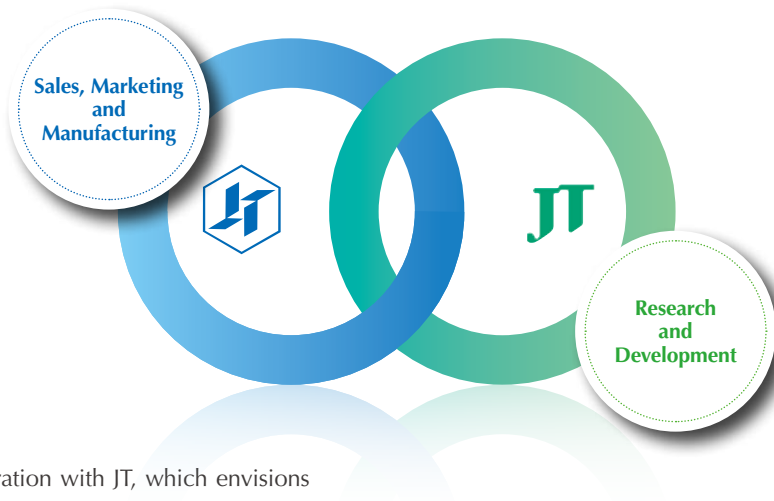


About Torii

Collaboration with JT

In the pharmaceutical industry, the technology required to develop new drugs is becoming increasingly sophisticated, and R&D costs are generally rising. At the same time, the requirements for new drug approval are becoming ever more demanding. As a result, it often takes many years to bring a new product to market. In keeping with our tradition of always seeking and maximizing synergies, built over a corporate history dating back more than 130 years, Torii joined the JT Group in 1998. In 1999, we established a business collaboration with JT, which envisions R&D oriented pharmaceutical activities. In this new formation, R&D for new drugs has been centralized under the control of JT, while Torii has taken over sales and marketing functions. In April 2006, Torii also extended its manufacturing operations to include those of JT. We continuously supply high-quality pharmaceutical products.



R&D Activities

JT aims to build up a distinctive world-class pharmaceutical business driven by R&D, and to win recognition through the development of original new drugs. To this end, the company is actively investing management resources in the expansion and enhancement of its R&D capabilities.

The JT Central Pharmaceutical Research Institute consists of six specialized research facilities that collaborate closely on new drug R&D in four priority areas: (1) glucose and lipid metabolism, (2) virus research, (3) immune disorders and inflammation and (4) bone metabolism.

Under the division of R&D functions between Torii Pharmaceutical and JT, R&D activities pertaining to new compounds have been centralized within JT, while Torii is responsible primarily for improvements to the formulations of existing products, and the development of additional indications. Torii also carries out its own R&D in its specific areas of expertise.



JT Central Pharmaceutical Research Institute >>

Sales and Marketing

Torii has about 500 medical representatives (MRs) working at 14 branch offices throughout Japan. Tasked with distributing information about pharmaceutical products, the MRs use Torii's marketing support system to access the information they need to provide prompt responses to specialized needs. This marketing support system is crucial to effective information distribution, and also enhances clients' confidence in Torii by allowing company-wide sharing of the information given to medical professionals by MRs and other business units.

The Pharmaceutical Marketing & Promotion Group formulates business strategies based on analyses of market needs and projections of future changes in the market environment. It also supports initiatives to enhance the quality of the pharmaceutical information that MRs provide to medical professionals.

Within the Pharmaceutical Marketing & Promotion Group, the Customer Support Department is in charge of responding to inquiries from medical professionals, patients and their families. The Customer Support Department uses comments received from customers as the basis for feedback to the relevant business units, which use this information to improve products.

In principle, new ethical pharmaceutical products developed by JT are marketed in Japan by Torii, which is strengthening its marketing and distribution system in preparation for the introduction of new drugs.

Torii also works actively with JT to in-license products that can be brought to the Japanese market.



Manufacturing Activities

In April 2006, Torii assumed responsibility for the JT Group's pharmaceutical manufacturing operations, which have been integrated into our Sakura Plant. Key products manufactured at this GMP*-certified plant include the protease inhibitor FUTHAN for injection, the topical corticosteroid ANTEBATE OINTMENT and ANTEBATE CREAM, and the uricosuric agent URINORM Tab. In addition, Torii is responsible for manufacturing investigational new drugs developed by JT.

Importantly, in manufacturing drugs, Torii focuses not only on quality but also on reducing the environmental burden of these operations, as evidenced by the ISO 14001 certification of the Sakura Plant.

We will continue our efforts to ensure a reliable supply of high-quality pharmaceutical products.

*GMP stands for Good Manufacturing Practice.

[Sakura Plant >>](#)

