

June 11, 2004

KURAYA SANSEIDO Inc.

President: Sadatake Kumakura

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

Contact: Kikuo Miki, Senior Executive Officer
and General Manager of Public Relations Division

Phone: +81-3-3517-5171

Repurchase of Kuraya Sanseido Shares from Subsidiaries

June 11, 2004 – KURAYA SANSEIDO Inc. (“Kuraya Sanseido”) today resolved at a meeting of its Board of Directors to repurchase shares of its own stock held by subsidiaries, pursuant to Article 211-3-1-1 of the Commercial Code of Japan.

1. Names of Subsidiaries Holding Shares

ATOL CO., LTD.

EVERLTH Co., Ltd.

2. Method of Repurchase

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| (1) Type of shares to be repurchased: | Common stock of Kuraya Sanseido |
| (2) Number of shares to be repurchased: | 585,200 (0.32 percent of total shares issued and outstanding)
ATOL CO., LTD.: 286,300 shares
EVERLTH Co., Ltd.: 298,900 shares |
| (3) Total value of shares to be repurchased: | ¥938,075,600
(The closing price of Kuraya Sanseido’s stock on the First Section of the Tokyo Stock Exchange on June 11, 2004 was ¥1,603 per share) |
| (4) Date of repurchase: | June 14, 2004 |
| (5) Method of repurchase: | Bilateral transaction (repurchase pursuant to Article 211-3-1-1 of the Commercial Code of Japan) |

3. Reason for repurchase

Kuraya Sanseido will repurchase Kuraya Sanseido shares allocated to ATOL CO., LTD. and EVERLTH Co., Ltd. through a share exchange implemented on April 1, 2004 between Kuraya Sanseido, ATOL CO., LTD. and EVERLTH Co., Ltd., and Kuraya Sanseido shares previously held by both subsidiaries.

(Reference)

1. Details of the resolution submitted at the 94th General Annual Meeting of Shareholders held June 26, 2003 concerning repurchase of shares

- Type of shares to be acquired: Common stock of Kuraya Sanseido
- Number of shares to be acquired: 7,000,000 (maximum)
- Total value of shares to be acquired: ¥6.0 billion (maximum)

2. Status of acquisition of shares as of June 11, 2004

- Total number of shares acquired: 0
- Total cost of acquisition: ¥0

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