

Dainippon Sumitomo Pharma Co., Ltd.
Sumitomo Chemical Co., Ltd.

August 21, 2006

Dainippon Sumitomo Pharma and Sumitomo Chemical agree with Pfizer on Settlement of Amlodin Lawsuit

Dainippon Sumitomo Pharma Company (DSP) and its parent company, Sumitomo Chemical Company, today announced that they have come to an agreement with Pfizer (Pfizer Limited and Pfizer Corp. collectively) on a settlement in the lawsuits brought by Pfizer in Japan and England regarding the license for Amlodin.

DSP is engaged in the manufacture and sale of Amlodin (Generic name: Amlodipine Besilate, a therapeutic drug for hypertension and angina pectoris), for which Pfizer is the licensor. Pfizer filed a lawsuit with the Tokyo District Court against the two Japanese companies on November 17, 2005, claiming that the license agreement had terminated due to the merger of the former Dainippon Pharmaceutical Company and Sumitomo Pharmaceuticals Company to establish DSP and seeking damages from patent infringement as well as calling for the immediate cessation of the manufacture and sales of Amlodin by DSP. In response, DSP and Sumitomo Chemical filed a countersuit with the Tokyo District Court on December 15, 2005 to establish the legitimacy of their position under the license agreement.

Pfizer concurrently filed a suit with the High Court of Justice in England calling for cessation of the manufacture and sale of Amlodin by DSP and the return of all medical data and other information. DSP and Sumitomo Chemical applied for an order from the Court for lack of jurisdiction over the lawsuit, etc. On June 16, 2006, the High Court of Justice ruled that the Court would not exercise jurisdiction over the lawsuit and that the effect of the merger on the license agreement should be analyzed under the Japanese law relating to the statutory merger procedure.

In the meantime, the Tokyo District Court proceeded with the lawsuits pending in Japan, while both parties negotiated possible settlement of the dispute. The four companies have

recently agreed to the following conditions for settlement:

1. Pfizer and DSP/Sumitomo Chemical shall withdraw all lawsuits filed in Japan and England.
2. Pfizer and DSP shall conclude a new license agreement for Amlodin whereby DSP has the same rights and obligations as did the former Sumitomo Pharmaceuticals under the previous license agreement.
3. The present settlement shall involve no payments or the like among Pfizer, DSP, or Sumitomo Chemical.

This settlement will allow DSP to continue the manufacture and sale of Amlodin as before with no adverse impact to its earnings or the earnings of Sumitomo Chemical.