

October 12, 2007
KYORIN Co., Ltd.
Bayer Yakuhin, Ltd.

**Discontinuation of Cooperation on Baynas[®] Marketing for Treatment of Allergic Rhinitis by
Kyorin Pharmaceutical Co., Ltd. and Bayer Yakuhin, Ltd.**

With regard to “Baynas[®] tablet” for the treatment of allergic rhinitis firstly marketed by Bayer Yakuhin, Ltd. (Head Office: Osaka, President: Jean-Luc Lowinski) since May 2000, Kyorin Pharmaceutical Co., Ltd. (Head Office: Tokyo, President: Ikuo Ogihara) of KYORIN’s wholly owned subsidiary and Nippon Shinyaku Co., Ltd. (Head Office: Kyoto, President: Shigenobu Maekawa) have been co-marketing in Japan. In connection with the discontinuation of the cooperation on marketing of this product, recently Kyorin Pharmaceutical Co., Ltd. and Bayer Yakuhin, Ltd. have agreed to terminate the Distribution Agreement on a joint sale of this product on the last day of December 2007.

Under the Distribution Agreement, Kyorin Pharmaceutical Co., Ltd. and Bayer Yakuhin, Ltd. have co-marketed “Baynas[®] tablet” with the “1-brand & 2-distribution channels” since January 2003. Bayer Yakuhin, Ltd. transferred its domestic sales rights to Nippon Shinyaku in July 2006, and afterward, the product has been jointly marketed by Kyorin Pharmaceutical Co., Ltd. and Nippon Shinyaku Co., Ltd. After the termination of the Distribution Agreement between Bayer Yakuhin, Ltd. and Kyorin Pharmaceutical Co., Ltd., Nippon Shinyaku will be the sole distributor of the product in Japan as from January 1, 2008.

Profile of “Baynas[®] tablet”

1. Generic name: ramatroban
2. Indications: Allergic rhinitis
3. Dosage and Administration: The usual adult dosage for oral use is 75mg ramatroban twice daily, by oral administration after breakfast and supper (or bedtime)
4. Drug price: 50mg tablets - @123.70 yen 75mg tablets - @155.40 yen
5. Package: 50mg tablets - 100 tablets
75mg tablets - 100 tablets, 500 tablets and 700 tablets
6. Launched: May 2000
7. Sales: About 3 billion yen based on the fiscal 2006 NHI price including approx. 1 billion yen sales by Kyorin Pharmaceutical
8. Features: Has an effect against allergic rhinitis, especially nasal obstruction, due to thromboxane A₂ receptor antagonist action. (Thromboxane A₂ receptor antagonist)

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