

February 12, 2008

For Immediate Release

Company: Taisho Pharmaceutical Co., Ltd.
Representative: Akira Uehara, President
(First Section of TSE: Code 4535)
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Commencement of Tender Offer for Biofermin Pharmaceutical Shares

Taisho Pharmaceutical Co., Ltd. (hereafter the “Company” or the “Tender Offeror”) has announced that at a meeting held on February 12, 2008, the Board of Directors passed a resolution to acquire shares of Biofermin Pharmaceutical Co., Ltd. (Code: 4517; First Section, Osaka Securities Exchange; hereafter the “Target”) by means of a tender offer (hereafter the “Tender Offer”). Details are as follows.

1. Purpose of Tender Offer, Etc.

(1) Overview of Tender Offer

The Company as a tender offeror plans to conduct this Tender Offer for shares of common stock of the Target with the intention of making the Target a consolidated subsidiary of the Company. Through the Tender Offer, the Company aims to purchase at least 40.19% of the total issued shares of the Target, or 4,884,100 shares (equivalent to the voting right ratio, i.e. the percentage of ownership of voting rights in shares after the deduction of treasury shares owned by the Target from the total number of issued shares, of 41.75%), but no more than 62.00%, or 7,535,500 shares (equivalent to the voting right ratio of 64.42%).

The Company’s mission is to contribute to society by creating and offering superior pharmaceuticals and health-related products, as well as health-related information and services in socially responsible ways that enrich people’s lives by improving health and beauty. In order to fulfill this mission, the Company aims to build a more robust business base so that it can maintain steady growth and advancement in the face of competition not only in Japan but also on a global basis. In 2006, the Company took on a fresh challenge by setting medium-term performance targets for its 100th anniversary in fiscal 2012, the year ending March 31, 2013. To this end, the Company is focused on expanding the scope of its operations and on maximizing corporate value by constructing a powerful business base. Specifically, the Company will reinforce its mainstay self-medication business (OTC drugs, health-related products, etc.) and strengthen its prescription pharmaceuticals business (ethical drugs and related operations). In the core self-medication business, the Company is developing products tailored to consumer needs and is working to cultivate and strengthen brands that will gain respect and prove popular with consumers. Guided by these policies, the Company is working to forge alliances that will realize greater synergies with its R&D, marketing and sales operations, among other initiatives. In the prescription pharmaceuticals business, the Company is concentrating resources on R&D to develop novel and highly innovative drugs that are competitive

worldwide. The Company also seeks to actively license in promising drugs to augment and boost its clinical development pipeline.

Since its establishment in 1917, the Target has specialized in the manufacture and sale of live lactic-acid bacteria tablets sold under the “Biofermin” brand. This brand has become firmly established in Japan as one that contributes actively to the promotion of better human health. Today, the Target deeply pursues the potential application of lactic acid bacteria to “self-medication” and “self-prevention” and studies that high-quality, human-derived lactic acid bacteria are useful in many different areas. Also, the Target is working to develop new products based on its core philosophy—“gastrointestinal vitality is the fount of health.” To do so, it aims to boost production and efficiency, and streamline operations by building clinical research and testing facilities that complement its existing specialized manufacturing facilities. The Target posted an extremely strong performance in its most recent fiscal year, the year ended March 31, 2007, which also marked its 90th anniversary. However, it recognizes that a major strategic alliance entered into during a time of prosperity is necessary for ensuring sustained growth into the future. This view was behind the Target’s decision to approve the Tender Offer.

The Company believes that the mutual use and integration of the two companies’ valuable brands, R&D and marketing resources and safe and reliable quality assurance systems, coupled with the pursuit of R&D into the uncharted potential of lactic acid bacteria, will help to capture considerable synergies between the Company and the Target. At this stage, the projected synergistic benefits are as follows: (1) utilization of the lactic acid bacteria technology and expertise owned by the Target to develop products that integrate the strengths of both companies and thereby enhance the product lineup; (2) R&D collaboration relating to new areas and applications; (3) improvements in productivity through efficient integration of the production technology of each firm; and (4) cost savings through joint purchasing of materials and other items. Going forward, the Company plans to implement a broad range of measures aimed at boosting the corporate value of the Target over the medium and long terms. After the conclusion of the Tender Offer, the Company may seek to establish closer ties with the Target through such means as sending directors to the Target. However, the Company has no plans at this time to make any major changes to the Target’s senior management structure.

