



SOSEI ANNOUNCES OUTCOME OF STRATEGY REVIEW

Tokyo, Japan – 14 May 2008: Sosei Group Corporation (“Sosei”; TSE Mothers Index: 4565), a biopharmaceutical company, today announces the outcome of its strategy review.

In view of the current market conditions, the difficulty in raising finance at the current low share price, and the problems associated with the AD923 device which has necessitated a halt to the Phase III trials Sosei has taken decisive action to cut costs, streamline its operation and to secure the future of the business until it becomes a significant income generating business from NVA237/QVA149 in a few years time.

- Sosei is closing its Chesterford operation and Sosei R&D’s continuing business will relocate to London in due course. This will reduce UK headcount by c 40 staff and provide a full years cost saving of around \$4M.
- Sosei will no longer operate a drug discovery unit.
- Sosei R&D will maintain the rights to NVA237/QVA149 but seek to out-license or sell all other assets generated in the UK including AD923 and its discovery assets whilst seeking to retain some rights for the Asian market.
- Tokyo will continue to develop Norlevo and explore other in-licensing opportunities.

This restructuring and portfolio review will provide Sosei with at least two years cash based on the post-restructuring cash burn including a budget allocation to explore some late stage product opportunities for future expansion but without the inclusion of any income from licensing or sales deals for its compounds.

Sosei Group Corporation

Ichiban-cho FS Bldg., 8 Ichiban-cho, Chiyoda-ku, Tokyo 102-0082 Japan

Hiroki MAEKAWA, Representative Executive Officer

E-mail: hmaekawa@sosei.com Tel: +81-3-5210-3399 Fax: +81-3-5210-3291

1F London BioScience Innovation Centre

2 Royal College Street

London NW1 0NH

Tina HARBIGE, PA to CEO

E-mail: tharbige@sosei.com Tel: +44-20-7691-2081 Fax: +44-20-7209-2484

Notes for Editors:**About Sosei**

Sosei Group Corporation is a leading international biopharmaceutical company with significant expertise in product discovery and development. It has established a reduced risk business model primarily upon identifying new uses for established drugs and exploiting its unique position within Japanese, European and North American pharmaceutical markets by acquiring compounds from, and bringing compounds into, Japan.

For further information about Sosei, please visit www.osei.com