

Sosei Sub-licenses NorLevo to Hexal for Australia

Tokyo, London 19 December, 2005 – Sosei Co. Ltd. (4565, Tokyo Stock Exchange MOTHERS Index) and Laboratoire HRA Pharma (HRA) announced today that Sosei had signed a Distribution Contract with Sandoz/Hexal, a wholly owned subsidiary of Novartis AG, for the marketing of NorLevo in Australia. Sandoz/Hexal also obtained a marketing approval of NorLevo in Australia.

NorLevo is an oral emergency contraceptive “morning after pill” which is used to prevent pregnancy after unprotected intercourse. NorLevo contains the active ingredient, levonorgestrel, which is listed as an essential drug in emergency contraception by World Health Organization (WHO).

The dosing is started within 72 hours after unprotected sexual intercourse. NorLevo has been using worldwide with its well tolerated and effective profiles as an oral emergency contraceptive for post-coital use.

The product was developed by the French company HRA as Norlevo® and is already approved and marketed in 60 countries. Exclusive distribution rights for Japan, Australia and New Zealand were licensed to Sosei in April 2001.

Mr Shinichi Tamura, President & CEO of Sosei, said: "We are delighted to have concluded arrangements with such a long established and well regarded partner as Sandoz/Hexal to bring an important new product to the market in Australia".

Dr André Ulmann, President & CEO of HRA, said: "For HRA, this agreement with Sandoz/Hexal offers an important opportunity for NorLevo in Australia and constitutes an important step in its long-lasting relationship with Sosei".

Mr Clemens von Oswald, Managing Director of Sandoz/Hexal Australia, welcomed the development which he described as "a significant opportunity for Sandoz/Hexal to enter this rapidly growing segment".

"It also allows us to work ever more closely with pharmacists, our key partners, who have increasing professional responsibilities to prescribe and provide counseling for such products, previously available only on a doctor's prescription", Mr von Oswald added.

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Notes to Editors:

About Sosei

Sosei Co. Ltd., founded in 1990 by Shinichi Tamura, the former 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 Reprofiling Platform® (DRP®) 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 organisation in Japan. The company is capitalising on its extensive global network established over the past 10 years in its successful technology transfer business.

In August 2005, Sosei expanded its international presence through the acquisition of the UK-based private biopharmaceutical company Arakis Limited. For further information about Sosei, please visit www.sosei.com

About HRA

Laboratoire HRA Pharma is a French pharmaceutical company created in 1996 focused on women's health and hormonal oncology. Its first product, NorLevo was first marketed in France in 1999 and is now on the market in 60 countries. Through a licensing-in agreement with a US laboratory, it has the worldwide rights on VA2914, a progesterone-receptor modulator for use in emergency contraception, fibroid treatment and regular contraception. It also commercializes in Europe Lysodren licensed-in from BMS and currently develops HRA 2015, an anticortisol agent, for the treatment of certain forms of Cushing's syndrome. This product has been granted an orphan status in the US and EU.

HRA Pharma is currently acquiring a biotech company working in the field of cellular therapy for the treatment of urinary incontinence. www.hra-pharma.com

About Sandoz

Sandoz Australia and Hexal Australia Pty Ltd currently operate as one entity as a result of the merger of the two companies. On completion of local merger processes by mid 2006 the fully merged companies will operate as Sandoz Australia

Sandoz is a wholly owned subsidiary of Novartis AG. Sandoz operates specifically in the generics segment of the market and markets essentially patent expired medications.

Sandoz is a world leader in the manufacture and distribution of patent expired products in both ethical and OTC market segments.