

PRESS RELEASE

Kirin Brewery Company, Limited
Takeda Chemical Industries, Limited

Kirin plans to provide human antibody technology to Takeda

Tokyo/Osaka August 1, 2003 --- Kirin Brewery Company, Limited (Kirin) and Takeda Chemical Industries, Limited (Takeda) announced today that they have signed a licensing agreement in respect of Kirin's TC Mouse™ human antibody-producing technology.

Under this agreement, Takeda will utilize Kirin's 'TC Mouse' human antibody-producing technology to make fully human antibodies that are effective against antigens selected by Takeda, and will develop, manufacture and sell these globally for therapeutic and diagnostic purposes. Kirin will receive milestone and royalty payments from Takeda, based on progress in development and sales of the antibodies.

In 1997 Kirin developed a mouse that produces fully human antibodies, using an in-house developed technique to introduce large human genes. Kirin developed KM Mouse™¹ after forming an alliance with US company Medarex, Inc. in 1999, and since then has been providing fully human antibody technology on a global basis. Using Kirin's human antibody technology it is possible to efficiently produce a wide variety of fully human antibodies, which possess a high affinity for antigens². Kirin has already signed licensing agreements related to the development of its human antibody technology to US companies such as Corixa Corporation and Genzyme Corporation. However, this is the first time that Kirin has made a licensing agreement with a major Japanese pharmaceutical company.

Kirin is also using its leading-edge technology in its cooperation with Haemotech LLC of the U.S. to develop a human antibody-producing from cloned calves.

Takeda has been focusing on the identification of drug-discovery targets through the use of genome information, and is already achieving a number of results.

In recent years, a combination of technologies from various specialized fields is necessary for pharmaceutical research and development. While improving continuously in-house R&D capabilities, Takeda actively is pursuing all the possibilities of utilizing outside resources, such as alliances with other pharmaceutical companies, biotechnology companies, universities, and research institutions to complement research activities for drug-discovery.

Under the alliance with Kirin, Takeda will start R&D activities for human antibody therapeutics against target-proteins discovered by Takeda.

Notes:

1. KM Mouse is the trade name of a mouse jointly developed by Kirin and Medarex, Inc. The name derives from the initials of the two companies. The mouse was developed using technology from both companies and is one of the world's most advanced human antibody producing mice.
2. The ability of antibodies to bind on to antigens. Antibodies with a high affinity can effectively bind onto antigens.

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Further information about Kirin and Takeda is available at their websites:

Kirin Brewery Company, Ltd.

Takeda Chemical Industries, Ltd.

<http://www.kirin.co.jp>

<http://www.takeda.co.jp>