

2. Group Status

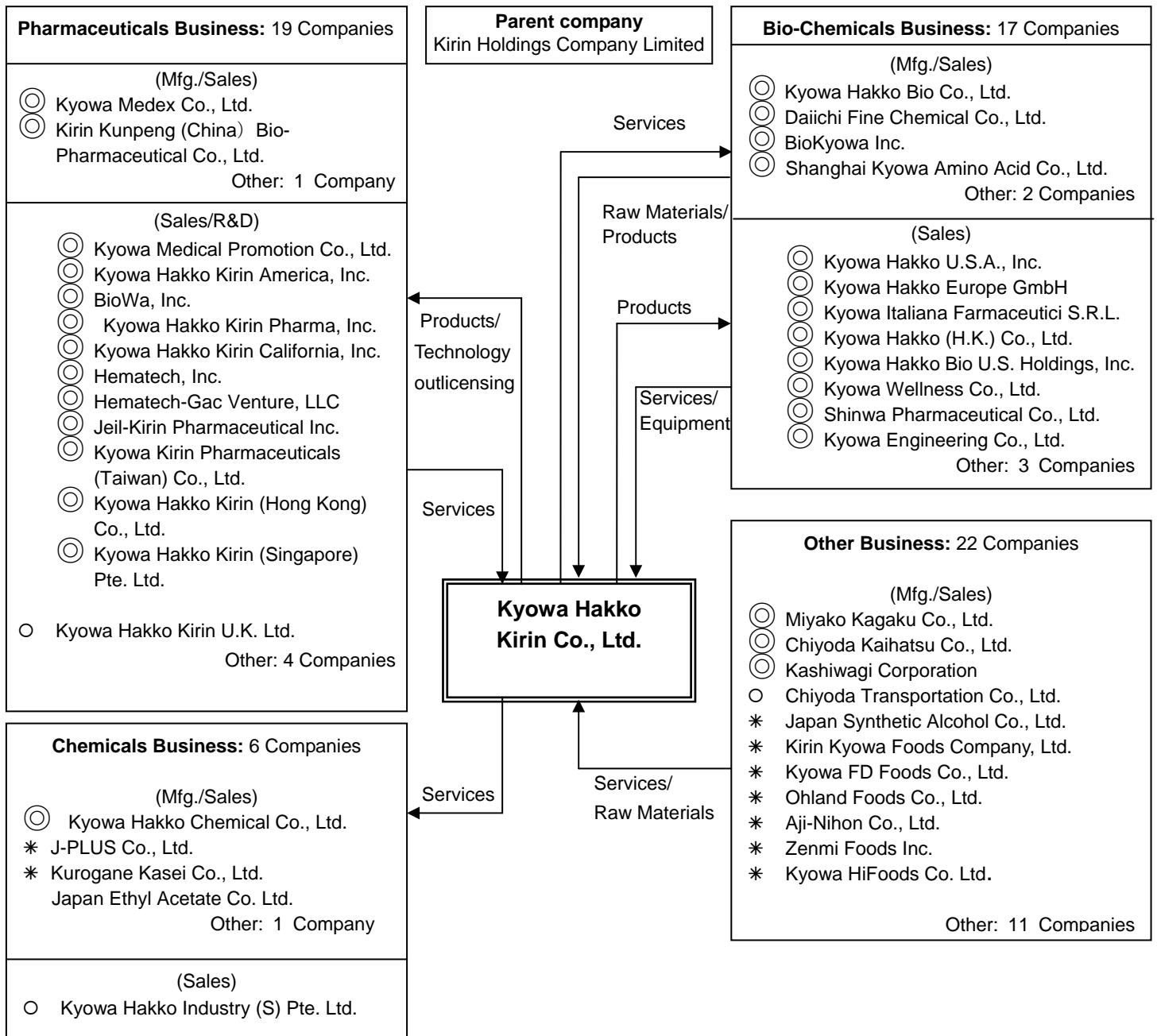
The Kyowa Hakko Kirin Group is composed of Kyowa Hakko Kirin Co., Ltd., 42 subsidiaries, 22 affiliates and one parent company and operates primarily in the Pharmaceuticals, Bio-Chemicals, Chemicals, and Other business divisions, and our parent company is Kirin Holdings Company, Limited. The major operating activities of the company and the main group companies are outlined below.

