

## **REVISION ANNOUNCEMENT OF FINANCIAL FORECASTS FOR FY2005**

**Tokyo, Japan/London, UK – 11 May 2006:** Sosei Co. Ltd. (TSE Mothers Index: 4565) announced today the revisions to its financial forecasts for the Fiscal Year ending March 2006, updating from the forecasts announced on 16 December 2005.

### 1. Revised Financial Forecasts for the Fiscal Year 2005 (1 April 2005 – 31 March 2006)

[Consolidated]

(JY: Million)

	Sales	Ordinary Profit/(Loss)	Net Income/(Loss)
Original Forecast (A)	300	(5,000)	(5,000)
<b>Revised Forecast (B)</b>	<b>400</b>	<b>(4,400)</b>	<b>(4,200)</b>
Increase (Decrease) (B-A)	100	600	800
Increase (Decrease) %	33.3	12.0	16.0

[Non-consolidated]

(JY: Million)

	Sales	Ordinary Profit/(Loss)	Net Income/(Loss)
Original Forecast (A)	50	(2,200)	(2,200)
<b>Revised Forecast (B)</b>	<b>38</b>	<b>(2,050)</b>	<b>(2,050)</b>
Increase (Decrease) (B-A)	(12)	150	150
Increase (Decrease) %	(24.0)	6.8	6.8

### 2. Reasons for Revision

As for Consolidated Forecast, Sales figure is revised due to an increase of clinical study commission fee which Arakis received from Novartis regarding AD 237, that exceeded the estimation. On the other hand, Ordinary Loss and Net Loss are revised due to a decrease of R&D cost that was less than the estimated.

As for Non-consolidated Forecast, Sales figure is revised due to delay of sales initiation of Norlevo® by Sandoz/Hexal in Australia. Ordinary Loss and Net Loss is revised due to a decrease of R&D costs that were less than the estimated.

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