The Board of Directors of the Target approved the Tender Offer at a meeting held on February 12, 2008. The Board considered such factors as the price and other terms and conditions of the Tender Offer, the benefits accorded by shareholder stability, and potential synergies between the Company and the Target. Based on these factors, the Board determined that the Tender Offer would help to boost the Target’s corporate value and would therefore lie in the best interests of its shareholders.

(2) Agreements relating to the Tender Offer

TZCS Inc. (Head Office: 2-15 Nihonbashi-muromachi 3-chome, Chuo-ku, Tokyo; hereafter “TZ”), the leading shareholder in the Target, has agreed to sell its entire shareholding of 4,884,100 shares (equivalent to 40.19% of total issued shares and the voting right ratio of 41.75%) to the Company under the terms of the Tender Offer.

(3) Possibility of and rationale for delisting associated with Tender Offer

The maximum number of shares to be purchased in this Tender Offer is 7,535,500 shares (equivalent to 62.00% of total shares issued by the Target and the voting right ratio of 64.42%). The Tender Offer is not intended to effect the delisting of the Target and the Company plans to maintain the Target's listing following the Tender Offer. Moreover, the Company has no plans at this time to seek to acquire additional shares in the Target following the conclusion of the Tender Offer.

2. Outline of Tender Offer

(1) Overview of the Target

① Company name	Biofermin Pharmaceutical Co., Ltd.																							
② Nature of business	Manufacture and sale of pharmaceuticals, quasi-drugs and foods																							
③ Date established	February 12, 1917																							
④ Head office location	5-5, Sanban-cho, Nagata-ku, Kobe, Hyogo Prefecture, Japan																							
⑤ Title and name of representative	Takahito Ohnishi, President																							
⑥ Paid-in capital	1,227 million yen (as of September 30, 2007)																							
⑦ Major shareholders and shareholding ratios	<table border="0"> <tr> <td>T-ZONE Capital Inc.</td> <td style="text-align: right;">38.28%</td> </tr> <tr> <td>Takeda Pharmaceutical Co., Ltd.</td> <td style="text-align: right;">10.01%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account)</td> <td style="text-align: right;">6.73%</td> </tr> <tr> <td>Hideo Hosomi</td> <td style="text-align: right;">2.26%</td> </tr> <tr> <td>Kazunori Teratani</td> <td style="text-align: right;">1.41%</td> </tr> <tr> <td>Kumiko Kouzu</td> <td style="text-align: right;">1.21%</td> </tr> <tr> <td>Takahito Ohnishi</td> <td style="text-align: right;">1.00%</td> </tr> <tr> <td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td> <td style="text-align: right;">0.78%</td> </tr> <tr> <td>Biofermin Pharmaceutical Employees' Shareholding Association</td> <td style="text-align: right;">0.73%</td> </tr> <tr> <td>Yukiko Hosomi</td> <td style="text-align: right;">0.54%</td> </tr> <tr> <td>Asako Teratani</td> <td style="text-align: right;">0.54%</td> </tr> </table> <p style="text-align: right;">(As of September 30, 2007)</p>		T-ZONE Capital Inc.	38.28%	Takeda Pharmaceutical Co., Ltd.	10.01%	Japan Trustee Services Bank, Ltd. (Trust Account)	6.73%	Hideo Hosomi	2.26%	Kazunori Teratani	1.41%	Kumiko Kouzu	1.21%	Takahito Ohnishi	1.00%	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	0.78%	Biofermin Pharmaceutical Employees' Shareholding Association	0.73%	Yukiko Hosomi	0.54%	Asako Teratani	0.54%
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Asako Teratani	0.54%																							
⑧ Relationships between Tender Offeror and Target	Equity	None																						
	Personnel	None																						
	Transactions	None																						
	Status as a related party	None																						

Note: T-ZONE Capital Inc. changed its name to TZCS Inc. on October 10, 2007.

