

March 1, 2004

KURAYA SANSEIDO Inc.  
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Code number: 7459 (First Section, Tokyo Stock Exchange)  
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## **Reorganization, Reassignments, and Transfer of Personnel**

March 1, 2004 – KURAYA SANSEIDO Inc. (“Kuraya Sanseido”) will implement a reorganization, reassignments, and transfer of personnel on April 1, 2004, in order to raise the efficiency of all internal organizations, improve functions within the company, and strengthen coordination both inside and outside the company. Details are as follows.

### **I. Reorganization**

1. Organization under the direct control of the President and CEO, and organization of divisions and departments

No change

2. Organizations within divisions and departments

- 1) Distribution Division

- A) In line with the core system integration between Kuraya Sanseido and consolidated subsidiary HEISEI YAKUHHIN CO., LTD. (“Heisei Yakuhin”), Kuraya Sanseido will begin operating Heisei Yakuhin’s distribution center, and rename it the GIFU DISTRIBUTION CENTER.

- B) The Health Care HIGASHINIPPON DISTRIBUTION CENTER, now under construction in Kazo, Saitama Prefecture, will open as a new distribution base handling over-the-counter drugs, quasi-drugs, health foods, sundries and other health care products, primarily in the Tokyo area.

- C) The Health Care NERIMA DISTRIBUTION CENTER will be closed upon establishment of the Health Care HIGASHINIPPON DISTRIBUTION CENTER.

- 2) Pharmaceutical Sales Division

- A) Staff Division

The Inter-regional Sales Coordination Department will be renamed the Inter-regional Sales Promotion Department

- B) Line Division

-On April 1, 2004, Nagano Sales Branch of the Shinetsu/Hokuriku Regional Sales Department will be closed and Kuraya Sanseido's prescription pharmaceuticals wholesale business in Nagano Prefecture will be transferred to consolidated subsidiary YAMAHIRO Inc., which will be renamed YAMAHIRO KURAYA SANSEIDO Inc. on the same day.

-The Niigata Sales Branch of the Shinetsu/Hokuriku Regional Sales Department will be transferred to the Tokyo Regional Sales Department.

-The Shinetsu/Hokuriku Regional Sales Department will be renamed the Hokuriku Regional Sales Department, and the Shinetsu/Hokuriku Sales Promotion Department will be renamed the Hokuriku Sales Promotion Department.

-The Osaka/Kiwa Order Entry Center of the Osaka/Kiwa Regional Sales Department will be closed, and its business divided among the Osaka Hospital Sales Branch, Osaka Sales Branch, Northern Osaka Sales Branch, Eastern Osaka Sales Branch and Southern Osaka Sales Branch.

## II. Reassignment of Directors

	Name	New Position	Current Position
Director	Masao Kumakura	In charge of Affiliated Business	Executive Director of Affiliated Business Division
Director	Kenichi Murata	Executive Director of Medical Equipment Division and Vice President, Representative Director of NAKAGAWA SEIKODO CO., LTD. (scheduled to assume position on May 1, 2004)	Executive Director of Medical Equipment Division
Director	Kazuya Yamagata	In charge of Human Resources	Executive Vice Director of Administration Division, Director of Human Resources

### III. Reassignment of Executive Officers

	Name	New Position	Current Position
Senior Executive Officer	Akiyoshi Ohgane	Representative Director, Senior Managing Director and Director of Business Division, USHIODA SANGOKUDO YAKUHIN CO., LTD.	Senior Managing Director and Director of Business Division, USHIODA SANGOKUDO YAKUHIN CO., LTD.
Senior Executive Officer	Hidetaka Hata	Chairman and Representative Director, HEISEI YAKUHIN CO., LTD. (scheduled to assume position in late June, 2004)	Pharmaceuticals Sales Division Executive Vice Director, Director of Operations Department
Senior Executive Officer	Shinichi Matsuo	Administration Division Director of Human Resources	Pharmaceuticals Sales Division, Kanagawa Regional Sales Department Director
Senior Executive Officer	Jyuichiro Ichiyama	President and Representative Director, ORIENTAL PHARMACEUTICAL CO., LTD.	Pharmaceuticals Sales Division, Clinical Reagents Sales Department Director
Executive Officer	Kazutoshi Hashimoto	Pharmaceuticals Sales Division, Clinical Reagents Sales Department Director	Managing Director and Pharmaceuticals Sales Division Director, HEISEI YAKUHIN CO., LTD.
Executive Officer	Masaaki Matsuishi	Vice President and Representative Director, IZUTSU PHARMACEUTICAL CO., LTD.	Vice President, IZUTSU PHARMACEUTICAL CO., LTD.

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