

November 18, 2010

To whom it may concern:

Sekisui Chemical Co., Ltd.

Acquisition of U.S.-based Genzyme Corporation's Diagnostics Business

We are pleased to inform you that Sekisui Chemical Co., Ltd. (President: Naofumi Negishi, hereinafter called "Sekisui Chemical") has concluded an agreement to acquire the Diagnostics Business of U.S.-based Genzyme Corporation (CEO: Henri A Termeer, hereinafter called "Genzyme") on November 18, 2010, Japan time (November 17, Eastern Time).

1. Background and reasons for the acquisition

In October 2006, the High Performance Plastics Company (President: Takayoshi Matsunaga) of Sekisui Chemical acquired Daiichi Pure Chemical Co., Ltd. (hereinafter called Daiichi Pure Chemical) with the goal of strengthening its position in the medical field. In April 2008, Sekisui Chemical consolidated its Medical Division with Daiichi Pure Chemical to form Sekisui Medical Co., Ltd. (hereinafter called Sekisui Medical). Since that time, Sekisui Chemical has regarded the medical business as a strategic business field and has been centering its expansion efforts on this area.

Sekisui Medical focuses its corporate resources on two business sectors with a total of four business areas: the Diagnostics Sector (made up of a diagnostic reagents business and a medical devices business); and the Pharma and Research Sector (made up of a pharmaceuticals and fine chemicals business and an ADME & Tox research business). One of the company's major strategies is to expand its operations by actively developing overseas markets for its products, including a portfolio of diagnostics products that enjoy a solid position in the Japanese market.

Since 1995, Genzyme has been an important part of Sekisui Medical's strategic efforts to expand its sales outside Japan. Specifically, Genzyme & Sekisui Medical have been collaborating since as far back as 1995 through a supplier-customer relationship involving the distribution of Sekisui Medical's biochemical diagnostics and the supply of Sekisui Medical's raw materials in the field of infectious disease to the U.S. and Europe. For example, Sekisui Medical's role as Genzyme's HDL and LDL Cholesterol reagent supplier has helped the companies together build a solid position in this segment of the formulated reagents business.

Thus, the acquisition will enable Sekisui Medical to build upon this historical relationship and establish an even firmer platform for Sekisui Medical's growth outside Japan in the diagnostic field. Specific objectives of the acquisition include:

(1) Strengthening of core fields of business

Sekisui Medical's Diagnostics Business has established five core fields (Biochemistry, Blood

Coagulation, Diabetes, Infectious Diseases, and Advanced Technologies) to expand its business. Genzyme's Diagnostics Business has strengths in the fields of biochemistry, diabetes, and infectious diseases. As a result, taking advantage of the complementary products and technologies possessed by Genzyme is expected to further strengthen the core fields already established by Sekisui Medical.

(2) Utilizing overseas sales networks

Sekisui Medical hopes to expand its global diagnostics business by utilizing the U.S. and European sales offices and staff held by Genzyme's Diagnostics Business and by strengthening the sales in the US and Europe of Sekisui Medical products that have a good position in the Japanese market.

(3) Gaining overseas manufacturing bases

Genzyme's Diagnostics Business possesses specialized plants in each core field above and has already established an effective system for supplying high-quality and high-performance products in these fields. We intend to develop the business with a view to manufacturing Sekisui Medical products locally in the U.S. and Europe.

2. Outline of the business being acquired

- 1) Business commencement: 1981
- 2) Business description: Development, manufacture and distribution of clinical diagnostics, mainly for biochemical, diabetes, infectious disease and immunological testing
- 3) Number of employees: Approx. 575
- 4) Main bases: Framingham (Massachusetts, U.S.A.)
San Diego (California, U.S.A.)
Exton (Pennsylvania, U.S.A.)
Prince Edward Island (Prince Edward Island, Canada)
West Malling (Kent, U.K.)
Ruesselsheim (Hessen, Germany)
- 5) Sales: Approx. US\$167 million (for the year ended December 31, 2009)
- 6) Assigned price: US\$265 million
- 7) Genzyme Diagnostics is a business unit of Genzyme Corporation, which has its headquarters in Cambridge, Mass., approximately 10,000 employees worldwide, and 2009 revenue of \$4.5 billion.

3. Outline of Genzyme Corporation

- 1) Company name: Genzyme Corporation
- 2) Headquarters: Cambridge, Massachusetts, U.S.A.
- 3) Representative: Henri A Termeer
- 4) Business description: Biotechnology Company
- 5) Listed on: NASDAQ
- 6) Established: 1981

7) Number of employees: Approx. 10,000 (on a consolidated basis)

8) Sales: US\$4.5 billion (for the year ended December 31, 2009)

4. Outline of Sekisui Medical Co., Ltd.

1) Headquarters: Nihombashi, Chuo Ward, Tokyo

2) Representative: President & CEO, Mutsumi Fukuda

3) Business description: Manufacture, development and distribution of diagnostics, medical devices, pharmaceuticals and fine chemicals and ADME and Tox research.

4) Paid-up capital: 1.275 billion yen

5) Stockholder: Sekisui Chemical Co., Ltd. (ratio of shareholding: 100%)

6) Established: April 1, 2008

7) Number of employees: 844 (as of April 1, 2010)

8) Sales: 36.3 billion yen (for the year ended March 31, 2010)

5. Acquisition scheme

Substantially all the assets of the Diagnostics business, including the shares of the subsidiaries in question (whose bases are located in Canada and Germany as above), will be acquired from Genzyme Corporation.

In the U.S., Sekisui America Corporation (a 100%-owned subsidiary of Sekisui Chemical) will establish a new subsidiary in Framingham, U.S., and the newly established company will acquire the assets possessed by Genzyme's Diagnostics Business in North America (including the shares of the Canadian subsidiary).

In Europe, Sekisui Europe B.V. (a 100%-owned subsidiary of Sekisui Chemical) will similarly establish a new subsidiary in West Malling, U.K. and the newly established company will acquire the assets possessed by Genzyme's Diagnostics Business in the UK, while at the same time Sekisui Europe B.V. will acquire the shares of the subsidiary in Germany.

6. Planned transfer date of the acquired business

The companies' goal is to close the transaction by the end of December, 2010

7. Outline of accounts processing

The value of goodwill and other assets are to be determined based on evaluation by a third party.

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