

July 16, 2009

To whom it may concern

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Toho Holdings Co., Ltd.
(Tokyo Stock Exchange Securities Code: 8129)
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Notice of the Reorganization of Subsidiaries engaged in the Dispensing Pharmacy Business

TOHO HOLDINGS is pleased to announce that it has decided to carry out a reorganization of the Group's dispensing pharmacy operations as shown below, in order to realize more efficient management through the concentration of the management resources of subsidiaries engaged in the dispensing pharmacy business within the Toho Group.

In addition, part of the disclosure items and the presentation are omitted since this reorganization covers only the Company's consolidated subsidiaries and consolidated sub-subsidiaries.

1. Outline of the reorganization of subsidiaries engaged in the dispensing pharmacy business

TOHO HOLDINGS intends to execute the following reorganization of its subsidiaries and others engaged in dispensing pharmacy operations on the effective date of October 1, 2009 as follows:

(1) Corporate Split

- ① The Company will make PharmaCluster Co., Ltd., a consolidated subsidiary of the Company, succeed to the Company's subsidiary management operations over Fuji Family Pharmacy Co., Ltd., through an absorption-type company split.
- ② The Company will make PharmaCluster Co., Ltd., succeed to the subsidiary management operations over Chuo Medical Co., Ltd. by Ethos Inc., a consolidated subsidiary of the Company, through an absorption-type company split.

(2) Consolidation

Ethos Inc. is to effect an absorption-type merger with its wholly-owned subsidiary Toyaku Co., Ltd., and Toyaku is to be dissolved.

(3) Reorganization chart

Refer to the Appendix "Schematic Diagram of Toho Holding Group's Dispensing Pharmacy Business in relation to the Reorganization".

2. Schedule of the reorganization

(1) Corporate split of the Company's subsidiary management operations over Fuji Family Pharmacy Co., Ltd. to PharmaCluster Co., Ltd.

① Schedule of Corporate Split

July 16, 2009	Company's Board of Directors' meeting to resolve an absorption-type company split
July 16, 2009	Conclusion of an absorption-type company split agreement
October 1, 2009 (planned)	Date of the absorption-type company split (proposed effective date)

(Note1) The Company will effect the corporate split without an approval of a shareholders' meeting, since the corporate split above comes under the category of a simplified absorption-type company split under Article 784, Paragraph 3 of the Companies Law. On the other hand, PharmaCluster will implement the corporate split above without an approval of a shareholders' meeting, since it comes under the category of a summary absorption-type company split under Article 796, Paragraph 1 of the Companies Law.

(Note2) The corporate split above will be resolved by PharmaCluster's Board of Directors meeting to be held on July 21, 2009 on the condition of its entry into force based on resolutions of Board of Directors meetings of both companies.

② Method of Corporate Split

The corporate split above is based on an absorption-type company split whereby the Company is a split company and PharmaCluster Co., Ltd. is the succeeding company.

③Details of Allocation upon Corporate Split

No shares of stock to be allocated upon Corporate Split because PharmaCluster is wholly owned subsidiary of Toho Holdings.

④Capital Reduction due to Corporate Split

No decrease in the Company's capital and capital surplus due to the corporate split.

⑤Treatment of Share Options and Bonds with Share Options of the Split Company

There is no change in the share options and bonds with share options issued by Toho Holdings because of the Corporate Split.

⑥Rights and Obligations to be Succeeded to by the Succeeding Company

PharmaCluster is to succeed from the Company the assets and liabilities and contractual status required for the execution of operations succeeded to through the company split.

The obligation to be succeeded by the Corporate Split shall be additionally assumed by Toho Holdings.

⑦Prospect of Fulfilling Obligation

Toho Pharmaceutical and PharmaCluster conclude that there are no doubts in fulfillment of the obligation to be borne by each party after the effective date of the Corporate Split.

