

September 10, 2001

For Immediate Release

Kyorin Pharmaceutical, Co., Ltd.
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Notice Concerning Share Split (gratis issue)

This is to announce the contents of a decision at the September 10, 2001 board of directors meeting to conduct a share split (gratis issue) for Kyorin Pharmaceutical.

Announcement

1. Purpose of share split

We have decided to conduct a share split in an effort to boost our shares' trading liquidity and increase shareholders.

2. Terms

As of November 20, 2001 (Tuesday), we will conduct a 1.5 : 1.0 share split with an adequate amount of capital allocated to common stock from additional-paid-in capital.

(1) Increase in shares

Number of shares prior to stock split: 57,564,164

Increase in number of shares: 28,782,982

Total number of outstanding shares after stock split: 86,346,246

(2) Share split method

Shareholders of record as of September 30, 2001 (Sunday) (however, due to work holiday for Kyorin and custodians, in actual fact those of record of September 28, 2001), will be awarded with a 1.5 : 1.0 share split. Shareholders whose splits produce units less than one share will have the fractional amount disposed and returned as payment to the shareholders

(3) Amount allocated to Additional-Paid-in Capital

¥ 693,363,550

3. Schedule

Cut-off date: September 30, 2001 (Sunday)

Note: Due to weekend holiday, actual record date is the previous Friday, September 28, 2001

Date effective: November 20, 2001 (Tuesday)

4. Dividend payment

October 1, 2001 (Monday)

End of announcement

For reference:

1. The Board of Directors will decide other issues in regard for this share split at future meetings.
2. In the future the Board will discuss the dividend amount for the period ending March 2002. However, as the share split is 1.5: 1.0, our policy in principal will be to decrease the dividend amount per share to 1/1.5 of the amount previous to the stock split.