

June 29, 2005

MEDICEO Holdings Co., Ltd.
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Acquisition of Equity Position in SHIKOKU YAKUGYO CO., LTD.

June 29, 2005 – At a meeting held today, the Board of Directors of MEDICEO Holdings Co., Ltd. (“MEDICEO Holdings”) resolved to acquire an equity position in SHIKOKU YAKUGYO CO., LTD. (“Shikoku Yakugyo”) under the basic agreement on a business alliance and equity position announced on February 13, 2004.

1. Share Acquisition Arrangements and Schedule

At a meeting of its Board of Directors held today, MEDICEO Holdings resolved to acquire all of the shares to be newly issued by Shikoku Yakugyo through a private placement, as part of the business alliance and equity position agreement announced on February 13, 2004. MEDICEO Holdings will pay the full amount of the issue cost of the shares on July 12, 2005, and will acquire a 10.0 percent equity position in Shikoku Yakugyo on July 13, 2005.

2. Number of Shares to Be Purchased, Purchase Cost and Equity Position of MEDICEO Holdings before and after Purchase

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| (1) Number of shares held before purchase | 0 | (0% of total outstanding shares) |
| (2) Number of shares to be purchased | 205,532 | (Purchase cost ¥1,329 million) |
| (3) Number of shares to be held after purchase | 205,532 | (10.0% of outstanding shares) |

3. Overview of Shikoku Yakugyo (as of June 29, 2005)

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|-------------------------------|---|
| (1) Company name: | SHIKOKU YAKUGYO CO., LTD. |
| (2) Principal business: | Operating holding company conducting centralization of supply and payment operations, and administration and supervision of management activities of two wholly owned subsidiaries, YONYAKU CO., LTD. and NAKAZAWA UJIKE PHARMACEUTICAL CO., LTD. |
| (3) Date of establishment: | September 29, 2004 |
| (4) Head office: | 1183, Hayashi-cho, Takamatsu, Kagawa |
| (5) Representative directors: | Takeshi Nakazawa, President (President and Representative Director of NAKAZAWA UJIKE PHARMACEUTICAL CO., LTD.) Hiroshi Matsumoto, Vice President (President and Representative Director of YONYAKU CO., LTD.) |
| (6) Paid-in capital: | ¥831 million (planned as of July 13, 2005) |

- (7) Number of employees: 11 (as of March 31, 2005)
- (8) Number of outstanding shares: 2,055,323.8 shares (planned as of July 13, 2005)
- (9) Principal shareholders and ownership percentages (Scheduled as of July 13, 2005):
1. Takeda Pharmaceutical Company Limited 14.65%
 2. MEDICEO Holdings Co., Ltd. 10.00%
 3. Astellas Pharma, Inc. 5.78%
 4. Eisai Co., Ltd. 4.88%
 5. Yonyaku Employees Shareholders' Association 4.40%
- (10) Net sales: ¥45,004 million (year ended March 31, 2005)
(the business period for this fiscal year was actually the six months from October 2004 through March 2005)

4. Overview of the Two Wholly Owned Subsidiaries of Shikoku Yakugyo (as of June 29, 2005)

YONYAKU CO., LTD.

- (1) Company name: YONYAKU CO., LTD.
- (2) Principal business: Wholesale distribution of pharmaceutical products
- (3) Date of establishment: June 18, 1949
- (4) Head office: 83, Yakura, Tabe-cho, Iyo-gun, Ehime
- (5) Representative: Hiroshi Matsumoto, President and Representative Director
- (6) Paid-in capital: ¥119 million
- (7) Number of employees: 463 (as of March 31, 2005)
- (8) Principal shareholders and ownership percentage: SHIKOKU YAKUGYO CO., LTD. 100.00%
- (9) Net sales: ¥63,275 million (year ended March 31, 2005)

NAKAZAWA UJIKE PHARMACEUTICAL CO., LTD.

- (1) Company name: NAKAZAWA UJIKE PHARMACEUTICAL CO., LTD.
- (2) Principal business: Wholesale distribution of pharmaceutical products
- (3) Date of establishment: December 28, 1949
- (4) Head office: 1842-1, Otsu-otsu, Kochi-shi, Kochi
- (5) Representative: Takeshi Nakazawa, President and Representative Director
- (6) Paid-in capital: ¥47.81 million
- (7) Number of employees: 399 (as of March 31, 2005)
- (8) Principal shareholders and ownership percentage: SHIKOKU YAKUGYO CO., LTD. 100.00%
- (9) Net sales: ¥42,899 million (year ended March 31, 2005)

5. Appointment of Advisors

MEDICEO Holdings President Sadatake Kumakura and Shikoku Yakugyo President Takeshi Nakazawa will become advisors to each other's companies as of July 13, 2005, the effective date of the share acquisition.

6. Effect on Business Results

This transaction will have no significant effect on the consolidated or non-consolidated results of MEDICEO Holdings for the year ending March 31, 2006.

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