

May 14, 2007

**Ono Pharmaceutical Co., Ltd.**

President and Representative Director: Toshiharu Korekane

Code No: 4528 at the first section of the Tokyo and Osaka Stock Exchange

INQUIRIES: Kinya Morimoto, Senior Director, Public Relations (Phone: 06 6263 5670)

## **Revision on Compensation for Members of the Board of Directors**

Ono Pharmaceutical Co., Ltd. (Osaka, Japan) announced today that the Board of Directors meeting held today has resolved the revision on compensation for the company's member of the Board of Directors (the "Director") as follows.

1. Abolition of Retirement Benefits for the Directors

(i) Reason for abolition

To revise the current compensation system with implications of deferred compensation into the new system emphasizing on benefits during his or her tenure

(ii) Date of abolition

Upon closing of the 59<sup>th</sup> Annual Shareholders Meeting to be held on June 28, 2007

(iii) Treatment along with such abolition

It will be referred to the 59<sup>th</sup> Annual Shareholders Meeting to be held on June 28, 2007 that compensation for retirement benefit will be paid, upon his or her retirement, to a current Director and a Corporate Auditor who will continue to serve following the Meeting corresponding to his or her tenure as a Director or a Corporate Auditor until closing of the Meeting.

2. Details and Reasons for Revision on Compensation for the Directors

Since the resolutions for compensation to the Directors at the Annual Shareholders Meeting held on February, 1987 and the same to the Corporate Auditors at the Meeting held on June, 1993, the compensation limit has been JPY 27 million per month for a Director (but excluding the salary paid to the Director doubling as an employee for his or her job) and JPY 5 million per month for a Corporate Auditor until today.

However, it was resolved that, due to introduction of a new compensation system for the Directors emphasizing on benefits during his or her tenure as the Director along with abolition of retirement benefit system as well as in accordance with enforcement of the new Company Law and change of accounting standard on bonus, the bonus payment which has been made as profit appropriation separately from the compensation so far will be included within the compensation limit, and monthly compensation limit will be replaced with annual basis. The resolution was also made that annual compensation limit for the Director (but excluding the salary paid to the Director doubling as an employee for his or her job) will be JPY 450 million and the same for the Corporate Auditor will be JPY 60 million.

The resolution relating to the revision on compensation system for the company's Directors will be referred to the 59<sup>th</sup> Annual Shareholders Meeting.