

Hisamitsu to Acquire US-based Noven Pharmaceuticals Inc.

Hisamitsu Pharmaceutical Co., Inc. (Headquarter: Tosu, Saga, President: Hirotaka Nakatomi) (“Hisamitsu”), a pharmaceutical company pursuing the mission of “Open the world's eyes to the merits of patch treatment,” and Noven Pharmaceuticals, Inc. (Headquarter: Miami FL, President: Peter Brandt) (“Noven”), today announced that they have entered into a definitive merger agreement under which Hisamitsu would acquire all of the outstanding common shares of Noven through tender offer.

Hisamitsu would acquire all of the outstanding shares of Noven for US\$16.50 per share in an all-cash transaction for a total consideration of approximately USD430 million. Upon completion of the acquisition, Noven will become a wholly-owned subsidiary of Hisamitsu, and will continue operations in Miami, Florida. The transaction has been approved by the Board of Directors of both Hisamitsu and Noven. The merger is expected to occur by means of a tender offer followed by a cash merger, is subject to customary closing conditions and regulatory approvals.

1. Purpose of Acquisition

Hisamitsu has technologies in TDDS and built a strong presence in Japanese market with its leading product, Mohrus series; however, in order to achieve further growth, we urgently needed to have business infrastructure including product development, regulatory affair, manufacturing and commercialization in the United States.

Noven has its proprietary TDDS technology, DOT Matrix®, and has successfully positioned themselves as a leader in TDDS technology based product market especially in Women’s Health and CNS. Since 2001, in order to strengthen the relationship between Hisamitsu and Noven, Hisamitsu has made strategic investments of 4.98% in the equity of Noven. While considering an expansion of Hisamitsu’s business to the US market, Hisamitsu has come to a conclusion that an acquisition of Noven will accelerate Hisamitsu’s strategic objective to expand our business to the United States.

In addition to have a business infrastructure in the US, this transaction allows Hisamitsu to build its presence and brand in the US market by leveraging Noven’s capabilities in the business and utilizing TDDS technologies of the both companies to maximize the value of pipeline products. In order to assure the future growth of the company, this investment is significantly important for Hisamitsu.

Upon completion of the acquisition, Noven will play an important role in our overseas strategy as well as in our U.S. pharmaceutical business. We strongly believe this transaction will not only support our future growth of the company, but greatly benefit the physicians, other healthcare professionals and patients who use our products around the world.

2. Overview of Tender Offer

(1) Acquirer: Northstar Merger Sub, Inc.

In connection with the acquisition, Hisamitsu has incorporated Hisamitsu U.S., Inc. (“Hisamitsu U.S.”) as a wholly owned subsidiary of Hisamitsu and Northstar Merger Sub, Inc. (“Northstar Merger”) as a wholly owned subsidiary of Hisamitsu U.S. Following completion of the tender offer and subject to certain conditions, Northstar Merger will merger with Hisamitsu U.S. with Noven continuing as the surviving entity and a wholly owned subsidiary of Hisamitsu U.S.

(2) Tender Offer Target: Noven Pharmaceuticals, Inc.

(3) Tender Offer Period:

The tender offer period shall commence within 10 business days following the date of agreement with Noven (July 14, 2009 EST) and last for 20 business days. The tender offer period may be extended in the event that the result of the tender offer does not meet certain criteria.

(4) Tender Offer Price: USD16.50 per share

(5) Total Required Capital: Approximately USD430 million

Total required capital is calculated based on total outstanding shares of Noven on a fully diluted basis and the offer price indicated in (4).

- (6) Minimum for the Percentage of Tendered Shares
50.1% on a fully diluted basis

3. Change in Hisamitsu's Ownership of Noven Stock as a Result of Tender Offer

Ownership prior to tender offer: 4.98%

Ownership after the tender offer: 100%

Assuming that 100% of Noven shares are acquired through tender offer

4. Overview of Noven

- (1) Company Name: Noven Pharmaceuticals, Inc.
 (2) Headquarter: Miami, FL
 (3) Representative: Peter Brandt, President & Chief Executive Officer
 (4) Established: 1987
 (5) Paid-in Capital: USD3,000 (March 31, 2009)
 (6) Shares Outstanding: 24.9 million shares (March 31, 2009)
 (7) Fiscal Year Ending: December
 (8) Business Description

Noven is a specialty pharmaceutical company focused on development and commercialization of TDDS pharmaceutical products in Women's Health as well as CNS. In Women's Health, Noven utilizes its proprietary TDDS technology, DOT-Matrix[®], to develop Vivelle-Dot, estrogen patch, and market Vivelle-Dot through Novogyne, a joint venture with Novartis. They have achieved highly significant market share in hormonal therapy using TDDS technology. In CNS, Noven has developed Daytrana, patch product for the treatment of ADHD and has commercial alliance with Shire. Currently, there are multiple pipeline products in CNS and Women's Health which are under development.

- (9) Number of Employees: 610 (December 31, 2008)

- (10) Operating Performance in Recent Fiscal Year

(USD in millions)

Fiscal Year	Revenue	R&D Expense	Operating Profit	Net Income
2006	60.7	11.5	△9.0	16.0
2007	83.2	14.0	△111.6*	△45.4
2008	108.2	15.5	△14.3	21.4
1Q2009	27.6	4.7	△0.5	4.5

* Including △USD100.15 million for the In-Process R&D expense from the acquisition of JDS Pharmaceuticals

5. An approval from the Board of Directors of Noven.

The transaction has been approved by the Board of Directors of Noven on July 13, U.S. time.

6. Impact on Earnings

Upon completion of the transaction, EPS is expected to become dilutive for the fiscal year ending February, 2010. Also, more details concerning goodwill and in-process R&D expense will be provided once finalized.