

FOR IMMEDIATE RELEASE

April 26, 2007

Company Name: Eisai Co., Ltd.
(Securities Code No. 4523
First Section of Tokyo Stock Exchange and
Osaka Stock Exchange, respectively)

Company Name: Tatsuru

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Eisai Announces Complete Subsidiarization of Sanko Junyaku

On April 26, 2007, Eisai Co., Ltd. ("Eisai") and Sanko Junyaku Co., Ltd. ("Sankojunyaku") agreed that Eisai would make Sankojunyaku its wholly-owned subsidiary through a share exchange ("Share Exchange") and entered into a share exchange agreement ("Share Exchange Agreement").

Eisai, which currently holds 50.59% of Sankojunyaku shares, intends to perform the Share Exchange as of October 1, 2007 and to make Sankojunyaku its wholly-owned subsidiary subject to approval at an Annual Shareholders' Meeting of Sankojunyaku to be held on June 21, 2007.

As a result of the Share Exchange, Sankojunyaku is scheduled to be delisted as of September 25, 2007.

1. Purpose of the Complete Subsidiarization through Share Exchange

Sankojunyaku, which is a consolidated subsidiary of Eisai, has been pursuing the fulfillment of diverse needs of patients, their families, and all people living in society by providing information and products closely related to diagnostics and medical treatment. In September 2001, Sankojunyaku obtained a patent on its self-developed "PALSAR Method," a gene signal amplificat

Bee'Z Research Institute Co., Ltd. as a joint venture with its parent company, Eisai, for the purpose of research and development of gene testing agents. On phases of

2. Summary of the Share Exchange

(1) Schedule of the Share Exchange

Board of Directors Meeting to approve the Share Exchange (Sankojunyaku)	Thursday, April 26, 2007
Execution of the Share Exchange Agreement	Thursday, April 26, 2007
Shareholders meeting to approve the Share Exchange (Sankojunyaku)	Thursday, June 21, 2007
Effective date of the Share Exchange	Monday, October 1, 2007
Share certificate delivery date	Tuesday, November 20, 2007 (tentative)

Note Pursuant to the main clause of Article 796 Paragraph 3 of the Corporate Law of Japan, Eisai is going to conduct the Share Exchange in accordance with the summary share exchange procedures, without the approval of its shareholders' meeting.

(2) Share Exchange Ratio

Company name	Eisai (wholly-owning parent company)	Sankojunyaku (wholly-owned subsidiary)
Share Exchange ratio	1	1

	Range of Share Exchange Ratio
Market Share Price Analysis	0.055~0.061
DCF Analysis	0.085~0.114
Comparable Companies Analysis	0.074~0.082

Market Share Price Analysis is based on the closing price on April 24, 2007, and the average closing price during the one-month period commencing on March 26, 2007 and ending on April 24, 2007, the average closing price during three-month period commencing on January 25, 2007 and ending on April 24, 2007, and the average closing price during six-month period commencing on October 25, 2007 and ending on April 24, 2007.

Furthermore, the financial forecast of Sankojunyaku, on which DCF Analysis is based, assumes that steady performance growth and sales of new products will increase profit, and expects that the operating income will reach approximately JPY 500 million by the fiscal year ending in March 2013.

Ernst & Young performed Market Share Price Analysis with respect to Eisai, and performed Market Share Price Analysis, Discounted Cash Flow Analysis ("DCF Analysis"), and Comparable Companies Analysis with respect to Sankojunyaku. The number of shares of Eisai to be allotted to one share of Sankojunyaku calculated in each analysis is as follows:

	Range of Share Exchange Ratio
Market Share price analysis	0.055~0.060
DCF Analysis	0.098~0.111
Comparable Companies Analysis	0.079~0.085

Market Share Price Analysis is based on the average closing price during the one-month period commencing on March 26, 2007 and ending on April 24, 2007.

Furthermore, the financial forecast of Sankojunyaku, on which DCF Analysis is based, assumes that steady performance growth and sales of new products will increase profit and expects that the operating income will reach approximately JPY 500 million by the fiscal year ending in March 2013.

(ii) Process of calculation

As stipulated above, Eisai and Sankojunyaku requested Nomura Securities and Ernst & Young, respectively, to perform analysis relating to the share exchange ratio of the Share Exchange. Eisai and Sankojunyaku have been negotiating on the Share Exchange after careful review and in consideration of these analyses by the third-party institutions and other analysis results. As a

result, Representative Executive Officer of Eisai, upon deliberation at the Executive Officers' Meeting, decided as of April 26, 2007 that the Share Exchange Agreement, including the share exchange ratio, where 0.085 shares of Eisai will be allotted to 1 share of Sankojunyaku, should be executed. Sankojunyaku approved the execution of the Share Exchange Agreement at the Board of Directors Meeting held on April 26, 2007. As of the same date, Eisai and Sankojunyaku executed the Share Exchange Agreement.

