

October 3, 2005

**Suzuken Co., Ltd.**

**Yoshiki Bessho, President and Chief Executive Officer**

**Stock Code: 9987**

**Listing: First sections of Tokyo Stock Exchange, Osaka Stock Exchange,  
and Sapporo Stock Exchange**

**Contact: Takahito Ito, Director, Senior Executive Officer,  
Senior General Manager, Corporate Planning Headquarters**

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### **Suzuken Co., Ltd. Announces a New Business Alliance**

Today, Suzuken Co., Ltd. (head office: Nagoya City) concluded an agreement today with Shoyaku Co., Ltd. (head office: Fukuoka City) to form a comprehensive business alliance.

#### **1. Objectives**

As major healthcare reforms take place, the operating environment surrounding the medical industry is undergoing a significant transition, including people's greater interest in health, changing patient attitudes, and operational expansions made by medical institutions and pharmacies. Moreover, in recent years, customers of pharmaceutical wholesalers have come to demand increasingly diversified and sophisticated products and services.

Against this backdrop, Suzuken and Shoyaku have become aware of the necessity to build the new business framework demanded as medical wholesalers through collaborating with industry partners and sharing each company's management resources and expertise accumulated over the years. This thinking has led the companies to form the comprehensive business alliance.

#### **2. Specific Goals**

- a. Collaborate to reinforce sales capabilities
- b. Work jointly to strengthen product procurement and lineups
- c. Cooperate to improve logistics efficiency and services
- d. Make concerted efforts to improve operational efficiency and information systems
- e. Help one another to enhance healthcare-related services business
- f. Share resources in personnel education and training
- g. Exchange information on government policies and industry trends

### 3. Overview of Suzuken Co., Ltd. and Shoyaku Co., Ltd.

(1)Trade name	Suzuken Co., Ltd.	Shoyaku Co, Ltd.																				
(2)Business outline	Wholesaler of ethical pharmaceuticals	Wholesaler of ethical pharmaceuticals																				
(3)Incorporated	August 10, 1946	April 1, 1949																				
(4)Head office	8-banchi, Higashi Kataha-machi, Higashi-ku, Nagoya	3-5, Sanou 2-chome, Hakata-ku, Fukuoka																				
(5)Executive officer	Yoshiki Bessho President and Chief Executive Officer	Tsugio Hirata President																				
(6)Capital stock	¥13,546 million	¥880 million																				
(7)Number of employees	5,793	713																				
(8)Major shareholders and shareholding ratios	<table border="0"> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust account)</td> <td>7.2%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Retirement benefit trust account re-trusted by The Sumitomo Trust &amp; Banking, co., Ltd. as trustee for Shionogi &amp; Co., Ltd.)</td> <td>5.9%</td> </tr> <tr> <td>Katsuhiro Suzuki</td> <td>4.9%</td> </tr> <tr> <td>Suzuken Employee Stock Ownership Association</td> <td>3.6%</td> </tr> <tr> <td>Hiroko Bessho</td> <td>3.3%</td> </tr> </table>	Japan Trustee Services Bank, Ltd. (Trust account)	7.2%	Japan Trustee Services Bank, Ltd. (Retirement benefit trust account re-trusted by The Sumitomo Trust & Banking, co., Ltd. as trustee for Shionogi & Co., Ltd.)	5.9%	Katsuhiro Suzuki	4.9%	Suzuken Employee Stock Ownership Association	3.6%	Hiroko Bessho	3.3%	<table border="0"> <tr> <td>Sankyo Co., Ltd.</td> <td>13.3%</td> </tr> <tr> <td>Shoyaku Employee Stock Ownership Association</td> <td>11.4%</td> </tr> <tr> <td>Shionogi &amp; Co., Ltd.</td> <td>9.7%</td> </tr> <tr> <td>Omori Yakuhin Group Honsha</td> <td>8.5%</td> </tr> <tr> <td>Harukazu Daikoku</td> <td>2.7%</td> </tr> </table>	Sankyo Co., Ltd.	13.3%	Shoyaku Employee Stock Ownership Association	11.4%	Shionogi & Co., Ltd.	9.7%	Omori Yakuhin Group Honsha	8.5%	Harukazu Daikoku	2.7%
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### 4. Impact on business operations

The business alliance will have a negligible effect on the business operations of both companies.

#### Reference: Outlook for Financial Results (Non-consolidated) Suzuken Co., Ltd.

	March 31, 2006	March 31, 2005
Net sales	¥1,253,000 million	¥1,231,604 million
Ordinary income	¥18,100 million	¥17,262 million
Net income	¥8,800 million	¥9,373 million
Dividend per share	¥30	¥30

#### Shoyaku Co., Ltd.

	March 31, 2006	March 31, 2005
Net sales	¥95,800 million	¥92,057 million
Ordinary income	¥500 million	¥535 million
Net income	¥100 million	¥191 million
Dividend per share	¥6	¥6