

June 18, 2008

**Conclusion of a joint sales agreement on a transdermal absorption-type
continuous-action drug to treat cancer pain
(Development code: HFT-290)**

Hisamitsu Pharmaceutical Co., Inc. (Hisamitsu; TSE:4530) and Kyowa Hakko Kogyo Co., Ltd. (TSE:4151) hereby announce that as of today they have entered into a joint sales agreement for Japan for a transdermal absorption-type continuous-action drug to treat cancer pain (development code: HFT-290) which is under development by Hisamitsu.

Under the terms of this agreement, Hisamitsu will obtain a manufacturing and sales approval for the product, and the two companies will subsequently carry out joint sales activities.

After the product will be launched on the market, each company will carry out independent product distribution and information provision/gathering activities under a one-brand, two-channel setup.

HFT-290 is a medicinal narcotic drug preparation that uses fentanyl citrate, a synthetic narcotic, having potent analgesic effects. It has been developed as a tape product, using Hisamitsu's Transdermal Drug Delivery System (TDDS) technology. Application for new drug approval is planned to be filed by the end of June 2008.