

October 1, 2012
Seikagaku Corporation
(Securities Code: 4548)

Seikagaku Announces the Completion of New Production Facilities for Gel-One[®]

Tokyo, Japan, October 1, 2012- Seikagaku Corporation (“Seikagaku”) (head office: Chiyoda-ku, Tokyo) today announces the completion of new production facilities for Gel-One[®], a single injection product for the treatment of knee osteoarthritis pain, at the Takahagi Plant as follows:

1. Summary Description of the New Production Facilities

- (1) Location: No. 3 Production Building of the Takahagi Plant (258-5, Aza-Matsukubo, Oaza-Akahama, Takahagi-shi, Ibaraki prefecture)
- (2) Total installation area: Approx. 1,700 m²
- (3) Start of construction: December 2011
- (4) Completion of construction: September 2012
- (5) Commencement of operation: January 2014 (planned)
- (6) Amount of capital investment: Approx. ¥3.2 billion

2. Objective

The U.S. aging population is estimated to increase more than 3% per year through 2025. There is a growing need for hyaluronic acid joint-injectable products that provide pain relief with the convenience of a single injection complete treatment.

Seikagaku received approval for Gel-One[®] from the U.S. Food and Drug Administration (FDA) in March 2011. Gel-One[®] has been sold in the U.S., since January 2012 through its sales partner, Zimmer, Inc. (Warsaw, Indiana, U.S.A)

Although Gel-One[®] is currently produced at existing facilities of the Takahagi Plant, Seikagaku constructed the new production facilities which will be necessary to secure production capacity that can cope with medium to long-term sales expansion.

Seikagaku includes the amount of the capital investment and the depreciation cost related to the new production facilities in the financial forecast for the fiscal year ending March 2013 and also the new Mid-term Management Plan, both announced on May 10 this year.

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