

July 31, 2006

To Whom It May Concern

Company: Taisho Pharmaceutical Co., Ltd.
Representative: Akira Uehara, President
(First Section of TSE: Code 4535)
Contact: Makoto Funahashi, General Manager
Public Relations Section
(Tel: +81-3-3985-1115)

Taisho to Dissolve Subsidiary

Taisho Pharmaceutical Co., Ltd. (Taisho) today announced plans to dissolve subsidiary Taisho (Australia) Pty Limited, following a resolution by Taisho's Board of Directors at a meeting held the same day.

1. Overview of subsidiary

Name: Taisho (Australia) Pty Limited
Location: Level 1 Bridgepoint, 3 Brady Street, Mosman, NSW 2088, Australia
Establishment: March, 2000
Representative: Norio Sugimori
Capital: 5,500,000 Australian dollars
Shareholder composition: Wholly owned by Taisho
Business line: Sales of nutrient drinks to the Australian market

2. Rationale for dissolving the subsidiary

Taisho (Australia) Pty Limited has sold nutrient drinks to the Australian market since its establishment in March 2000. The decision was made to dissolve the subsidiary, however, due to anticipated difficulties ahead in achieving desired business performance.

3. Outlook

Taisho has already incorporated costs associated with dissolving the subsidiary as part of its consolidated financial accounts.