

May 19, 2003

Shionogi & Co., Ltd.

Acquisition of Treasury Stock

The Board of Directors of Shionogi & Co., Ltd. resolved on May 19, 2003 to present its proposal at the 138th Annual General Meeting of Shareholders on June 27, 2003 to purchase shares of the Company's stock as treasury stock in accordance with the provisions of Article 210 (Acquisition of Treasury Stock) of the Japanese Commercial Code. Details are as follows:

1. Reason for the Proposal

Approval must be obtained at the annual general meeting of shareholders to authorize the Board of Directors to carry out the proposed action aimed at enabling execution of a flexible capital policy.

2. Description of the Proposal

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| (1) Type of stock to be acquired: | Common stock of the Company |
| (2) Total number of shares to be acquired: | 10 million shares (maximum) |
| (3) Total acquisition cost of shares: | ¥20 billion (maximum) |

For Further Information

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