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For Immediate Release

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Taisho Revises Earnings Forecasts for FY2003 First Half and Full Year

Taisho Pharmaceutical Co., Ltd. announced that, based on recent business trends, it has revised its earnings forecasts for the first half and full year of fiscal 2003 (April 1, 2003 to March 31, 2004). The previous forecasts were announced on May 20, 2003.

1. Consolidated Forecasts of Business Results

First Half Fiscal 2003 (April 1, 2003 to September 30, 2003)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Profit
Previous Forecast (A)	157,000	34,200	36,300	20,900
Revised Forecast (B)	146,000	27,500	29,000	17,500
Change (B-A)	-11,000	-6,700	-7,300	-3,400
Change (%)	-7.0	-19.6	-20.1	-16.3
First Half Fiscal 2002	140,247	33,723	36,923	21,593

Full Year Fiscal 2003 (April 1, 2003 to March 31, 2004)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Profit
Previous Forecast (A)	310,000	56,900	61,700	35,400
Revised Forecast (B)	298,000	51,500	56,000	32,500
Change (B-A)	-12,000	-5,400	-5,700	-2,900
Change (%)	-3.9	-9.5	-9.2	-8.2
Full Year Fiscal 2002	274,077	54,394	60,857	35,392

Reference: Estimated earnings per share (fiscal 2003): ¥101.52

2. Non-Consolidated Forecasts of Business Results

First Half Fiscal 2003

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Profit
Previous Forecast (A)	132,000	34,000	36,500	21,200
Revised Forecast (B)	124,500	29,000	31,500	18,500
Change (B-A)	-7,500	-5,000	-5,000	-2,700
Change (%)	-5.7	-14.7	-13.7	-12.7
First Half Fiscal 2002	137,611	33,763	36,451	21,282

Full Year Fiscal 2003

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Profit
Previous Forecast (A)	256,000	56,500	62,000	36,000
Revised Forecast (B)	247,000	52,500	57,500	33,200
Change (B-A)	-9,000	-4,000	-4,500	-2,800
Change (%)	-3.5	-7.1	-7.3	-7.8
Full Year Fiscal 2002	268,920	54,494	60,405	35,136

Reference: Estimated earnings per share (fiscal 2003): ¥103.71

Note: From April 1, 2003, sales in Japan of Taisho's prescription pharmaceuticals are conducted through Taisho Toyama Pharmaceutical Co., Ltd.

3. Reasons for the Revision

(1) Consolidated Results

In the first half of fiscal 2003, the Self-Medication Operation Group experienced a slump in sales of nutritional drinks during July and August. Traditionally a period of peak demand, sales were impacted by the inclement weather and low temperatures experienced during this year's summer. Despite the full-fledged start-up of Taisho Toyama Pharmaceutical, results in the Prescription Pharmaceutical Operation Group fell below forecasts due to delays in establishing a marketing platform. As a result of these factors, forecasts for the full year have also been revised.

(2) Non-Consolidated Results

In line with consolidated results, the mild summer impacted demand for nutritional drinks during July and August, traditionally a period of peak demand. Full-year forecasts have also been revised accordingly.