The Share Exchange Ratio was determined within the range set out in "(i) Basis of calculation" above, which is the analysis provided by Nomura Securities to Eisai, and provided by Ernst & Young to Sankojunyaku.

In order to avoid conflicts of interests, affiliated interlocking directors did not participate in the resolution of the Board of Directors of Sankojunyaku on execution of the Share Exchange Agreement.

(iii) Relationship with the third-party institutions

Neither Nomura Securities nor Ernst & Young is a related party to Eisai or Sankojunyaku.

(4) Treatment of stock acquisition rights and corporate bonds with stock acquisition rights of the company that becomes a wholly owned subsidiary after the Share Exchange

Sankojunyaku has not issued stock acquisition rights or corporate bonds with stock acquisition rights, thus has no applicable matters.

3. Basic Information of Relevant Parties

As of September 30, 2006

(1) Company name	Eisai Co., Ltd.	Sanko Junyaku Co., Ltd.	
(2) Business	Manufacturing and marketing of pharmaceuticals, quasi-drug (<i>Iyaku-bugaihin</i>) and Pharmaceuticals Production Machinery.	Manufacturing, import and marketing of clinical test agent, clinical test machinery, laboratory reagents, machinery and equipments for physics and chemistry purposes	
(3) Date of Incorporation	December 6, 1941	May 26, 1954	
(4) Address of Head Office	4-6-10 Koishikawa, Bunkyo-ku, Tokyo	1-10-6 Iwamoto-cho, Chiyoda-ku, Tokyo	
(5) Name and Title of Representative	Haruo Naito, President & CEO	Masao Jimbo, President & Representative Director	
(6) Capital	¥44,985,000,000	¥5,262,000,000	
(7) Total Number of Outstanding Shares	296,566,949	17,999,560	Outstanding

(9)	Total Assets	¥751,597,000,000 (Consolidated)	¥13,439,000,000 (Consolidated)
(10)	End of Fiscal Year	March 31	March 31
(11)	Number of Employees	9,472 (Consolidated)	181 (Consolidated)
(12)	Major Customers	McKesson (U.S.A) Cardinal Health (U.S.A.)	Mediceo Paltac Holdings Co., Ltd. Toho Pharmaceutical Co., Ltd. Alfresa Corporation

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(13) Major Shareholders and Holding Ratio

(16) Financial Results of the Most Recent Three Years

Fiscal Year	Eisai Co., Ltd. (Wholly-owing company)			Sanko Junyaku Co., Ltd. (Wholly-owned subsidiary)		
	Fiscal Year ended March 2004	Fiscal Year ended March 2005	Fiscal Year ended March 2006	Fiscal Year ended March 2004	Fiscal Year ended March 2005	Fiscal Year ended March 2006
Net Sales (Consolidated) (in million yen)	500,164	533,011	601,252	5,333	5,452	5,395
Operating Income (Consolidated) (in million yen)	83,061	86,807	95,704	-207	188	148
Ordinary Income (Consolidated) (in million yen)	83,382	89,087	100,025	-163	139	167
Net Income (Consolidated) (in million yen)	50,148	55,505	63,410	-1,028	91	72
Earnings per Share (Consolidated) (in yen)	172.11	193.39	221.86	-57.18	5.06	4.01
Dividends per Share (in yen)	36.00	56.00	90.00		2.50	3.00
Equity per Share (Consolidated) (in yen)	1,457.47	1,608.22	1,816.22	636.53	641.12	644.78

4. After the Share Exchange

(1) Company name	Eisai Co., Ltd.
(2) Business	Manufacturing and marketing of pharmaceutical drugs, quasi-drugs and Pharmaceuticals Production Systems and Equipment.
(3) Address of Head Office	4-6-10 Koishikawa, Bunkyo-ku, Tokyo
(4) Name and Title of Representative	Haruo Naito, President & CEO
(5) Capital	¥44,985,000,000
(6) Net Assets (Consolidated)	¥535,921,000,000 (as of September 30, 2006)
(7) Total Assets (Consolidated)	¥751,597,000,000 (as of September 30, 2006)
(8) End of Fiscal Year	March 31

(9) Summary of Accounting Process	The Share Exchange is expected to fall under a transaction with a minor shareholder among the transactions under common control. This transaction is expected to incur negative goodwill of a limited amount.
(10) Effects of the Share Exchange on Business Performances	Sankojunyaku is already a consolidated subsidiary of Eisai, and thus, it is expected that the Share Exchange will have a minor impact on the performance of the fiscal year ending in March 2008.

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