

July 16, 2002

Announcement on Discontinuation of Anti-asthma Drug LDP-977 Development

Taisho Pharmaceutical Co., Ltd.

Taisho Pharmaceutical Co. Ltd. announced that it will discontinue the development of its oral LDP-977 program for the treatment of chronic asthma under the co-development program with American bio-venture Millennium Pharmaceuticals, Inc. This decision was made based on the findings of Phase II clinical trial conducted by Millennium in the United States that showed the drug was clinically active in study patients, but that three patients experienced elevations in liver enzymes that were likely drug-related.

In January 2000, Taisho executed license and development agreement of LDP-977 for the treatment of patients with chronic asthma with Millennium, and Taisho holds an exclusive development and commercialization right of LDP-977 in Japan, Asia and Europe and a first negotiation right in the United States.

Taisho has prepared its organization for the purpose of finding and developing the original innovative prescription drug since 1995, Taisho is now expanding its discovery research activity in the prescription business and expecting its fruitful results after 2009. In parallel with expanding the discovery research activity, Taisho has established the business partnership with bio-venture companies including Millennium as a collaborator or development partner in order to launch the new drug. At present, Taisho prepares to begin some clinical trials to develop its original product, and it is coming up to decision-making-period to review the existing projects with bio-venture companies. Taisho will manage all of its research and development activities with an appropriate business balance and clear decision.

Contacts

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[Outline of Millennium Pharmaceuticals, Inc.]

Establishment : 1993

President & CEO : Marc J Levin

Headquarter : Cambridge, Massachusetts, U.S.A.