



October 2, 2013
日医工株式会社

Notice on Signing of Statement of Agreement for Capital Alliance with Binex (Korea)

We hereby give notice that Nichi-Iko Pharmaceutical Co., Ltd. (headquarters: Toyama City, Toyama Prefecture; President and CEO Yuichi Tamura; hereafter "Nichi-Iko") has signed a Statement of Agreement with Binex Co., Ltd. (headquarters: Pusan, Korea; Senior Representative: Myoung-Ho Jeong; hereafter "Binex") wherein Nichi-Iko will gain 12.6% of Binex's shares through third party allotment and acquisition of existing shares.

1. Objective of the Capital Alliance

- (1) The Nichi-Iko Group has been engaged in the biosimilar sector, a market expected to expand globally. By its capital subscription to Binex, it will form a cooperative relationship in the biosimilar sector with the aim of accumulating manufacturing knowhow of biosimilar formulations and stably securing manufacturing sites.
- (2) Binex is the sole company commissioned to run the Korea Biotechnology Commercialization Center (KBCC), a biosimilar manufacturing facility invested in by the Korean government. By becoming a partner with Binex, which has powerful technological capabilities in the biotechnology field, Nichi-Iko can expect a high level of synergistic effect which will accelerate its biosimilar division.
- (3) Nichi-Iko will consider together with Binex the sales of its pharmaceuticals in Korea and work to expand the sales of its products in Asian markets.

2. Outline of Binex

Headquarters location:	480-2, Jangrimdong, Sahagu, Pusan, Korea
Establishment:	Founded in December 1957 as Sunchundang Pharmaceutical (subsequently changing its name to Binex in April 2000)
Senior Representative:	Myoung-Ho Jeong
Capital:	11.949 billion won (as of June 30, 2013)
Turnover:	52.49 billion won (period ending on December 31, 2012)
Employees:	324 (December 31, 2012)
Main business operations:	Commissioned manufacture of biologics, manufacture and sales of pharmaceuticals
Stock listing:	KOSDAQ Korea

Binex has manufacturing sites in Pusan and Incheon and has been involved since 1957 in manufacturing and selling pharmaceuticals mainly in Korea, while also in recent years showing its powerful technological capabilities in the commissioned development / manufacturing field through its facility in Incheon for developing and manufacturing biopharmaceuticals.