

## 2. Group Status

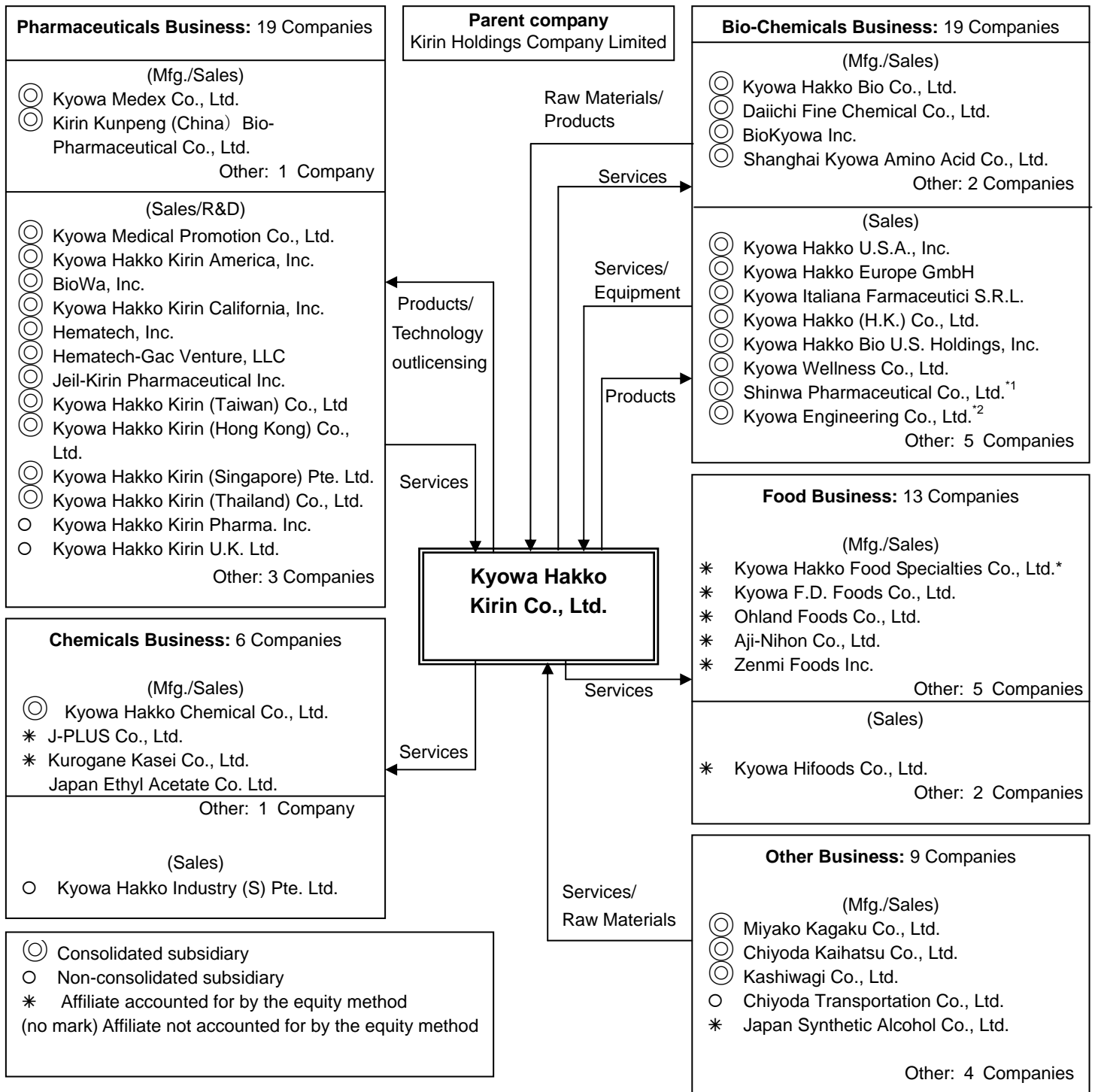
The Kyowa Hakko Kirin Group is composed of Kyowa Hakko Kirin Co., Ltd., 44 subsidiaries, and 22 affiliates and operates primarily in the Pharmaceuticals, Bio-Chemicals, Chemicals, Food and Other business divisions, and our parent company is Kirin Holdings Company, Limited. The major operating activities of the company and the main group companies are outlined below.

<b>Pharmaceuticals Business</b>	<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 California, Inc. generates new candidate compounds. Hematech, Inc. and Hematech-Gac Venture, LLC is involved in the research and development for manufacturing therapeutic antibodies. Jeil-Kirin Pharmaceutical Inc., 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> <p>Note: Change to names of important affiliate companies as follows. (Former names in parenthesis)          Kyowa Hakko Kirin America, Inc. (Kyowa America, Inc.)          Kyowa Hakko Kirin California, Inc. (Kirin Pharma USA, Inc.)          Kyowa Hakko Kirin (Hong Kong) Co., Ltd. (Kirin Pharmaceutical (Asia) Co., Ltd.)          Kyowa Hakko Kirin (Singapore) Pte. Ltd. (Kirin Pharmaceutical Singapore Pte. Ltd.)          Kyowa Hakko Kirin Pharma. Inc. (Kyowa Pharmaceutical, Inc.)          Kyowa Hakko Kirin UK Ltd. (Kyowa Hakko U.K. Ltd.)</p>
<b>Bio-Chemicals Business</b>	<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 Co., Ltd. is receiving services provided by Kyowa Hakko Kirin. 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>
<b>Chemicals Business</b>	<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, and receives services from Kyowa Hakko Kirin. 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>
<b>Food Business</b>	<p>The manufacture and sale of seasonings, bakery products and ingredients and processed foods is mainly performed by Kyowa Hakko Food Specialties Co., Ltd., and partly by Kyowa F.D. Foods Co., Ltd., Ohland Foods Co., Ltd., Kyowa Hifoods Co., Ltd., Aji-Nihon Co., Ltd., Zenmi Foods Co., Ltd. and others and provides each of these companies with some of their raw materials and also sells finished products supplied by them. Kyowa Hakko Food Specialties Co., Ltd. is supplied with products by Kyowa Hakko Kirin.</p>
<b>Other Business</b>	<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.</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.



\*On April 1, 2009, Kyowa Hakko Food Specialties Co., Ltd., changed its name to Kirin Kyowa Foods Company Limited.