



Press Release

September 10, 2025
Sawai Pharmaceutical Co., Ltd.
Nichi-Iko Pharmaceutical Co., Ltd.

Sawai Pharmaceutical and Nichi-Iko Agree on Cooperation for Item Integration of Generic Drugs, etc. To Gradually Start Manufacturing Site Consolidation and Item Integration

Sawai Pharmaceutical Co., Ltd. (Head office: Yodogawa-ku, Osaka; Representative Director and President: Motohiko Kimura; hereinafter, "Sawai Pharmaceutical") and Nichi-Iko Pharmaceutical Co., Ltd. (Head office: Toyama-shi, Toyama; President & CEO: Shingo Iwamoto; hereinafter, "Nichi-Iko") hereby announce that they have agreed on cooperation for manufacturing site consolidation and item integration of generic drugs.

■ Background of cooperation

Since 2020, supply suspensions and shipping adjustments have continued due to problems of quality at generic drug companies, etc., and unstable supply of generic drugs remains a major issue today. This is believed to be caused partly by a decline in productivity and increasing burden of quality management in the high-mix, low-volume generic drug production structure.

To respond to such urgent issue, the Ministry of Health, Labour and Welfare is promoting cooperation between generic drug companies and has issued the "Notice Regarding Acceleration of Procedures Related to Changes in Manufacturing Methods, etc. due to Item Integration, etc. of Medical Drugs" to set a special provision shortening the standard administrative time frame for the regulatory procedures required for manufacturing site consolidation from 6 months to 1.5 months. The Ministry of Health, Labour and Welfare also plans to establish the Fund for Generic Drug Manufacturing Infrastructure Development and subsidize expenses such as capital investment for improving productivity by item integration. Sawai Pharmaceutical and Nichi-Iko will make use of these measures and work together on manufacturing site consolidation and item integration to improve productivity, increase production capacity, and build a system for stable supply of generic drugs.

■ Overview of cooperation

- Number of targeted items under discussion: 15 ingredients and 30 items (planned as of September 2025)
 - Discontinuation and replacement (discontinue sales of either company's items and replace with supply of the other company's items): 16 items
 - Integration of items produced by each company to a manufacturing site of either company: 14 items
- Starting period: Once preparations are complete, starting sequentially from 2026 onward

■ Comment from Mitsuo Sawai, Chairman of Sawai Pharmaceutical

Sawai Pharmaceutical has been striving as a company to enhance production capacity and optimize the supply chain in order to ensure a stable supply. We believe that such cooperation between companies with a large number of items, as well as a large supply volume and production capacity, will efficiently improve the supply capacity, which has been enhanced by past efforts, and greatly contribute to solving the issue of unstable supply quickly.

We will continue to explore new initiatives that contribute to stable supply while respecting the fair and sound competition environment.



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■ Comment from Shingo Iwamoto, President & CEO of Nichi-Iko

Nichi-Iko has been reviewing the production system and enhancing the quality assurance system under the new management since March 2023. Furthermore, in July 2025, AND PHARMA Co., Ltd. was established as a holding company of Nichi-Iko, Kyowa Pharmaceutical Industry Co., Ltd., and T's Pharma Co., Ltd. Besides supplying high-quality drugs in a stable manner and further contributing to people's health and happiness, we will do our best to build a system for stable supply of generic drugs by cooperating with Sawai Pharmaceutical.

Sawai Pharmaceutical and Nichi-Iko will work together through this cooperation and contribute to realizing stable supply of generic drugs while maintaining sound competition.

About Sawai Pharmaceutical

Sawai Pharmaceutical Co., Ltd. centers around the generic drug business in which it manufactures and sells about 800 items, and contributes to people's health in various fields ranging from early prevention to treatment. Under the corporate philosophy of "Always putting patients first," it works on enhancing the production system through cooperation between six factories across Japan. It owns original drug formulation technologies, SAWAI HARMOTECH® and QualityHug®, and develops high-quality drugs with high added value. For more information, visit <https://global.sawai.co.jp>.

About Nichi-Iko

Founded in Toyama Prefecture in 1965, Nichi-Iko Pharmaceutical Co., Ltd. is a life sciences company with the mission of "SUPPORTING YOUR LIFE." It aims to support health and happiness of people through stable supply and quality assurance of drugs. It respects diverse values and promotes internal and external cooperation to tackle new issues and contribute to healthy and happy life of all people. For more information, visit <https://www.nichiiko.co.jp/english/>.

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