

## FOR IMMEDIATE RELEASE

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### **Notice Concerning Completion of Consolidated Subsidiary Share Transfer (Report on Progress of Matters Disclosed)**

**Tokyo, Japan, January 4, 2018** - Kyowa Hakko Kirin Co., Ltd. ("Kyowa Hakko Kirin") previously announced that it had concluded an agreement to transfer 66.6% of its shareholdings in its consolidated subsidiary Kyowa Medex Co., Ltd. ("Kyowa Medex") to Hitachi Chemical Co., Ltd., as stated in the news release "Notice Concerning Share Transfer Associated with Change in a Consolidated Company,"<sup>\*1</sup> dated September 29, 2017. Accordingly, Kyowa Hakko Kirin hereby announces that as of today, January 4, 2018, it has completed the transfer of those shares amounting to 66.6% of Kyowa Hakko Kirin's holdings (354,300 shares), according to plan.

Upon the transfer of shares, Kyowa Hakko Kirin's shareholding percentage amounts to 33.4% of the shares of Kyowa Medex, thereby making Kyowa Medex an associate of Kyowa Hakko Kirin accounted for using the equity method rather than a consolidated subsidiary.

Although the transfer price has yet to be determined at this point in time, Kyowa Hakko Kirin expects to recognize, upon the transfer of shares, approximately ¥10.0 billion as the total of a gain on sale of investments in the subsidiary and a gain on remeasurement at fair value of the retained interest in the company in "other income" in its condensed quarterly consolidated statement of profit or loss for the first quarter of the fiscal year ending December 31, 2018. Moreover, Kyowa Hakko Kirin intends to provide notification with respect to its consolidated earnings forecasts for the full year of the fiscal year ending December 31, 2018, in its Summary of Consolidated Financial Statements scheduled for release on February 8, 2018.

<sup>\*1</sup> "Notice Concerning Share Transfer Associated with Change in a Consolidated Company," released on September 29, 2017

[http://www.kyowa-kirin.com/news\\_releases/2017/pdf/e20170929\\_01.pdf](http://www.kyowa-kirin.com/news_releases/2017/pdf/e20170929_01.pdf)