

January 24, 2005

Teikoku Hormone Mfg. Co., Ltd.
Grelan Pharmaceutical Co., Ltd.

Conclusion of Amendment Agreement of Merger Agreement

On January 2005, Teikoku Hormone Mfg. Co., Ltd. (Teikoku) and Grelan Pharmaceutical Co., Ltd. (Grelan) concluded the Amendment Agreement of Merger Agreement (concluded on December 7, 2004) in which both companies agreed the name of combined company after merger and the payment of increased year-end dividend for the March 2005 term by Teikoku, etc.

1. New name of combined company

Name of combined company: ASKA Pharmaceutical Co., Ltd.

The word "ASKA," which makes up the new company's name, is derived from the meaning "flying bird," and its sound gives Japanese atmosphere, warmth and familiarity. It is expected that the new company will "soar" to the future aiming to contribute the health and affluent life of the people.

2. Payment of commemorative dividend

Teikoku decided the payment of 10 yen per share of commemorative dividend as year-end dividend for the March 2005 term on condition that the Merger Agreement is approved at the extraordinary shareholders' meeting of both companies to be held on February 25, 2005. This matter will be proposed at the 85th Shareholders' Meeting of Teikoku to be held at the end of June 2005.

The year-end dividend for the March 2005 term will be expected 16 yen per share including this commemorative dividend.

Accordingly, some provisions of Merger Agreement concluded on December 7, 2004 have been amended.

There will be no change in the merger ratio by the payment of this dividend.