

**NEWS RELEASE** 

## OTSUKA PHARMACEUTICAL FACTORY INVESTS IN LIVING CELL TECHNOLOGIES LIMITED, A BIOTECHNOLOGY COMPANY ADVANCING DEVELOPMENT OF ENCAPSULATED PORCINE PANCREATIC ISLET REPLACEMENT TREATMENT

Tokyo, April 12, 2011 — Otsuka Pharmaceutical Factory, Inc. (head office: Naruto City, Tokushima, Japan; President: Ichiro Otsuka) ("OPF") entered into a share subscription agreement on April 12, 2011 with Living Cell Technologies Limited (head office: Auckland, New Zealand, Managing Director & CEO: Ross Macdonald) ("LCT") with respect to subscription for LCT's new shares.

Under the agreement, OPF will invest AUD3 million in LCT for 25 million ordinary shares (A\$0.12 per share). This investment will result in OPF holding 8.2% of LCT's outstanding shares.

In addition to subscription for LCT's new shares, OPF has earned an exclusive right to negotiate with LCT for research and development toward commercialization of LCT's pancreatic islet "DIABECELL" and exclusive license and distribution right in Japan and other Asian countries (except for China).

It is OPF's objective, through obtaining the rights for development and commercialization of this pancreatic islet DIABECELL, to offer additional therapeutic options for patients with diabetes, and to strengthen its R&D in the field of regenerative medicine and further actively expand its business not only in Japan but also on the international stage.

Based on Otsuka Group's corporate philosophy "Otsuka - people creating new products for better health worldwide", OPF is constantly working to help improve the health of people in all parts of the world.

## **Company Profile**

Living Cell Technologies Limited	
Company	: 1987
Establishment Capital	: AUD 52,430,728
Capital	(Listed on the Australian Securities Exchange (ASX))
Company	Ross Macdonald, Managing Director & CEO
Representative Head Office	: 19 Laureston Avenue, Hunters Corner, Manukau 2155,
Address	Auckland, New Zealand
Employees	: 56
Scope of	: Development of cell therapy utilizing cell encapsulation
Business	technology
Otsuka Pharmaceutical Factory, Inc.	
Company	: September 1,1921
Establishment	
Capital	: 80 million yen
Company	: Ichiro Otsuka, President
Representative	
Head Office Address	<ul> <li>115 Kuguhara, Tateiwa, Muya-cho, Naruto, Tokushima 772-8601, Japan</li> </ul>
Employees	: 2,504 (as of March 31, 2011)
Scope of	: Manufacture and sale of pharmaceutical and nutritional
Business	products