

## Regarding the effects of the Tohoku Pacific Coast Earthquake

(2<sup>nd</sup> release)

**Tokyo March 23, 2011**---We would like to express our deepest sympathy to those afflicted by the Tohoku Pacific Coast Earthquake that occurred on March 11, 2011, and our heartfelt condolences to the families of those who lost their lives. The Kyowa Hakko Kirin announced the effects on our group on March 14, 2011, as of today's date the effects are as follows.

1. Confirmation of the safety of employees

Confirmation of the safety of employees has been almost fully completed. Where this has not been completed we are urgently seeking confirmation of employee safety.

2. Effects on production and other facilities

(1) Kyowa Hakko Kirin Co., Ltd. (Pharmaceuticals business)

Our factories have not suffered serious damage, but some of the factories to which we outsource production have suspended production. As the restart of production at these locations has not yet been scheduled, we have started to make preparations to produce affected products at our own factories. At the three sales offices that were physically damaged (Tohoku Branch, Sendai, Miyagi prefecture; Fukushima Sales Office, Koriyama, Fukushima prefecture; and Mito Sales Office, Mito, Ibaraki prefecture) partial operation has been resumed.

(2) Kyowa Hakko Bio Co., Ltd. (Bio-Chemicals business)

As previously announced on March 14, production facilities and sales offices did not suffer serious damage.

(3) Kyowa Hakko Chemical Co., Ltd. (Chemicals business)

When the earthquake occurred operations at the Chiba Plant were brought to an emergency halt. Following completion of a facilities inspection operations have been steadily restarting from March 21.

(4) Other domestic group companies

As previously announced on March 14, no serious damage was suffered

(5) Effects of planned power cuts

In areas where planned power cuts are being implemented our Group factories' (Kyowa Hakko Kirin plants: Takasaki Plant, Takasaki, Gunma prefecture, and Fuji Plant, and Kyowa Medex Plant: Nagaizumi-cho, Shizuoka prefecture) production plans are being revised to minimize the effects of power cuts.

### 3. Effects on business results

We are currently investigating the financial effects of damage resulting from this earthquake and if significant effects on our Group's business results are expected, these will be promptly disclosed.