August 1, 2002 KYORIN Pharmaceutical Co., Ltd. 5, Kanda, Surugadai 2-chome, Chiyoda-ku, Tokyo

<u>Establishment of Research and Development Facility</u> <u>of Healthcare, "Health Science Center"</u>

Kyorin Pharmaceutical Co., Ltd. ("Kyorin", President: Ikuo Ogihara) established "Health Science Center (HSC)" as a new development of healthcare business on August 1. HSC is a R&D foothold centering on skin care products. Kyorin expects that its healthcare division will be strengthened and expanded by the establishment of HSC.

The Kyorin Healthcare division has focused on sales of products related to obstetrics and gynecology (things for expectant and nursing mothers, and babies) centering on Milton, a disinfectant, which was acquired from P&G in 1998. Kyorin expects that HSC will promote the development of skin care products and provide a synergy effect to the existing business. In addition, the company aims to increase sales in the healthcare division by further developing its dermatological care business.

Initially there are seven individuals working at HSC.

<Outline of HSC>

Name:Health Science CenterLocation:103-5 Tanaka Monzenmachi, Sakyo-ku, KyotoHead of HSC:Yoshirou OtsuNumber of personnel:7Business Starting Date:August 1, 2002