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To Whom It May Concern

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Taisho to Terminate Special Agreement System with Shareholder-Operated Stores

Taisho Pharmaceutical Co., Ltd. (CEO: Akira Uehara; “Taisho”) today announced that, as of March 31, 2010, it will end the special agreement system with shops operated by owners who are Taisho shareholders. The company first launched this designated retail store sales system for drugstores and pharmacies in June 1978.

The special agreement system was initiated by Taisho to promote co-prosperity with participating drugstores and pharmacies*. In the more than three decades since, Taisho has contributed substantially to improving the management of these stores, providing members with exclusive “shareholder merchandise,” assisting in sales system development, hosting special seminars, and proposing ideas for sales floor presentation, among other benefits.

Currently, stores that are members of the special agreement system account for virtually all transactions between Taisho and drugstores or pharmacies, with the system having developed over the years into a recognized force in Japan’s domestic retail industry. Accordingly, with the expressed purpose of the program now clearly achieved, Taisho has decided to terminate it as of March 31, 2010.

As a leading company in over-the-counter (OTC) drugs, Taisho is committed to continued efforts to grow in partnership with drugstores and pharmacies by providing them with appealing products that satisfy consumer needs, as well as ample information concerning present and upcoming products.

* Refers to drugstores and pharmacies that own one stock trading unit (1,000 shares) or more of stock in Taisho Pharmaceutical Co., Ltd., and that have applied to participate in the system.