⑧Outline of Companies subject to Corporate Split

	The Split Company (As of March 31, 2009)	The Succeeding Company (As of March 31, 2009)
(1) Company name	TOHO HOLDINGS CO., LTD.	PharmaCluster Co., Ltd.
(2) Business contents	Holdings company's function, namely control and management of operating companies	Management of dispensing pharmacy business companies
(3) Establishment	September 17, 1948	December 24, 2008
(4) Principal place of business	5-2-1 Daizawa, Setagaya Ward, Tokyo	4-4-2 Honcho, Nihonbashi, Chuo Ward, Tokyo
(5) Corporate representative	Norio Hamada / President and CEO	Kazunari Sue / President
(6) Capital	10,649 million yen	10 million yen
(7) Number of shares issued	60,766,622 shares	200 shares
(8) Net asset	77,605 million yen (Consolidated)	5 million yen (Non-consolidated)
(9) Total asset	397,845 million yen (Consolidated)	21 million yen (Non-consolidated)
(10) Fiscal year end	March 31	March 31
(11) Major shareholders and equity holdings	Mitsubishi Tanabe Pharma Corporation 6.02% DAIICHI SANKYO COMPANY, LIMITED 4.42% Jaoan Trustee Services Bank., Ltd. (trust account) 4.24% SHIONOGI & CO., LTD. 4.11% Jaoan Trustee Services Bank., Ltd. (trust account 4G) 3.64%	TOHO PHARMACEUTICAL CO., LTD. 100% (Note 1)

(Note1) The 100% parent company of PharmaCluster Co., Ltd. was changed to Toho Holdings Co., Ltd. on April 1, 2009, due to the shift to the holding company structure of Toho Pharmaceutical Co., Ltd.

⑨Overview of Business Segments to be Split

(i) Content of Businesses of Divisions to be Split

Management operations over Fuji Family Pharmacy

(ii) Operating Results of Divisions to be Split

The Company does not have any operating result of divisions to be split.

(iii) Item and Amount of Assets and Liabilities to be Split (as of April 1, 2009)

Asset	
Account	Book value
Fixed asset	4,100 million yen
Total	4,100 million yen

⑨ Overview of Business Segments to be Split

(i) Content of Businesses of Divisions to be Split

Subsidiary management business over Chuo Medical

(ii) Operating Results of Divisions to be Split (from April 1, 2008 to March 31, 2009)

Net Sales 4,103 million yen

(iii) Item and Amount of Assets and Liabilities to be Split (as of March 31, 2009)

Asset		Liabilities	
Account	Book value	Account	Book value
Fixed asset	2,000 million yen	Current liabilities	1,750 million yen
Total	2,000 million yen	Total	1,750 million yen

(3) Consolidation of Ethos Inc. with its wholly-owned subsidiary Toyaku Corp.

① Schedule of consolidation

July 16, 2009 Company's Board of Directors meeting to approve the consolidation of both companies

July 21, 2009 (planned) Board of Directors meeting to approve the consolidation agreement at both Ethos and Toyaku
Conclusion of the consolidation agreement

October 1, 2009 (planned) Date of consolidation (proposed effective date)

(Note 1) With respect to this consolidation, Toyaku will implement the corporate split without the approval of a shareholders' meeting, since the merger above comes under the category of a summary absorption-type merger under Article 784, Paragraph 1 of the Companies Law. On the other hand, Ethos will implement the merger without the approval of a shareholders' meeting since the merger above comes under the category of a simplified absorption-type merger under Article 796, Paragraph 3 of the Companies Law.

② Outline of the consolidation

(i) Method of consolidation

Consolidation is to be carried out based on an absorption-type merger whereby Ethos is the surviving company and Toyaku is the absorbed company, and Toyaku will be dissolved.

(ii) Details of the allocation concerning the consolidation and details of the calculation

No deliveries of shares and other properties shall be carried out at the time of this consolidation.

