

November 15, 2006

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EPS Advances Into South Korea:
Acquisition of Capital in a Local CRO Company

- Further Expansion of Clinical Trial-Support Services Throughout Asia -

EPS Co., Ltd (EPS), Tokyo is pleased to announce that it acquires capital in a local CRO, ADM Korea Inc. (ADM), Seoul, Republic of Korea, with a view to establishing a new business base in South Korea following China and Singapore in sequence.

1. Objectives

EPS has put continuous emphasis on reinforcing and expanding the capability to deliver its signature CRO services in Asia. At the first onset, EPS launched its clinical trials-support services in China in 2001. Now, EPS China Co., Ltd (EPS China), Shanghai has grown to achieve a dominant share in the Chinese market. Later, penetration to Singapore in April 2003 followed; EPS has vigorously and steadily pursued to enhance provision for multinational clinical investigations in Asia.

In recent years, for the sake of improving so-called “drug lag” situation derived from a time lag in the regulatory approvals for new medicines have asynchronously proceeded in each of the U.S. and Europe, and Japan, the industry has seen rising momentum of multinational clinical trials covering Asia to facilitate drug development in Japan.

Reaching out to wider areas in Asia based on its fruitage in China, EPS is to conclude an exclusive contract with ADM and without delay to begin its clinical support operation in South Korea. ADM is an unprecedented CRO principally involving a new-drug development business. It is notable that ADM has already earned exceeding practical accomplishments; ADM has undertaken local operation in South Korea on multinational clinical studies sponsored by the Western pharmaceuticals and helped clients succeed in obtaining NDA approvals from the local authority, KFDA. EPS is due to underwrite ADM's allocation of new shares to a third party until December 2006 and will have ADM as its equity method associate company.

In this fulfillment, EPS lines up the secure footholds in every four major countries of Asia, so that it becomes able to offer its solid enhanced services to support drug investigation in a full array of Japan, China, Singapore, and South Korea, which are bound to contribute as important pillars of clinical trials in the coming age.

2. About ADM Korea Inc.

Corporate Name: ADM Korea Inc.
Representative: Seokmin Yoon (CEO, President)
Address: #1120, King's Garden Bldg. 72 Naesu-Dong,
Jongro-Gu, Seoul 110-070, Korea
Capital: KRW 50,000,000.-
Execution Date: December, 2006 (Shareholders ratio : EPS 35%)

3. Effects on Consolidated Results and Prospects for the Future

EPS, at this point has the perception that this matter should only cause a minor effect on consolidated results for the current fiscal year ending September 2007. However, in a case of any implications be forecasted, EPS is to announce them on a timely basis as they are confirmed.

As for prospects for the future, EPS is currently in preparation to set up a central administrative sector for strategic implementation and effective control of overseas operations, in addition to its business support at each offshore base. In the meantime, through enriching clinical testing conducted in Japan and providing support to multinational clinical studies situated in Asia, EPS remains committed to make tireless efforts in the hope of that it be contributory to invigorate development of medicines in Japan.

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Terms and Descriptions:

CRO: Contract Research Organization

KFDA: Korean Food and Drug Administration

NDA: New-Drug Application

Drug lag: New drugs originally developed by the Western biopharmaceutical companies are approved in the U.S. and Europe first and soon widely prescribed to sufferers in need throughout these regions, but patients in the rest of the world including Japan are left behind in accessing the latest medicines until the local authorities later approve those new drugs. This time lag has become a serious social issue in Japan: without access to a drug available elsewhere, seriously ill patients suffer or even die; otherwise as a last resort, they import those locally-unapproved medicines from overseas on their own to survive.