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For Immediate Release

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Taisho Revises Earnings Forecasts for FY2006 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 2006. The previous forecasts were announced on May 15, 2006.

1. Consolidated Forecasts of Business Results

First Half Fiscal 2006 (April 1, 2006 to September 30, 2006)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Income
Previous Forecast (A)	131,000	21,000	22,500	13,500
Revised Forecast (B)	129,500	20,500	22,000	15,500
Change (B-A)	1,500	500	500	2,000
Change (%)	1.1%	2.4%	2.2%	14.8%
First Half Fiscal 2005	134,320	25,585	26,321	15,559

Full Year Fiscal 2006 (April 1, 2006 to March 31, 2007)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Income
Previous Forecast (A)	266,000	41,500	45,500	27,500
Revised Forecast (B)	264,000	40,500	44,500	29,000
Change (B-A)	2,000	1,000	1,000	1,500
Change (%)	0.8%	2.4%	2.2%	5.5%
Full Year Fiscal 2005	271,407	46,395	49,748	35,884

2. Non-Consolidated Forecasts of Business Results

First Half Fiscal 2006 (April 1, 2006 to September 30, 2006)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Income
Previous Forecast (A)	108,000	20,500	22,500	14,500
Revised Forecast (B)	106,000	19,500	21,500	13,500
Change (B-A)	2000	1,000	1,000	1,000
Change (%)	1.9%	4.9%	4.4%	6.9%
First Half Fiscal 2005	110,759	25,021	27,010	17,072

Full Year Fiscal 2006 (April 1, 2006 to March 31, 2007)

(Millions of yen, %)

	Sales	Operating Income	Recurring Income	Net Income
Previous Forecast (A)	218,000	39,500	44,000	27,500
Revised Forecast (B)	216,000	38,500	43,000	26,500
Change (B-A)	2,000	1,000	1,000	1,000
Change (%)	0.9%	2.5%	2.3%	3.6%
Full Year Fiscal 2005	223,034	44,764	49,018	36,057

3. Reasons for the Revision

Sales in the Self-Medication Operation Group for the first quarter were lower than expected due to inclement weather and other factors. Taisho anticipates posting a gain of roughly ¥4.0 billion on sales of fixed assets from the upcoming sale of certain real estate held by subsidiaries. For these reasons, the Company has decided to revise its forecasts for interim and full-year business results for the fiscal year ending March 31, 2007.

(Note) The above forecasts were formulated based on information available as of the release date of this report. A number of subsequent factors may cause actual results to differ materially from these forecasts.