

# News Release

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May 11, 2016

## **Tsumura Enters into a Business Collaboration Agreement with Tianjin China Medico Technology Co., Ltd. (China)**

Tsumura & Co. (Headquarters: Tokyo, Japan; President & CEO: Terukazu Kato; hereafter, “Tsumura”) announces that it has entered into a comprehensive business collaboration agreement with Tianjin China Medico Technology Co., Ltd. (Headquarters: Tianjin, China; Chairman: Gang Li; hereafter, China Medico Corporation).

China Medico Corporation is a private company that was established in 2011. It possesses cutting-edge technologies and facilities, and its principal business activities consist of the procurement, processing, and sales of crude drugs in China. As a main provider of crude drugs for Kampo preparation, China Medico Corporation has done business with the Tsumura Group since it was established. Tsumura entered into a comprehensive business collaboration agreement with China Medico Corporation to build a closer relationship and enable both parties to collaborate with each other extensively in the future. The areas of work include research on crude drug cultivation and processing, quality control of crude drugs, managing crude drug production sites, and exploring potential new joint businesses in China.

Tsumura is determined to develop activities further within the Tsumura Group in order to continuously develop its Kampo and crude drug businesses.

### **1. Partner to the agreement**

Tianjin China Medico Technology Co., Ltd.

Location: Tianjin, China

Representative: Gang Li, Chairman & CEO

Business description: Procurement, processing, and sales of crude drugs in China

Capital: 29,350,000 RMB

### **2. Date on which agreement is established**

May 11, 2016

### **3. Detail of business collaboration**

- 1) Providing Tsumura with crude drugs for Kampo preparation and building a closer relationship in reference with procurement
- 2) Providing China Medico Corporation with more technical support
- 3) Conducting joint research on key crude drugs such as ginseng, managing production sites, and building a system that enables the stable, long term provision of crude drugs

4) Jointly implementing a business of Chinese crude drug pieces for decoction (prepared drugs in slices)

Jointly implementing businesses with the wholly owned subsidiary SHENZHEN TSUMURA MEDECINE CO., LTD. (from May 2016).

5) Exploring new joint businesses

6) Building a closer relationship by dispatching directors from Tsumura to the China Medico Corporation Group (scheduled in 2016)

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**TSUMURA & CO.**