumes that the number of ordinary shares issued by AJINOMOTO PHARMACEUTICALS at the time of execution of the absorption-type company split amounts to 4,000 shares.

Calculation method	Calculated range of share allotment
DCF Analysis	5,344~6,619 shares

Nomura Securities has assumed that the public information, the financial information disclosed by the companies, and all other information when performing the calculation of the share allotment is true and complete, and it did not independently verify the accuracy or completeness thereof. Nomura Securities has not independently evaluated, appraised or assessed the market value or fair value of the assets or liabilities (including financial derivative instruments, off-book assets and liabilities, and other contingent liabilities) of the two companies or their related affiliates, nor has it requested an appraisal or assessment by a third-party agency. The calculation performed by Nomura Securities reflects the information and economic conditions as of October 14, 2015, and Nomura Securities assumes that Eisai's management has reasonably considered and created the financial predictions for both the business relating to the absorption-type company split and AJINOMOTO PHARMACEUTICALS based on the current, best-available forecasts and judgment.

Please note that the business projections of both the portion of Eisai's business and AJINOMOTO PHARMACEUTICALS on which the DCF analysis was based contain fiscal years showing significant increases and decrease in profit compared with their respective previous fiscal years. This is mainly due to declining revenue of existing products and increasing revenue from pipeline products.

In calculating the number of the shares to be allocated to Eisai for the absorption-type company split, J.P. Morgan performed a DCF analysis based on the following: for the valuation of the equity value of AJINOMOTO PHARMACEUTICALS, J.P. Morgan used the projections prepared and furnished by the management of Ajinomoto Co.; and for the valuation of the relevant portion of Eisai's gastrointestinal disease treatment business (the "Business"), J.P. Morgan used the projections originally prepared by Eisai.

Based on the result of the analysis, J.P. Morgan delivered to the Board of Directors of

condition of AJINOMOTO PHARMACEUTICALS and the Business to which such analyses or projections relate. J.P. Morgan expressed no view as to such analyses or forecasts or the assumptions on which they were based. J.P. Morgan has also assumed that the transactions contemplated by the absorption-type company split agreement and related agreements (together, the "Agreements") will qualify as a tax-free reorganization under the corporate tax law of Japan, have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Ajinomoto Co., and will be consummated as described in the Agreements, and that the definitive Agreement will not differ in any material respects from the draft thereof furnished to J.P. Morgan. J.P. Morgan has also assumed that the representations and warranties made by Ajinomoto Co. and Eisai in the Agreements are and will be true and correct in all ways material to J.P. Morgan's analysis. J.P. Morgan is not a legal, regulatory, tax or accounting expert and relied on the assessments made by advisors

(8) Fiscal year end	March 31		
(9) Number of employees	Consolidated: 10,183		
(10) Major customers	Alfresa Holdings Corporation Suzuken Co., Ltd. Medipal Holdings Corporation		
(11) Major banking institutions	Saitama Resona Bank Mizuho Bank Bank of Tokyo-Mitsubishi UFJ		
(12) Major shareholders and ratio of shares held	Japan Trustee Services Bank, Ltd. (Trust Account) 7.01% The Master Trust Bank of Japan, Ltd. (Trust Account) 6.79% Nippon Life Insurance Company 4.84% JP MORGAN CHASE BANK 385147 3.01% Saitama Resona Bank, Limited 2.66%		
(13) Financial results of the past three fiscal years for the splitting company (consolidated, IFRS)			
Fiscal year-end	March 31, 2013	March 31, 2014	March 31, 2015
Total equity attributable to owners of the parent	¥484,054 million	¥526,320 million	¥598,749 million
Total assets	¥1,008,686 million	¥973,823 million	¥1,053,818 million
Equity per share attributable to owners of the parent	¥1,697.86	¥1,845.06	¥2,096.39
Revenue	¥572,616 million	¥599,490 million	¥548,465 million

AJG511	Ulcerative colitis treatment	Phase III in Japan
AJM300	Ulcerative colitis treatment	Phase III in Japan
AJG533	Chronic constipation treatment	Phase III in Japan
NE-58095NF (risedronate)	Osteoporosis treatment (additional formulation/ change in dosage and administration)	Phase II/III in Japan

3) Relationship between the companies concerned

Capital relationship	Not applicable
Personnel relationship	Not applicable
Trade relationship	Under a marketing agreement for osteoporosis treatments, Eisai purchases products from AJINOMOTO PHARMACEUTICALS
Affiliated party status	Not applicable

5. Outline of the business to be split off

1) Details of the business to be split off

The portion of the business to be split off according to the absorption-type company split agreement are Eisai's domestic marketing and R&D functions for the field of gastrointestinal disease, however there will be no transfer of fixed assets

2) Financial results of the business to be split off

	Full-year results of the business to be split off for the fiscal year ending March 31, 2015 (a)	Full-year results of the splitting company for the fiscal year ending March 31, 2015 b	Proportion a/b
Revenue	¥39,968 million	¥548,465 million	7.3%

6. Status after the absorption-type company split

1) Status of the splitting company after the absorption-type company split

(1) Company name	Eisai Co., Ltd.
(2) Location	4-6-10 Koishikawa, Bunkyo-ku, Tokyo 112-8088, Japan
(3) Representative	Haruo Naito, Representative Corporate Officer and CEO
(4) Scope of business	Research and dev

related goodwill, etc. is included in investments in securities, however the amount is yet to be calculated at present.

8. Future outlook

The impact of the absorption-type company split on the consolidated financial results forecasts for the fiscal year ending March 31, 2016 of Eisai and is expected to be minimal. The impact of the absorption-type company split on the consolidated financial results forecasts for the fiscal year ending March 31, 2016 of Ajinomoto Co. is under investigation.

9. Other

The absorption-type company split assumes that the waiting period based on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, as well as international competition laws, has expired, and there are no factors that will interfere with the execution of this absorption-type company split agreement such as cease and desist orders from the Japan Fair Trade Commission or any international competition regulatory organizations.

(For reference)

Eisai's consolidated financial results forecasts (announced on May 14, 2015) and consolidated financial results for the previous period (IFRS)type c