Pharmaceuticals Business	<p>Prescription pharmaceuticals are manufactured and sold predominantly by the parent company and Kyowa Medex Co., Ltd. manufactures and sells diagnostic reagents. Kyowa Medical Promotion Co., Ltd. carries out sales promotion activities of Kyowa Hakko Kirin products. Overseas, Kirin Kunpeng (China) Bio- Pharmaceutical Co., Ltd. manufactures and sells pharmaceuticals in China. Kyowa Hakko Kirin America, Inc. is a holding company for administration and management of the Bio-Chemicals business subsidiaries in the US. BioWa, Inc. pursues out-licensing of antibody technology and is involved in the strategic development of Kyowa Hakko Kirin's therapeutic antibody business. Kyowa Hakko Kirin Pharma, Inc. handles the development in the U.S. of new drug candidates created by the parent company. Kyowa Hakko Kirin California, Inc. generates new candidate compounds and Hematech, Inc. and Hematech-Gac Venture, LLC is involved in the research and development for manufacturing therapeutic antibodies. Jeil-Kirin Pharmaceutical Inc., Kyowa Kirin Pharmaceuticals (Taiwan) Co., Ltd. (formerly Kyowa Hakko Kirin (Taiwan) Co., Ltd.) Kyowa Hakko Kirin (Hong Kong) Co., Ltd. and Kyowa Hakko Kirin (Singapore) Pte. Ltd. sell pharmaceuticals in their respective areas, Korea, Taiwan, Hong Kong and Singapore and the surrounding region. Kyowa Hakko Kirin Pharma, Inc. handles the development in the U.S. of new drug candidates created by the parent company, and Kyowa Hakko Kirin U.K. Ltd. handles the development in Europe of new drug candidates created by the parent company and the sales of parent company products.</p>
Bio-Chemicals Business	<p>Kyowa Hakko Bio Co., Ltd., Daiichi Fine Chemical Co., Ltd., BioKyowa Inc. and Shanghai Kyowa Amino Acid Co., Ltd. manufacture raw materials for pharmaceutical and industrial use, including amino acids, nucleic acids and related compounds, and healthcare products. These are sold directly by these four companies and also by overseas subsidiaries such as Kyowa Hakko U.S.A., Inc., Kyowa Hakko Europe GmbH, Kyowa Italiana Farmaceutici S.R.L., and Kyowa Hakko (H.K.) Co., Ltd. Kyowa Hakko Bio U.S. Holdings, Inc. is a holding company for administration and management of the Bio-Chemicals business subsidiaries in the US. Healthcare products for the domestic market are sold by Kyowa Wellness Co., Ltd., and Shinwa Pharmaceutical Co., Ltd. sells health foods. Agrochemicals and products for the livestock and fisheries industries, and alcohol, are primarily manufactured and sold by Kyowa Hakko Bio Co., Ltd.. Kyowa Engineering Co., Ltd. designs and constructs facilities, and provides services and supplies equipment to Kyowa Hakko Kirin, Kyowa Hakko Bio Co., Ltd. and certain related companies.</p>
Chemicals Business	<p>Chemical products such as solvents, plasticizers and their raw materials, and specialty chemicals are mainly manufactured and sold by Kyowa Hakko Chemical Co., Ltd., and partly by J-PLUS Co., Ltd., Kurogane Kasei Co., Ltd., and Japan Ethyl Acetate Co., Ltd. Kyowa Hakko Chemical Co., Ltd. also sells products provided by certain related companies, supplies raw materials to certain related companies. Kyowa Hakko Industry (S) Pte Ltd. primarily sells products produced and supplied by Kyowa Hakko Chemical Co., Ltd. and supplies raw materials to Kyowa Hakko Chemical Co., Ltd.</p>
Other Business	<p>A number of related companies including Miyako Kagaku Co., Ltd., Chiyoda Kaihatsu Co., Ltd., Kashiwagi Co., Ltd. and Chiyoda Unyu Co., Ltd. are responsible for activities including wholesale and distribution, and provide services and supply raw materials to Kyowa Hakko Kirin and some of its related companies. In addition, Japan Synthetic Alcohol Co., Ltd. produces alcohol for industrial applications. Kirin Kyowa Food Specialties Co., Ltd., Kyowa F.D. Foods Co., Ltd., Ohland Foods Co., Ltd., Kyowa Hifoods Co., Ltd., Aji-Nihon Co., Ltd. and Zenmi Foods Co., Ltd. manufacture and sell seasonings, bakery products and ingredients and processed foods.</p> <p>Note: The Food business segment has been removed from segmental classification as of fiscal 2009. Following the partial sale of shares held in consolidated subsidiary Kyowa Hakko Food Specialties (now Kirin Kyowa Foods) which managed the Food Business, at the end of the previous consolidated fiscal year, Kyowa Hakko Food Specialties and its three consolidated subsidiaries (Kyowa F.D. Foods Co., Ltd., Ohland Foods Co., Ltd., Kyowa Hifoods Co., Ltd.) became equity-accounted affiliates. As a result, there are no consolidated subsidiaries operating in the Food Business segment and the segment has been removed as of the current consolidated fiscal year.</p>

Note: Unless specifically stated otherwise, in this document 'the Group' refers to the parent company and its 29 consolidated subsidiaries.

The flow chart on the following page shows an illustration of the Kyowa Hakko Kirin Group.

Illustration of the Kyowa Hakko Kirin Group.



- ◎ Consolidated subsidiary
- Non-consolidated subsidiary
- * Affiliate accounted for by the equity method
- (no mark) Affiliate not accounted for by the equity method

* On January 1, 2010, Kyowa F.D. Foods Co., Ltd. and Ohland Foods Co., Ltd. will change their company names to Kirin Kyowa FD Co., Ltd. and Kirin Ohland Foods Co., Ltd. respectively