(2) Tender offer period

[1] Initial period set at filing

From February 13, 2008 (Wed) to March 11, 2008 (Tue) (20 business days)

[2] Possibility of extension of the Tender Offer Period upon request of the Target

Based on the provisions of Article 27-10, Paragraph 3 of the Financial Instruments and Exchange Law (Law No. 25, 1948, including any subsequent revisions; hereafter the “Law”), the tender offer period (hereafter the “Tender Offer Period”) can be extended to 30 business days at the submission of a written statement report (*Iken Hyomei Hokokusho*) to request the extension of the Tender Offer Period by the Target. Such a request would extend the Tender Offer Period until March 26, 2008 (Wed).

- (3) Tender offer price
3,620 yen per share of common stock

- (4) Basis of calculation of tender offer price

- [1] Basis of calculation

The tender offer price of 3,620 yen per share of common stock for the Tender Offer was determined by the Company with reference to a valuation report on the Target’s stock value (hereafter the “Valuation Report”) prepared by KPMG FAS Co., Ltd. in its appointed capacity as an independent valuation agent (hereafter the “Valuation Agent”).

In analyzing the Target’s stock value, the Valuation Agent took into consideration factors such as the financial condition of the Target, trends in the market price of the Target’s common stock and potential synergies following the successful completion of the Tender Offer. Based on these factors, the Valuation Agent analyzed the Target’s stock value using the market share price method and discounted cash flow (DCF) method. The Valuation Report provides per-share valuation ranges for the Target of 3,640–4,777 yen according to the DCF method and 2,990–3,172 yen based on the market share price method.

Taking into consideration the results of the Valuation Report, the Company decided to set a potential range for the tender offer price of between 3,172 yen (the upper limit of the range based on the market share price method) and 4,209 yen (the median valuation of the DCF method). The Company considered the results of financial and legal due diligence of the Target, any premiums offered in previous tender offers and the implications of the policy decision to maintain the Target’s listing following the conclusion of the Tender Offer. Based on such factors, the Company determined that the highest value should be placed on the Target’s brand power as well as its R&D and marketing resources, and that there was also a strong likelihood that the implementation of specific measures in the course of the business alliance with the Company could realize substantial untapped value at the Target. After factoring in such considerations, and following negotiations with the Target’s major and main shareholder, TZ, the Company decided on a tender offer price of 3,620 yen per share for this Tender Offer.

The tender offer price for this Tender Offer represents a premium of approximately 14.85% (rounded to two decimal places) on the average closing price of 3,152 yen (rounded to the nearest yen) that was recorded for the Target’s shares listed on the First Section of the Osaka Securities Exchange (hereafter “OSE1”) during the three-month period ended February 8, 2008, and a premium of 22.71% (rounded to two decimal places) on the OSE1 closing price of 2,950 yen that was recorded on February 8, 2008.

[2] Details of calculations

In January 2008, the Company and the Target began ongoing, concrete discussions on the feasibility of a forming a business alliance. Based on these discussions, both sides reached a consensus that an equity-based alliance would be in their best interests since it would enable each side to make effective use of the accumulated research and business resources of the other. This in turn would provide the best way for the Company and the Target to achieve business growth and to reinforce their respective operations. On February 12, 2008, the Company gained the agreement of the Target's largest shareholder, TZ, to tender its entire shareholding of 4,884,100 shares (equivalent to 40.19% of total shares issued by the Target and a voting right ratio of 41.75%) to the Company under the terms of the Tender Offer.

In the process of determining the tender offer price for the Tender Offer, the Company received a Valuation Report from the Valuation Agent on February 8, 2008. In analyzing the Target's stock value, the Valuation Agent considered factors such as the financial condition of the Target, trends in the market price of the Target's common stock and potential synergies following the successful conclusion of the tender offer. Based on these factors, the Valuation Agent analyzed the Target's stock value using both the market share price and DCF methods. The Valuation Report provided per-share valuation ranges for the Target of 3,640–4,777 yen based on the DCF method and 2,990–3,172 yen based on the average market share price method.

