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To Whom It May Concern

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(First Section of TSE: Code 4535)
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Taisho Returns Japan rights of NBI-6024 to Neurocrine

Taisho Pharmaceutical Co., Ltd. (“Taisho”, President: Akira Uehara) returned the Japan rights regarding collaboration of NBI-6024 for the type I diabetes granted by Neurocrine Biosciences, Inc. Taisho made reevaluation of the continuity of NBI-6024 development from a comprehensive standpoint and current status of Taisho’s product pipeline, and Taisho decided to withdraw from the development, as a result of discussions with Neurocrine.

In July 2000, Taisho executed license and development agreement with Neurocrine and obtained the exclusive rights to develop and commercialize NBI-6024 in Europe and Japan, afterwards, it expanded its collaboration providing Taisho worldwide exclusive rights. In October 2002, Taisho and Neurocrine made the restructuring of its exclusive agreement allowing Neurocrine to reacquire all rights outside of Japan. Regarding the development of NBI-6024, Neurocrine continues ongoing Phase IIb clinical trial.

Taisho restructured its research and development organization of prescription drug in 1995 in order to bolster the business, anticipating launch of original drugs after 2008. At the same time, we have been developing new drugs through partnerships with some biotechnology venture companies, including the joint development with Neurocrine, to support the growth of the same business until our new original drugs reach the market. As a result, some of the candidates for our new in-house products are currently entering the clinical phase. We are now at the point where we must make judgments about the continuity of joint development with biotechnology venture companies. Further, while introducing new products in late phases of development for further growth of the business, we will push forward with our alliance with Toyama Chemical Co., Ltd., announced last year. We will continue to act quickly in managing our research and development, while keeping our businesses in balance.