

March 1, 2011

For immediate release

Company name: Nihon Kohden Corporation
Representative: Fumio Suzuki, President and COO
(Securities Code: 6849, 1st Section of TSE)

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Department
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Company name: Dainippon Sumitomo Pharma Co., Ltd.

Representative: Masayo Tada, President
(Securities Code: 4506, 1st Section of TSE and OSE)

Contact: Atsuko Higuchi, Director, Corporate Communications
(Phone: +81-6-6203-1407)

Execution of the definitive agreement for the assignment of “Radarcirc[®]”
business

Nihon Kohden Corporation (President and COO; Fumio Suzuki, “Nihon Kohden”) and Dainippon Sumitomo Pharma Co., Ltd. (President; Masayo Tada, “DSP”) announced the execution of the definitive agreement as of March 1, 2011 to assign DSP’s “Radarcirc[®]” business (the “Business”) to Nihon Kohden whereby Nihon Kohden implements development, production, sales, and maintenance pertaining to “Radarcirc[®]”, a multifunctional electrocardiograph, and “Fluclet[®]”, an automated software for analysis of circulation dynamics and the activity of the autonomic nervous system.

1. Purpose of this transaction

“Fluclet[®]” *1, an automated software for analysis of circulation dynamics and the activity of the autonomic nervous system, was put on the market in 1998 by former Dainippon Pharmaceuticals and continued to be sold by DSP which was formed in 2005 as the merged company with former Sumitomo Pharmaceutical. “Radarcirc[®]” *2, a multifunctional electrocardiograph, to which the said software is applied, was launched in 2005 and thereafter the market expanded due to its unique technology mainly in emergency and critical care fields (especially ambulance) and some other usages in medical institutions including emergency care, pediatrics, and cardiac

evaluations in cardiovascular internal medicine. With the intention of centralizing its management resources in pharmaceutical business and also for the purpose of making available more widely the unique technology which is greatly contributing to the society, DSP has examined the possibility of rather assigning the Business to other company. Meanwhile, Nihon Kohden, a leading medical equipment manufacturer in Japan, who manufactures and sells such items as electroencephalograph, patient monitor, electrocardiograph, and AED, has intended to expand its business strategically under the company's mid-term business plan particularly in the markets for hospitals and emergency critical care fields where the company is able to leverage its technological advantages.

The intentions of the respective companies have coincided with each other, and the two companies have consulted together on the possible assignment and acceptance of the Business and arrived at the execution of the definitive agreement for the assignment of the Business. Hereafter, the two companies will proceed with formalities for the assignment and acceptance of the Business simultaneously maintaining customer satisfaction, while Nihon Kohden will be able to expand its business through added opportunities for novel exploitation and sales increase as a result of succession of the Business together with the unique technology which is well received by the relevant market.

*1 "Fluclet[®]" is DSP's self-developed software. This software can identify and remove automatically the motion artifacts of several kinds of circulation dynamics in real time, blood pressure, blood flow, intracardiac pressure, electrocardiograph, and expiratory volume, and determine the representative indexes of waveform in freely moving unanesthetized animals and humans. Moreover, the software can analyze the fluctuation (naturally generated variability of value) of heart rate and blood pressure in a matter of seconds by using wavelet analysis.

*2 The technology of "Fluclet[®]" is applied to "Radarcirc[®]", which is characterized by highly improved analytical performance compared with conventional electrocardiographs. Since "Radarcirc[®]" can precisely analyze electrocardiogram even under such conditions as are exposed to sudden impact, vibration or body motion, it is very useful for cardiac evaluation in ambulance, emergency medical helicopter, and other sites of emergency.

2. Property to be the subject of the assignment and acceptance

Nihon Kohden will accept the assignment of DSP's assets, contracts (except for employment contracts) and other properties related to the Business.

3. Timeline

March 1, 2011: execution of the definitive agreement on the assignment of the Business

April 1, 2011: Date of assignment of the Business

4. Impact on operating results

No major impact by the assignment and acceptance of the Business is expected on operating results of either company.

5. Details of the notifying companies (as of March 31, 2010)

Nihon Kohden Corporation

1. Representative	Fumio Suzuki, President and COO
2. Headquarters	31-4, 1-chome, Nishiochiai, Shinjuku-ku, Tokyo
3. Established	August 1951
4. Business	Development, manufacture and sales of medical electronic devices
5. Book closing date	March 31
6. Employees	3,806 (consolidated; September 30, 2010)
7. Capital	7,544 million yen
8. Sales	107,013 million yen (consolidated; March 2010)

Dainippon Sumitomo Pharma Co., Ltd.

1. Representative	Masayo Tada, President
2. Headquarters	6-8, Doshomachi 2-chome, Chuo-ku, Osaka
3. Established	May 1897
4. Business	Manufacture and sales of ethical pharmaceuticals, food additives, veterinary drugs, diagnostics, and medical equipment
5. Book closing date	March 31
6. Employees	7,513 (consolidated; September 30, 2010)
7. Capital	22,400 million yen
8. Sales	296,261 million yen (consolidated; March 2010)