

March 30, 2005

Osaka Gas Co., Ltd.
Osaka Gas Chemicals Co., Ltd.
Takeda Pharmaceutical Company Limited

Osaka Gas to Acquire Life-Environment Business of Takeda Pharmaceutical Company

Osaka, Japan, March 30, 2005 --- Osaka Gas Co., Ltd. (“Osaka Gas”, President: Hirofumi Shibano) and Takeda Pharmaceutical Company Limited (“Takeda”, President: Yasuchika Hasegawa) jointly announced today the transfer of shares of Takeda’s five subsidiaries and affiliates engaged in life-environmental business to Osaka Gas Chemicals Co., Ltd. (“Osaka Gas Chemicals”, President: Mitsuo Endo), a subsidiary of Osaka Gas. Such five companies include Japan EnviroChemicals, Ltd. (“Japan EnviroChemicals” President: Atsuo Kobayashi), a wholly owned subsidiary of Takeda.

Osaka Gas is committed to increase its corporate value by enhancing the non-energy businesses expected to grow in the future. As one of such efforts, Osaka Gas Chemicals aims to expand its carbon-based business such as activated carbon, electrode materials and fine materials, all of which are based on the technologies accumulated during the time when coal was the main resource for Osaka Gas’s gas production.

Takeda is aiming to become an R&D oriented, world-class pharmaceutical company, and to that effect, it has been promoting independence of its non-pharmaceutical businesses in order to concentrate management resources into pharmaceutical business. As one of its movements, the life-environmental business of Takeda became an independent subsidiary, Japan EnviroChemicals in April 2003 as first step, and Takeda has been seeking the optimal business model to find Osaka Gas Chemicals as the most appropriate partner to which the business will be transferred as announced today.

One of the Osaka Gas Chemicals’ strengths is that it manufactures and sells consumer goods such as household water purifiers using highly adsorptive activated carbon fibers, while Japan EnviroChemicals has top market share in products such as granulated/powdered activated carbon, and wood preservatives. The synergy effect by consolidation of technology and know-how of Osaka Gas Chemicals and Japan EnviroChemicals including other four companies is highly expected to contribute to expansion of the businesses leveraged on the further enriched product-line and wider range of targeted customers.

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* Profiles of five subsidiaries/affiliates of Takeda to be transferred to Osaka Gas Chemicals
(The name of each company will remain unchanged.)

Japan EnviroChemicals, Ltd.

Location: 3-8 Doshomachi, 2-chome, Chuo-ku, Osaka, Japan
President: Atsuo Kobayashi
Businesses: R&D, manufacture, and sales of activated carbon, wood preservative,
industrial preservatives, and test kit for environmental pollutants
Established: April 1, 2003

Minabe Chemical Industries, Ltd.

Location: 173-1, Kisato, Minabe-cho, Hidaka-gun, Wakayama, Japan
President: Masayuki Suzuki
Businesses: Manufacture of activated carbon
Established: April 16, 1969

Hakata Chemical Industries, Ltd.

Location: 290 Kinouraotsu, Hakata-cho, Imabari, Ehime, Japan
President: Masatoshi Nakano
Businesses: Manufacture of activated carbon
Established: June 15, 1971

Davao Central Chemical Corporation

Location: Km.19 Tibungco, Davao City 8000, Philippines
President: Yoshinori Iwashima
Businesses: Manufacture and sales of activated carbon
Established: October 20, 1972

Century Chemical Works Sdn.Bhd.

Location: Mk. 1, No.1026, Prai Industrial Complex, 13609 Prai, Province Wellesley,
Penang, Malaysia
President: Goh Huck Sun
Businesses: Manufacture and sales of activated carbon
Established: November 29, 1969

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Osaka Gas Co., Ltd.

Location: 4-1-2, Hiranomachi, Chuo-ku, Osaka, Japan
President: Hirofumi Shibano
Businesses: Manufacture and sales of gas, LPG, electricity and other energies, and other related businesses
Established: April 10, 1897

Osaka Gas Chemicals Co., Ltd.

Location: 6-14 Bingomachi 3-chome, Chuo-ku, Osaka, Japan
President: Mitsuo Endo
Businesses: Manufacture and sale of carbon fiber and activated carbon fiber. Sale of benzene and coal tar products, petroleum and chemical industry products.
Established: June 29, 1949

Takeda Pharmaceutical Company Limited

Location: 1-1, Doshomachi, 4-chome, Chuo-ku, Osaka, Japan
President: Yasuchika Hasegawa
Businesses: Manufacture, sale and export/import of pharmaceutical products and others.
Established: June 12, 1781 (Incorporated: January 29, 1925)