

EPS and SOSEI Establish a Biopharmaceutical JV in China

Tokyo/London, 10 February, 2005 - EPS Co., Ltd, (4282, Tokyo Stock Exchange 2nd Index) and Sosei Co. Ltd., (4565, Tokyo Stock Exchange MOTHERS Index) have come to a basic agreement to establish a new biopharmaceutical joint venture in China.

1. Purpose of Incorporating JV:

EPS as a CRO provides a wide range of services in Japan. In other Asian countries, EPS explores and develops the market through EPS China Co., Ltd. in Shanghai and Ever Progressing System Pte. Ltd. in Singapore.

SOSEI is a leading Japanese biopharmaceutical company with significant expertise in drug development. It enriches its core product pipeline by in-licensing compounds from Western and Japanese companies, by its distinctive Drug Reprofile Platform[®] (DRP[®]) and through new molecular entity (NME) research programmes in collaboration with biopharmaceutical companies and universities both in Japan and the West.

EPS and SOSEI will work together in the joint venture to develop pharmaceutical compounds in China.

2. Summary of the New Company:

- (1) Establishment: March 2005
- (2) Capital: USD 200 thousands
- (3) Shareholders: EPS (60%), SOSEI (40%)
- (4) Company Name: Not yet determined

3. Financial Impact

No impact is expected on the sales and ordinary profits of EPS or Sosei in FY 2004 because joint venture sales are not expected until after FY 2005.

For further information please contact:

EPS Co., Ltd.

2-3-19 Koraku, Bunkyo-ku, Tokyo 112-0004 Japan

Takehiro MINAMI, Sub Manager Office of the President

E-mail : tminami@eps.co.jp

Tel: +81-3-5804-7577

Fax: +81-3-5804-0361

Sosei Co. Ltd.

Ichiban-cho FS Bldg., 8 Ichiban-cho, Chiyoda-ku, Tokyo 102-0082 Japan

Toshio MIYASHITA, Vice President of Corporate Planning

E-mail : tmiyashita@sosei.com

Tel: +81-3-5210-3399

Fax: +81-3-5210-3291

Sosei Co. Ltd. London office

London Bioscience Innovation Centre, 2 Royal College Street, London NW1 0NH, UK

John DAFFURN, General Manager

E-mail: jdaffurn@sosei.com

Tel: +44-20-7691-2086

Fax: +44-20-7419-5984