Tanabe Press Release

Results of Offering of Early Retirement

Tanabe Seiyaku Co., Ltd. (President & CEO: Natsuki Hayama) announces results of the offering of early retirement, which was released on July 25, 2007. Details are describing as follows;

1. Details of the early retirement program
   1) Eligibility: full-time employees of age 45 and over, and under 60 years, served for 15 years and above as of September 30, 2007, including those dispatched from Tanabe Seiyaku. (The number of object employees: about 1,200)
   2) Number of employees to be offered: no limit to the number of applications
   3) Application period: from August 6, 2007 to August 24, 2007
   4) Date of retirement: September 30, 2007
   5) Premium allowance: those taking up the early retirement offer will receive a premium allowance in addition to the normal retirement allowance with assistance in finding new employment.

Number of participants: 61 employees

3. Impact of the early retirement on business performance

The expenses from the additional retirement allowance disbursed in this program are about 680 million yen, will be booked as a special loss in the interim financial results for the period ending September 30, 2007. Tanabe Seiyaku has incorporated a special loss of 2.5 billion yen as merger costs including the additional retirement allowance for the forecast of the first half-year financial results ending September 30, 2007.

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