

Press Release

July 22, 2004
CMIC Co., Ltd.

CMIC to acquire the Institute of Applied Medicine,
subsidiary of SSP Co., Ltd.

TOKYO - CMIC Co., Ltd. (Tokyo, Japan, "CMIC") finalized the resolution on whole stock acquisition of Institute of Applied Medicine, Inc. (Hokkaido, Japan, "IAM"), subsidiary of SSP Co., Ltd. (Tokyo, Japan, "SSP"), effective as of July 30, 2004, at the board of directors meeting on July 22, 2004.

1. Background of stock acquisition

IAM conducts stability tests of pharmaceutical products, features qualified expertise and cost-effective services. CMIC decided the whole stock acquisition of IAM in purpose of its contribution on CRO business in terms of intensification of the consultation function, new business development and strengthening of financial bases.

2. Method of stock acquisition

To acquire the issued common stock of IAM: 1,220,000 stocks (100%)

3. About IAM

- | | | |
|-------------------|---|--|
| 1) Firm name | : | Institute of Applied Medicine, Inc. |
| 2) Representative | : | Hiromitsu Ohno |
| 3) Address | : | 1-10, Nishi 14Chome, Minami 26Jo,
Chuo-ku, Sapporo, Hokkaido |
| 4) Foundation | : | December 24, 1980 |
| 5) Main business | : | Contract research on pre-clinical studies |
| 6) Fiscal term | : | The end of March |
| 7) Employees | : | 68 |
| 8) Offices | : | <u>Headquarters</u>
1-10, Nishi 14Chome, Minami 26Jo,
Chuo-ku, Sapporo, Hokkaido |

Sapporo Laboratory

1-1, Shinkawa 1Jo 4Chome, Kita-ku,
Sapporo, Hokkaido

Ishikari Laboratory

81-1, Minami 8Jo 3Chome, Hanakawa,
Ishikari, Hokkaido

Tokyo Office

2-7-13, Iwamoto-cho, Chiyoda-ku,
Tokyo

9) Capital : JPY 610 million.-

10) Stockholders : SSP Co., Ltd. (100%)

11) Total assets and business performance (Japanese Yen)

	FY March 2003	FY March 2004
Net sales	857 million	1,003 million
Gross profit of sales	371 million	424 million
Operating profit	221 million	244 million
Ordinary profit	214 million	237 million
Total assets	1,014 million	1,136 million

4. Source of stocks

1) Firm name : SSP Co., Ltd.

2) Representative : Osamu Kayoo

3) Address : 2-12-4, Nihonbashihamacho,
Chuo-ku, Tokyo

4) Foundation : October 29, 1927

5) Main business : Manufacture and distribute of pharmaceutical products
including quasi-drugs, medical devices, cosmetics
and health foods.

6) Relationship with CMIC: No personal and capital relationship

5. Number of stocks acquired, amount, ownership of stocks

1) Number of stocks before acquisition : 0 (0%)

2) Number of stocks acquired : 1,220,000 stocks

(Acquisition value at JPY 1,400 million)

3) Number of stocks after acquisition : 1,220,000 stocks (100%)

6. Schedule

July 22, 2004	The board of directors meeting
July 28, 2004	Conclusion of contract on stock acquisition
July 30 2004	Date of stock acquisition

7. Future perspective

CMIC expects that effects on consolidated/non-consolidated profit and loss for this fiscal term due to the stock acquisition will be minor.