Taking into consideration the results of the Valuation, the Company decided to set a potential range for the tender offer price of between 3,172 yen (the upper limit of the range based on the market share price method) and 4,209 yen (the median valuation based on the DCF method). The Company also considered the results of financial and legal due diligence of the Target, any premiums offered in previous tender offers and the implications of the policy decision to maintain the Target's listing after the successful conclusion of the Tender Offer. Based on such factors, the Company determined that the highest value should be placed on the brand power as well as the R&D and marketing resources of the Target, and that there was also a strong likelihood of realizing substantial untapped value at the Target by implementing specific measures in the course of the business alliance with the Company. After factoring in such considerations, and following negotiations with the Target's major and main shareholder of the Target, TZ, at a meeting held on February 12, 2008 the Board of Directors of the Company decided to set a tender offer price of 3,620 yen per share.

The Board of Directors of the Target approved this Tender Offer at a meeting held on February 12, 2008.

[3] Relationship with the Valuation Agent

KPMG FAS Co., Ltd. has no related-person relationship with either the Tender Offeror or the Target.

(5) Total number of shares scheduled to be purchased

Type of shares	①Total number of shares scheduled to be purchased	②Tender Offer Minimum	③Tender Offer Maximum
Share certificates (common stock)	7,535,500 shares	4,884,100 shares	7,535,500 shares

Notes:

1. No shares shall be purchased under the terms of the Tender Offer if the total number of shares tendered for purchase falls short of the minimum number of shares to be purchased (“Tender Offer Minimum”) (4,884,100 shares).

2. If the total number of shares tendered exceeds the maximum number of shares to be purchased (“Tender Offer Maximum”) (7,535,500 shares), the Company will not acquire all or part of the shares in excess of the maximum number of shares to be purchased. In such a case, the Company will handle the delivery of shares related to share purchases, etc., and other settlement matters based on the proportional distribution (pro rata) method specified in Article 27-13, Paragraph 5 of the Law and in Article 32 of the Cabinet Ordinance Concerning the Disclosure of Tender Offers for Stock, Etc. by Persons Other than Issuers (Ministry of Finance Ordinance No. 38 of 1990, as amended; hereafter “the Cabinet Ordinance”). (In the event that the number of shares tendered by a shareholder includes shareholdings less than a trading unit (100 shares), the upper limit for the number of shares to be purchased as determined by the proportional distribution (pro rata) method shall be the number of shares tendered by the shareholder.)

3. Shares less than the trading unit are also subject to the Tender Offer, provided that share certificates are submitted when tendered. (However, there is no need to submit share certificates held in custody of Japan Securities Depository Center Inc. (hereafter “JASDEC”) through the Tender Offer Agent or Sub-agent (as listed below in (11) Tender offer agents). In addition, if shareholders exercise their right under the Companies Act to request that the Target purchase shareholdings less than the trading unit, the Target may purchase its own shares up to the end of the Tender Offer Period in accordance with procedures stipulated in laws and regulations.

4. The Tender Offeror does not plan to acquire the treasury shares owned by the Target through this Tender Offer.

(6) Changes in shareholding due to Tender Offer

No. of voting rights in relation to shares owned by Tender Offeror before the Tender Offer	Nil	(Shareholding before the Tender Offer: 0.00%)
No. of voting rights in relation to shares owned by specific related parties before the Tender Offer	Nil	(Shareholding before the Tender Offer: 0.00%)

No. of voting rights of shares scheduled to be purchased	75,355	(Shareholding after the Tender Offer: 64.42%)
No. of voting rights held by all shareholders of the Target	116,759	

Notes:

1. "No. of voting rights of shares scheduled to be purchased" represents the number of voting rights in relation to the Tender Offer Maximum under this Tender Offer (7,535,500 shares).
2. "No. of voting rights held by all shareholders of the Target" represents the total number of voting rights (based on 100 shares per trading unit) as stated in the interim business report filed by the Target for the 122nd Fiscal Term (date of filing: December 20, 2007). However, since amounts of shares less than the minimum trading unit are also eligible for purchase under the terms of the Tender Offer, the calculation of shareholdings before and after the Tender Offer is based on a figure for total voting rights held by all shareholders of the Target of 116,981. The additional 222 voting rights contained in the latter figure correspond to 22,275 shares, which equals the total number of shares less than the minimum trading unit as stated in the aforementioned interim business report (22,300 shares), less the number of shares less than the minimum trading unit of treasury stock owned by the Target as shown in the said interim business report (25 shares), which will not be purchased under the Tender Offer.
3. The shareholdings before and after the Tender Offer have been rounded to two decimal places.

