

March 10, 2006

Company Name: KYORIN Co., Ltd.

Representative: Ikuo Ogihara,

Representative Director and President

(Code:4569 TSE First Section)

Inquiries: Minoru Hogawa,

Executive Director, Director of Management Planning Department

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### **On the Transition to a Holding-Company Structure**

KYORIN group has already officially announced the decision to transition to a holding-company structure through a share exchange scheduled for March, 2006. We announce the completion of this share exchange and the transition to a holding-company structure for KYORIN Co., Ltd. and KYORIN Pharmaceutical Co., Ltd. today, March 10.

#### **1. Purposes of our transition to a holding-company structure**

The Kyorin group changing to a holding company structure. Further, by reorganizing the group's units, the Kyorin group will build a system of management that will be able to make the "distinguished and integrated healthcare company" a reality, positioning itself solidly as a global drug creator. The Kyorin group will seek to boost the competitiveness of its pharmaceutical business and aim to develop novel businesses and to strengthen its business foundation.

KYORIN Co., Ltd. which will become a pure holding company through the share exchange will take on the role, as the controlling company, as being responsible for the business strategies of the overall group. By effectively allocating and utilizing its managerial resources, KYORIN will draw out the strengths of the entire group and endeavor to boost the group's consolidated result.

#### **2. Listed contents**

KYORIN Co., Ltd. has been listed on the First Section of the Tokyo Stock Exchange. KYORIN Co., Ltd. has taken over the function of KYORIN Pharmaceutical Co., Ltd.

### 3. Outline of KYORIN Co., Ltd.

Trade name: KYORIN Co., Ltd.

Description of business: A holding company that is to be in charge of all functions of all KYORIN group companies centered on the affiliated companies that carry on drug discovery and pharmaceutical business

Head Office: 5, Kanda Surugadai 2-chome, Chiyoda-ku, Tokyo

Representative: Ikuo Ogihara, President

Capital fund: 70 million yen

Accounting date: March 31

Number of employees: 71

Board members and auditors

Executive Director and Honorary Advisor: Minoru Ogihara

Also Honorary Advisor at KYORIN  
pharmaceutical Co., Ltd.

Chairman:

Hiroshi Uchida

Also Chairman at

KYORIN pharmaceutical Co., Ltd.

President Chief Executive Officer: Ikuo Ogihara

Also President at

KYORIN pharmaceutical Co., Ltd.

Executive Director:

Itaru Kojo

Also Executive Director at

KYORIN pharmaceutical Co., Ltd.

Executive Director:

Toshiro Takusakawa

Also Executive Director at

KYORIN pharmaceutical Co., Ltd.

Executive Director:

Yoshizumi Amano

Also Executive Director at

KYORIN pharmaceutical Co., Ltd.

Executive Director:

Keiji Hirai

Also Executive Director at

KYORIN pharmaceutical Co., Ltd.

Executive Director:

Masahiro Yamashita

Also Executive Director at

KYORIN pharmaceutical Co., Ltd.

Executive Director:	Minoru Hogawa Also Executive Director at KYORIN pharmaceutical Co., Ltd.
Senior Corporate Auditor:	Hiroyuki Fukashiro Also Auditor at KYORIN pharmaceutical Co., Ltd.
Senior Corporate Auditor:	Seiyu Miyashita Also Auditor at KYORIN pharmaceutical Co., Ltd.
Corporate Auditor:	Shogo Kobayashi Also Auditor at KYORIN pharmaceutical Co., Ltd.
Corporate Auditor:	Masaji Obata Also Auditor at KYORIN pharmaceutical Co., Ltd.

#### 4. Financial outlook for the parent company

Term of March, 2006

Sales amount: 400 million yen

Ordinary loss: 30 million yen

Net deficit for the period: 10 million yen