

## FOR IMMEDIATE RELEASE

March 31, 2015

Listed Company Name: Kyowa Hakko Kirin Co., Ltd.

Representative: Nobuo Hanai, President and CEO

(Code no.: 4151, First Section of TSE)

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### Matters concerning controlling shareholders

Kyowa Hakko Kirin hereby provides information on “matters concerning controlling shareholders.” with regard to its parent company Kirin Holdings Co., Ltd. Details are as follows:

1. Names of the parent company, controlling shareholder (excluding parent company) and other affiliated companies and their parent companies.

(As of December 31, 2014)

Business name	Relationship	Ownership (%)			Stock exchanges on which shares are listed
		Direct	Indirect	Total	
Kirin Holdings Company, Ltd.	Parent company	53.16	--	53.16	- Tokyo Stock Exchange (1 <sup>st</sup> section) - Nagoya Stock Exchange (1 <sup>st</sup> section) - Securities Membership Corporation Sapporo Securities Exchange - Securities Membership Corporation Fukuoka Stock Exchange

2. Position of listed company within the parent company or group and relationships with other listed companies and the parent company.

- 1) Position of listed company within the parent company or group, transactional and personal relationships with parent and other group companies, capital relationships, etc.

Parent company Kirin Holdings Co., Ltd. (hereafter, Kirin Holdings) holds 53.16% of Kyowa Hakko Kirin voting rights. Kyowa Hakko Kirin operates an ethical pharmaceuticals business and is a core company within the Pharmaceuticals Business division of Kirin Holdings.

As regards personal relationships, as of March 31, 2015, one director & managing executive officer of Kirin Holdings is also appointed to our Board of Directors as a non-executive director with the aim of strengthening our management structure and other initiatives and one full-time auditor at Kirin Holdings also serves as our external part-time auditor.

- 2) Measures to ensure independence from the parent and other group companies

Kyowa Hakko Kirin is a consolidated subsidiary of Kirin Holdings, a non-operating holding company that holds 50.10% of the total number of Kyowa Hakko Kirin's outstanding shares. In the Integration

Agreement, dated October 22, 2007, it is agreed that both companies recognize that while observing core group management policies, Kyowa Hakko Kirin will operate as an autonomous company with independence and flexibility, ensure management independence as a listed company, strive to maximize value for all shareholders and achieve consistent growth of our corporate value. Further, it is agreed by Kirin Holdings and Kyowa Hakko Kirin that during the 10 years following the signing of the Integration Agreement, Kirin Holdings will in principle maintain a shareholding ratio of 50.10% in Kyowa Hakko Kirin and will exert full and reasonable efforts to maintain Kyowa Hakko Kirin as a listed company.

### 3. Transactions with controlling shareholders and other items

Consolidated fiscal year ended December 31, 2014

Classification	Name	Location	Capital (million yen)	Main business	Ownership (%) (held by the company)	Business relationship	Transactions	Transaction amount (million yen)	Account item	Balance at end of term (million yen)
Parent company	Kirin Holdings	Nakano-ku, Tokyo	¥102,045	Holding company	(held by the company) Direct 53.16%	- Lending of funds - Concurrent directors	Lending of funds <sup>1)</sup>	¥82,921	Short-term funds	¥41,561

- 1) Lending of funds is the average balance of transactional amounts through the period and is derived from CMS (Cash Management System) transactions. The interest rate on the loan was determined with reasonable consideration to market interest rates.

### 4. Implementation of measures to protect minority shareholders in transactions with controlling shareholder

Transactions with controlling shareholders, whether those be of goods and services provided by us or to us, are based on objective market information and other data, and as with ordinary transactions, rational terms are agreed and the transaction is conducted appropriately so that the minority shareholders are not disadvantaged.

Ends