(7) Total tender offer price

27,279 million yen (projected)

Note: The total tender offer price is the tender offer price per share multiplied by the maximum number of shares to be purchased (7,535,500 shares).

(8) Settlement method

[1] Name and address of head office of banks and/or financial brokerages settling the Tender Offer

Daiwa Securities SMBC Co., Ltd.

9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

Daiwa Securities Co., Ltd.

9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

[2] Settlement commencement date

March 19, 2008 (Wed)

Note: In the event that the Tender Offer Period is extended at the submission of a written statement report (*Iken Hyomei Hokokusho*) to request the extension of the Tender Offer Period by the Target pursuant to the provisions of Article 27-10 Paragraph 3 of the Law, the revised commencement date for settlement will be April 3, 2008 (Thurs).

[3] Settlement Method

Immediately after the end of the Tender Offer Period, notifications of purchase under the Tender Offer shall be sent by post to the domicile of all tendering shareholders (or to the domicile of the standing proxy in the case of overseas shareholders).

The purchase shall be settled in cash. In line with the instructions provided by tendering shareholders, without delay and starting on the settlement commencement date, the Tender Offer Agent or Sub-agent shall remit payment for share certificates purchased to the location designated by the tendering shareholders. Alternatively, payment shall be made at the head office or branch office of the Tender Offer Agent or Sub-agent where the corresponding Tender Offer application was received.

[4] Methods for return of share certificates

Any tendered share certificates that must be returned because they were not purchased based on the terms and conditions listed below in “[1] Nature and applicability of terms and conditions contained in Article 27-13 Paragraph 4 of the Law” or “[2] Conditions for retracting the Tender Offer and details and method of disclosing the retraction” under “(9) Other purchase-related terms, conditions and methods” shall, in line with the instructions provided by participating shareholders, be returned promptly by one of the following methods from the second business day after the final day of the Tender Offer Period (or, in the case of retraction, from the day that the Tender Offer is retracted):

(a) Any share certificates tendered to the Tender Offer Agent or Sub-agent that were not purchased shall be delivered to the tendering shareholder or mailed to the address of the said shareholder (or to the address of the standing proxy in the case of overseas shareholders); or

(b) Share certificates held in custody by the Tender Offer Agent or Sub-agent (or held in custody by JASDEC through such agent) that were not purchased shall be returned to custody.

(9) Other purchase-related terms, conditions and methods

[1] Nature and applicability of terms and conditions contained in Article 27-13 Paragraph 4 of the Law

No shares shall be purchased under the terms of the Tender Offer if the total number of shares tendered for purchase falls short of Tender Offer Minimum (4,884,100 shares).

If the total number of shares tendered exceeds Tender Offer Maximum (7,535,500 shares), the Company will not acquire all or part of the shares in excess of Tender Offer Maximum. In such a case, the Company will handle the delivery of shares related to share purchases, etc. and other settlement matters based on the proportional distribution (pro rata) method specified in Article 27-13, Paragraph 5 of the Law and in Article 32 of the Cabinet Ordinance. (In the event that the number of shares tendered by a shareholder includes shareholdings less than a trading unit (100 shares), the upper limit for the number of shares to be purchased as determined by the proportional distribution (pro rata) method shall be the number of shares tendered by the shareholder.)

If the total number of shares to be purchased from each tendering shareholder calculated using the proportional distribution (pro rata) method and rounding amounts less than one trading unit is less than Tender Offer Maximum, the Company will purchase one trading unit from each of the tendering shareholders in order of those tendering shareholders who have the most shares that were rounded down to a trading unit, until the scheduled number of shares to be purchased is reached or

exceeded (subject to the proviso that the revised number of shares purchased from each tendering shareholder is capped at the number of shares originally tendered by that shareholder). However, if the use of this method for multiple shareholders with the same amount of shares for which trading unit amounts have been rounded down would result in the total number of shares purchased under the Tender Offer exceeding Tender Offer Maximum, a lottery shall be used to determine which of the shareholders is selected from this particular group so that the total number of shares purchased does not exceed Tender Offer Maximum.

