

For Immediate Release

Kyorin, Teijin Announce Intentions to Cease Planned Business Integration

Teijin Ltd.
Kyorin Pharmaceutical Co., Ltd.

Tokyo, April 23, 2003 –Teijin Ltd. (Head Office: Chuo-ku, Osaka; President: Toru Nagashima; "Teijin") and Kyorin Pharmaceutical Co., Ltd. (Head Office: Chiyoda-ku, Tokyo; President: Ikuo Ogihara; "Kyorin") have agreed to shelve the proposed plan, scheduled for October 1, 2003, to spin off and integrate the Medical & Pharmaceutical Business Group of Teijin with Kyorin.

Given the difficult business environment and heightened competition in both domestic and foreign markets, Teijin and Kyorin had reached a letter of intent on a business integration proposed on January 23, 2003, judging that the new combined entity would raise corporate value as a unique pharmaceutical company with strength in specific fields, and with a new business model made by interface between pharmaceutical and home health care. With this basic agreement, both parties had set up functional subcommittees under an Integration Committee, and had engaged in faithful discussion at a practical level, incorporating the advice of external experts, towards the execution of the company split agreement which was scheduled for the end of April.

However, due to substantial changes in the business environment which were not anticipated at the time of the letter of intent, Teijin and Kyorin were not able to finalize an integration ratio, one of the most important conditions for both, which would have been equally convincing to the shareholders of both companies. The companies regret their inability to meet the expectations of those who found high value in the proposed integration and supported the measure, and wish that all will understand that this conclusion only arrived after both companies had undertaken the utmost effort to conclude the plan.

As a benefit of the discussion, both companies have deepened their understanding of their respective businesses, and future business models. Teijin and Kyorin will continue to search out the optimal method, timing, and direction to work together in areas such as research and development.

Aiming at reforms including M&A, the Medical and Pharmaceutical Business Group of Teijin will continue to strengthen its pharmaceutical business which has the three main fields of respiratory, CVS / metabolism and bone metabolism disorders, and the home health care business in which Teijin already enjoys a high market share. At the same time, it will pursue a goal of achieving 200 billion yen in sales as soon as possible.

Kyorin will continue to improve shareholder value through promoting efficient management, together with investment in the R&D of infectious disease, immunology/allergy and metabolic disease, and new alliance strategies. Kyorin will actively continue to consider potential M&A opportunities, which can enhance strengths and accelerate growth.

Teijin and Kyorin appreciate your continued understanding and support of business operations.

Summary of Kyorin Pharmaceutical Co., Ltd.

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|-----------------------------|---|
| 1. Establishment: | December 1940 |
| 2. Head Office: | 5, Kanda Surugadai, 2-chome Chiyoda-ku, Tokyo |
| 3. Capital Stock: | ¥4.317 billion (as of March 31, 2002) |
| 4. Representative: | President Ikuo Ogihara |
| 5. Number of Employees: | 1,671 (as of March 31, 2002) |
| 6. Sales: | ¥61.1 billion (Fiscal Year ended March 2002) |
| 7. Description of Business: | Manufacture and sale of pharmaceuticals, quasi-drugs, reagents, industrial products, etc. |

Summary of Teijin Ltd.

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| 1. Establishment: | June 1918 |
| 2. Head Office: | 1-6-7, Minami-honcho, Chuo-ku, Osaka-shi |
| 3. Capital Stock: | ¥70.787 billion (as of March 31, 2002) |
| 4. Representative: | President & CEO Toru Nagashima |
| 5. Number of Employees: | Consolidated 24,026 (as of March 31, 2002)
Non-consolidated 4,252 (as of March 31, 2002) |
| 6. Sales: | Consolidated ¥923.4 billion
(Fiscal Year ended March 2002)
Non-consolidated ¥232.3 billion
(Fiscal Year ended March 2002) |
| 7. Description of Business: | Activities relating mainly to the manufacture and sale of synthetic fibers, chemicals and medical products. Conducts global activities together with group companies through business bases in Japan and in more than ten countries worldwide. |

Medical & Pharmaceutical Business Group of Teijin Ltd.

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| Group leader: | Teijin group senior executive officer Shigeo Ohyagi |
| Employees: | 2,202 (as of March 31, 2002) |
| Sales: | ¥94.5 billion (Fiscal Year ended March 2002) |
| Description of Business: | Core business of Teijin group. Expanding business nationwide, focusing on the pharmaceutical business fields of respiratory, CVS / metabolism and bone metabolism disorders, and the home health care business in which the company maintains a high share especially in the home oxygen therapy business. |

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