

## **ITOCHU AND SOSEI AGREE ON CAPITAL AND BUSINESS ALLIANCES**

*Tokyo, 4 March, 2005* – Itochu Corporation (8001, TSE) and Sosei Co. Ltd. (4565, TSE MOTHERS index) announced today that they have agreed on a capital alliance whereby Itochu will acquire approximately 2% of the issued shares of Sosei. In addition to this capital alliance the parties will also enter into a strategic collaboration for biopharmaceutical business opportunities.

In the collaboration, Itochu will introduce to Sosei, on a priority basis, a number of promising biopharmaceutical companies from amongst Itochu's strategic business partners. These include, for example, portfolio companies of MPM Capital in the US, the largest biotech VC in the world, and potential venture companies spun out from academia such as Columbia University. Itochu's plan includes offering the supply of chemical compounds, pharmaceutical distribution, medical representative assistance and other pharmaceutical related services which can be provided by the Itochu Group.

Sosei is a leading Japanese biopharmaceutical company operating on a global basis and its current pipeline contains 9 core products which have been acquired via its various distinctive resources. These products are now being developed through various R&D collaborations and supervised by Sosei's experienced management. Itochu will make good use of Sosei's product evaluation expertise and biotech business know-how.

Through these alliances, Itochu intends to establish a solid basis for biopharmaceutical as well as drug discovery service businesses. Sosei aims to expand its access to additional promising compounds and cutting edge technologies to enrich its core product pipeline.

Details of the capital alliance

- |                                     |                            |
|-------------------------------------|----------------------------|
| 1) Number of shares to be acquired: | approximately 1,200 shares |
| 2) Date of acquisition:             | Early March, 2005          |

— end —

**Notes for Editors:**

### **About Itochu Corporation**

Itochu Corporation is a leading Japanese general trading company, with offices in over 80 countries and an annual turnover of \$90 billion, making it one of the world's largest corporations. Founded in 1858 as an importer, exporter and wholesaler of textiles, Itochu has expanded into multiple types of businesses, ranging from those in the consumer and retail sectors, IT products and services, natural resource development and

financial services to investment and project management. Itochu positions innovative technology, including biotechnology, as one of its priority business areas, taking advantage of its diverse capabilities and its relationships with numerous companies in a wide range of industries.

**About Sosei Co. Ltd.**

Sosei Co. Ltd. founded in 1990 by Shinichi Tamura, the ex-CEO of Genentech Japan, is a leading Japanese biopharmaceutical company with significant expertise in drug development. It enriches its core product pipeline by in-licensing compounds from Western and Japanese companies, by its distinctive Drug Reprofile Platform<sup>®</sup> (DRP<sup>®</sup>) and through new molecular entity (NME) research programmes in collaboration with biopharmaceutical companies and universities both in Japan and the West. Sosei is also developing its own sales and marketing organization in Japan. The company is capitalising on its extensive global network established over the past 10 years in its successful technology transfer business. For further information about Sosei, please visit [www.osei.com](http://www.osei.com).

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