If the total number of shares to be purchased from each tendering shareholder calculated using the proportional distribution (pro rata) method and rounding amounts less than one trading unit exceeds Tender Offer Maximum, the Company will reduce the number of shares being purchased from each tendering shareholder by one trading unit in order of those tendering shareholders who have the most shares that were rounded up to a trading unit, until the number of shares scheduled to be purchased is reached. However, where the use of this method for multiple shareholders with the same amount of shares for which fractional amounts have been rounded up would result in the total number of shares purchased under the Tender Offer falling below the number of shares scheduled to be purchased, a lottery shall be used to determine which of the shareholders is selected from this particular group so that the total number of shares purchased under the Tender Offer does not fall below the number of shares scheduled to be purchased.

[2] Conditions for retracting the Tender Offer and details and method of disclosing the retraction

If any of the events in Paragraph 1 has occurred, Item 1 (i) to (ix) and (xii) to (xviii) and Item 3 (i) to (viii) and in Paragraph 2, Items 3 to 6 of Article 14 of the Enforcement Regulations for the Financial Instruments and Exchange Law (Government Ordinance No. 321, 1965, as amended; hereafter “the Government Ordinance”), the Tender Offer may be retracted. If the Tender Offer is retracted, the Company will issue an official notice in electronic form and publish a notice in the *Nihon Keizai Shimbun*. However, if the publication of an official notification by the final day of the Tender Offer Period proves difficult, the announcement of the retraction will be via the method stipulated in Article 20 of the Cabinet Ordinance and an official notice will be published immediately thereafter.

[3] Conditions for a reduction in tender offer price, details and method of disclosure of reduction

In accordance with the provisions of Article 27-6 Paragraph 1, Item 1 of the Law, the tender offer price may be reduced in accordance with the rules stipulated in Article 19, Paragraph 1 of the Cabinet Ordinance in the event that the Target takes any actions stipulated in Article 13, Paragraph 1 of the Government Ordinance during the Tender Offer Period. If the tender offer price is reduced, the Company will issue an official notice in electronic form and publish a notice in the *Nihon Keizai Shimbun*. However, if the publication of an official notice by the final day of the Tender Offer Period proves difficult, the announcement of the reduction of tender offer price will be made via the method stipulated in Article 20 of the Cabinet Ordinance and an official notice will be published immediately thereafter. In the event of a reduction of tender offer price, the revised terms of the offer would apply to any shares that had been tendered on or prior to the date of publication of the said official notice.

[4] Matters regarding the right of tendering shareholders, etc., to cancel an agreement
Tendering shareholders may cancel their agreement regarding the Tender Offer at any time during the Tender Offer Period. To cancel the agreement, the tendering shareholder must deliver or send a receipt of Tender Offer application and document stating their intent to cancel their agreement regarding the Tender Offer (hereafter collectively “Notice of Cancellation”) to the head office or nationwide branch of the Tender Offer Agent (or Sub-agent) to whom shares were tendered by 4:00p.m. on the final day of the Tender Offer Period. If the Notice of Cancellation is sent by post and not delivered, it must arrive by 4:00p.m. on the final day of the Tender Offer Period.

The Company may not claim or demand any damage or penalty payment for breach of contract from the tendering shareholder. The Company shall also bear any necessary costs incurred in returning the share certificates and other materials to the tendering shareholder. Following cancellation of an agreement, the tendered share certificates shall be returned by the method detailed above in “(8) [4] Methods for return of share certificates” as soon as all necessary procedures have been completed.

[5] Method of disclosure of changes in the conditions of the Tender Offer

The Company may change the conditions of the Tender Offer during the Tender Offer Period, unless prohibited from doing so under Article 27-6, Paragraph 1 of the Law or Article 13 of the Government Ordinance.

If the conditions of the Tender Offer are changed, the Company will issue an official notice in electronic form and publish a notice in the *Nihon Keizai Shimbun*. However, if the publication of an official notice by the final day of the Tender Offer Period proves difficult, the announcement of the new conditions of the Tender Offer will be made via the method stipulated in Article 20 of the Cabinet Ordinance and an official notice will be published immediately thereafter. If changes are made, the new conditions of the Tender Offer would apply to any shares that had been tendered on or prior to the date of publication of the said official notice.