③ Outline of the companies subject to consolidation

	Surviving company (As of March 31, 2009)	Absorbed company (As of March 31, 2009)
(1) Company name	ETOHS Inc.	TOYAKU Corporation
(2) Business contents	Insurance dispensing, pharmaceutical sales, home medical care services, and pharmaceutical wholesale in small lots	Insurance dispensing, pharmaceutical sales
(3) Establishment	July 7, 1993	January 21, 1982
(4) Principal place of business	4-4-2 Honcho, Nihonbashi, Chuo Ward, Tokyo	4-4-2 Honcho, Nihonbashi, Chuo Ward, Tokyo
(5) Corporate representative	Kazunari Sue / President	Hiroki Kinoshita / President
(6) Capital	50 million yen	10 million yen
(7) Number of shares issued	400,000 shares	20,000 shares
(8) Net asset	660 million yen (Non-consolidated)	417 million yen (Non-consolidated)
(9) Total asset	9,172 million yen (Non-consolidated)	1,341 million yen (Non-consolidated)
(10) Fiscal year end	March 31	March 31
(11) Major shareholders and equity holdings	TOHO PHARMACEUTICAL CO., LTD. 100% (Note 1)	ETOHS Inc. 100%

(Note1) The 100% parent company of Ethos was changed to PharmaCluster Co., Ltd. on April 1, 2009, due to the shift to the holding company structure of Toho Pharmaceutical Co., Ltd.

④Effects of consolidation

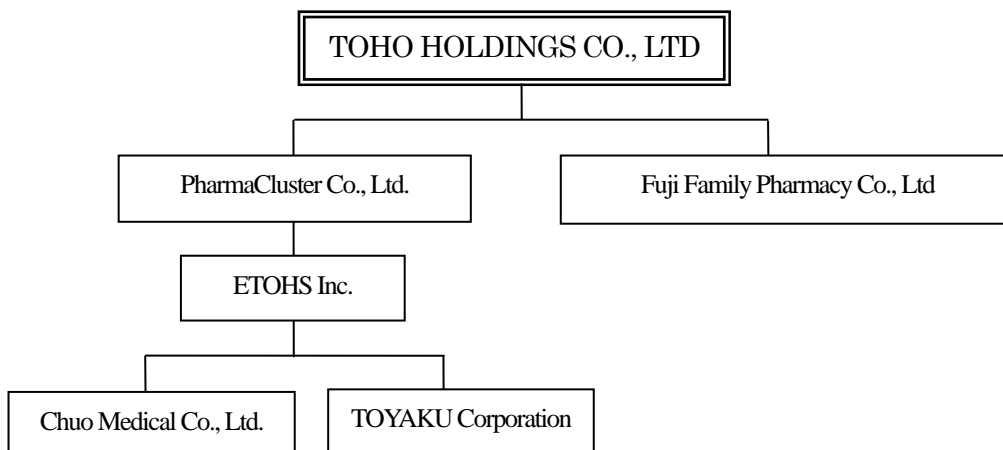
(i) Company name	ETOHS Inc.
(ii) Business contents	Insurance dispensing, pharmaceutical sales, home medical care services, and pharmaceutical wholesale in small lots
(iii) Principal place of business	4-4-2 Honcho, Nihonbashi, Chuo Ward, Tokyo
(iv) Corporate representative	Representative Director and President Hiroki Kinoshita
(v) Directors	Director and Chairman Kazunari Sue Director Masao Motohashi Director Mariko Fujiwara Director Kazuyuki Takahashi Director Kaoru Kamo Director Yasutaka Sarasawa Auditor Kunio Hashimoto
(vi) Capital	50 million yen
(vii)Fiscal year end	March 31

3. Performance outlook

Impacts from the reorganization of the Group's dispensing pharmacy business above on the Company's consolidated operating results are considered insignificant.

[Schematic Diagram of Toho Holding Group's Dispensing Pharmacy Business in relation to the Reorganization]

<Current Structure>



<New Structure after the Reorganization on October 1, 2009>

