

May 13, 2004

KURAYA SANSEIDO Inc.

President: Sadatake Kumakura

Code number: 7459 (First Section, Tokyo Stock Exchange)

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Abbreviation of Terms of Office of Directors

May 13, 2004 – KURAYA SANSEIDO Inc. (“Kuraya Sanseido”) resolved today at a meeting of its Board of Directors to submit a proposal to amend the articles of incorporation concerning the terms of office of directors at the 95th Ordinary General Meeting of Shareholders, scheduled to be held on June 29, 2004.

1. Reason for Abbreviation of Terms

In response to changes in the operating environment, Kuraya Sanseido aims to:

- (1) flexibly construct an optimal management structure;
- (2) further clarify management responsibility for performance; and
- (3) increase opportunities to gain shareholder trust.

2. Details of Abbreviation of Terms of Office

Kuraya Sanseido will change the terms of office of directors from two years, as currently stipulated in the articles of incorporation, to one year.

3. Applicability

The change will apply beginning with the directors appointed at the 95th General Annual Meeting of Shareholders, scheduled to be held on June 29, 2004.

The abbreviation of terms of office of directors will be implemented at all Kuraya Sanseido Group companies.

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