

[Translation]

June 24, 2004

Name of the Company: Yamanouchi Pharmaceutical Co., Ltd. (the "Company")

**RELEASE FOR THE ALLOTMENT OF
THE STOCK OPTION (STOCK ACQUISITION RIGHTS)**

The Company hereby announces that at the meeting of the Board of Directors held on June 24, 2004, the details of the stock acquisition rights to be issued as stock option pursuant to provisions of Articles 280-20 and 280-21 of the Commercial Code of Japan, which were approved at the 91st ordinary general meeting of shareholders of the Company, were determined as follows.

Particulars

1. Issue date of stock acquisition rights: Scheduled to be July 1, 2004
2. The number of stock acquisition rights to be issued:
1,470 (100 shares per stock acquisition right)
3. Issue price of stock acquisition rights: Free of charge
4. Type and number of shares to be issued upon exercise of stock acquisition rights:
147,000 shares of common stock of the Company
5. Amount to be paid upon exercise of stock acquisition rights:
To be determined on July 1, 2004
6. Aggregate amount of common stock to be issued or transferred upon exercise of stock acquisition rights:
To be determined on July 1, 2004
7. Amount of a portion of the issue price of the shares to be issued upon exercise of stock acquisition rights which is transferred to paid-in capital:
It shall be an amount which is the relevant issue price per share multiplied by 0.5, with any fraction less than one yen resulting therefrom being counted as a full yen.
8. Exercise period of stock acquisition rights:
From July 1, 2006 to June 24, 2014 (both days inclusive)
9. Grantees of allotment of stock acquisition rights:
4 Directors of the Board, 16 Corporate Officers and 36 key employees of the Company, in total 56 persons

[Reference]

- (1) Date of the meeting of the Board of Directors for deliberation of matters to be resolved at the ordinary general meeting of shareholders: May 13, 2004
- (2) Date of resolution at the ordinary general meeting of shareholders: June 24, 2004

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