[6] Method of disclosure of Revision Statement

In the event of the submission of any Revision Statement (*Teisei Todokedesho*) to the Director General of the Kanto Finance Bureau, the Company will make a public announcement of details of the Revision Statement that affect the content of the original notification of the commencement of the Tender Offer using the method stipulated in Article 20 of the Cabinet Ordinance. The Tender Offer Instruction (*Kokai Kaitsuke Setsumeisho*) will be promptly revised and the revised version shall be delivered to tendering shareholders that had previously received this document. If the revisions are minor, however, the Company shall compile and deliver to tendering shareholders a document giving reasons for the revisions—and listing the revised items and the revised content—shall be prepared and delivered to the tendering shareholders.

[7] Methods of disclosing the results of the Tender Offer

The results of the Tender Offer shall be publicly announced on the day following the end of the Tender Offer Period using the method stipulated in Article 9-4 of the Government Ordinance and Article 30-2 of the Cabinet Ordinance.

[8] Others

This Tender Offer is not being made directly or indirectly in or into the United States, nor does it make any use of the U.S. postal service or other U.S. interstate or international commercial methods or means (including, but not limited to, facsimile, e-mail and other Internet communications, telex and telephone). Moreover, the Tender Offer is not being conducted through any U.S. domestic securities exchange or associated facility. Participation in the Tender Offer is not possible by any of the aforementioned methods or means, through said facilities or from the United States.

In addition, Tender Offer Statement (*Kokai Kaitsuke Todokedesho*) or related purchase documentation is not being delivered or distributed by postal service or other methods in, to or from the United States. Any requests for such deliveries or distribution cannot be fulfilled. No participation in the Tender Offer that is directly or indirectly in violation of any of the aforementioned restrictions will be accepted.

Overseas investors participating in the Tender Offer through a standing proxy based in Japan may be required to provide the following representations and warranties: (a) The tendering shareholder has not received or delivered any information or documents regarding the Tender Offer in, to or from the United States; (b) The tendering shareholder has not directly or indirectly used the U.S. postal service or other U.S. interstate or international commercial methods or means (including, but not limited to, facsimile, e-mail and other Internet communications, telex and telephone) or any U.S. domestic securities exchanges or associated facilities in relation to the Tender Offer or signing or delivering a Tender Offer application; and (c) The tendering person is not a proxy, trustee or mandatory without discretionary powers for another person in the United States (except where the other person submits all instructions regarding the Tender Offer from outside the United States).

(10) Date of public notice of commencement of Tender Offer
February 13, 2008 (Wed)

(11) Tender Offer Agents
Daiwa Securities SMBC Co., Ltd.
Daiwa Securities Co., Ltd. (Sub-agent)

3. Post-Tender Offer policy and outlook

The Target will become a consolidated subsidiary of the Company following the successful conclusion of this Tender Offer. At this stage, the Company has no plans to acquire any additional shares of the Target after the Tender Offer.

The Tender Offer will have a negligible impact on the Company's consolidated and non-consolidated operating results.

4. Others

(1) Existence and details of any agreements between the Tender Offeror and the Target or its Corporate Officers

The Board of Directors of the Target approved this Tender Offer at a meeting held on February 12, 2008.

(2) Other information deemed necessary for investors to decide on participation in the Tender Offer

None.

End of Document

Disclaimers:

1. This press release is intended as an announcement of the Tender Offer for the news media and does not represent any attempt to solicit applications to sell or to make an application to buy shares. Before submitting any application to sell, shareholders are requested to review the Tender Offer Instruction (*Kokai Kaitsuke Setsumeisho*) regarding the Tender Offer, and offer their shares for sale at their own discretion. This press release is not an offer to purchase securities, application or solicitation of the sale of securities, or solicitation of an offer for purchase of securities, nor is part of such an application or solicitation. Moreover, neither part of this press release or its content nor the fact of distribution of this press release may be used as grounds for any agreement relating to the Tender Offer, nor may any agreement be concluded based on this press release or the distribution thereof. 2. This press release contains certain forward-looking statements that are predicated on the acquisition of Biofermin Pharmaceutical Co., Ltd. Investors are advised that actual results may differ substantially from forecast due to a multitude of factors.

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