

December 8, 2008

FALCO biosystems Ltd.

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President: Kenjiro Hirasaki

(Stock code: 4671, First Section, Tokyo Stock Exchange and Osaka Securities Exchange)

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Notice of Acquisition of Treasury Stock

(Acquisition of treasury stock in accordance with the Articles of Incorporation pursuant to Article 165, paragraph 2 of the Companies Act)

FALCO biosystems Ltd. announces that the company has acquired treasury stock in accordance with Article 156 of the Companies Act as applied by replacing the specific terms therein pursuant to Article 165, paragraph 3 of the aforementioned act.

Details are as follows.

1. Acquisition Criteria

- (1) Type of shares acquired: company common stock
- (2) Total number of shares acquired: 30,500 shares
- (3) Aggregate purchase price: 22,788,300 yen
- (4) Period: from November 6 to 30, 2008
- (5) Method: Market purchases executed on the Osaka Securities Exchange

2. Cumulative Number of Shares of Treasury Stock Acquired since November 6, 2008 upon the Passing of the Resolution at the Board of Directors Meeting

- (1) Total number of shares acquired: 30,500 shares (progress of purchase: 8.7%)
(0.3% of total number of shares issued and outstanding)
- (2) Aggregate purchase price: 22,788,300 yen (progress of purchase: 6.5%)

(For reference)

Details regarding the resolution at the Board of Directors meeting held on November 5, 2008

- (1) Type of shares to be acquired: company common stock
- (2) Total number of shares to be acquired: up to 350,000 shares
- (3) Aggregate purchase price: up to 350 million yen
- (4) Acquisition period: from November 6 to December 31, 2008