

May 21, 2009

To whom it may concern:

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Toho Holdings Co., Ltd.
(Tokyo Stock Exchange Securities Code: 8129)
Norio Hamada, President and CEO
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Notice of Conclusion of Memorandum to Promote Consultation about Consolidation between Consolidated Subsidiaries

Toho Holdings Co., Ltd. is pleased to announce that its Board of Directors meeting held today has approved the conclusion of the memorandum to promote consultation about consolidation between its consolidated subsidiaries Kyushu Toho Co., Ltd. (Head office: Kumamoto City) and Mori Pharmaceutical Co., Ltd. (Head office: Miyazaki City). Both consolidated subsidiaries will continue to consult about their consolidation on October 1, 2009, based on this memorandum. Details are as follows:

1. Objectives of approval of the memorandum

The Kyoso Mirai Group as a corporate group that is engaged in the distribution of drugs and medicines and other medical products is working toward maximizing its group synergy by actively applying all managerial resources under the corporate slogan of "Total Commitment to Good Health." Toho Pharmaceutical Co., Ltd. is the core company of the Kyoso Mirai Group.

Toho Holdings approved the plan for Kyushu Toho Co., Ltd. and Mori Pharmaceutical Co., Ltd. to conclude, on this day, the memorandum to promote consultation about their consolidation on October 1, 2009.

Toho Holdings intends to promote this business integration in order to increase competitiveness of the Group by efficiently using the managerial resources of Kyoso Mirai Group in the Kyushu region.

2. Schedule of consolidation

May 21, 2009: Kyushu Toho Co., Ltd. and Mori Pharmaceutical Co., Ltd. made the memorandum to promote consultation about their consolidation. Toho Holdings resolved to approve the memorandum at its Board of Directors' Meeting.

October 1, 2009 (planned) : Date of consolidation

3. Details of consolidation

Details of consolidation have not been finalized at this point in time, and will be materialized through consultations among four (4) companies including Toho Pharmaceutical Co., Ltd.

4. Impact on business performance

Toho Holdings considers that impacts from the above business integration on consolidated and non-consolidated performances are insignificant.

5. Outline of both parties

(1) Company name	Kyushu Toho Co., Ltd	Mori Pharmaceutical Co., Ltd.
(2) Corporate representative	Tadakatsu Terazono	Toyoharu Kubota
(3) Principal place of business	356 Yoyasu-cho, Kumamoto City, Kumamoto	33 Yanagimaru-cho, Miyazaki City, Miyazaki
(4) Establishment	December 2, 1948	December 27, 1950
(5) Main business contents	Wholesale of pharmaceuticals business	Wholesale of pharmaceuticals business
(6) Fiscal year end	March 31	March 31
(7) Capital	522 million yen	400 million yen
(8) Number of shares issued	10,440,000 share	580,000 share
(9) Major shareholders	Toho Pharmaceutical Co., Ltd : 100.0 %	Toho Pharmaceutical Co., Ltd : 100.0 %
(10) Net Sales (FY2009)	72,661 million yen	14,321 million yen
(11) Employees (as of March 31, 2009)	602	176

6. Others

The Company will disclose details of the consolidation and others as soon as they are materialized.