

October 9, 2009

To whom it may concern

5-2-1 Daizawa, Setagaya Ward, Tokyo
Toho Holdings Co., Ltd.
(Tokyo Stock Exchange Securities Code: 8129)
Norio Hamada, President and CEO
Contact: Mamoru Ishii, Corporate Officer and
General Manager of Corporate Planning Office
(Tel: 03-5259-9500)

Notice regarding the Commencement of Consultations toward a Business Merger between Toho Holdings Co., Ltd. and the Seiko Pharmacy Group

TOHO HOLDINGS CO., LTD. is pleased to announce that at the meeting of its Board of Directors held on October 9, 2009, it was resolved to make an agreement to commence consultations towards a business merger between the Company, Seiko Pharmacy Co., Ltd. (Head office: Iizuka City, Fukuoka Prefecture) and Himawari Pharmacy Company Limited (Head office: Sawara Ward, Fukuoka City), which are deploying the dispensing pharmacy business mainly in the Kyushu area. An outline is as follows:

1. Purpose of the Commencement of Consultations toward a Business Merger

Toho Holdings Group started up the business group the Kyoso Mirai Group in Pharmacy last year in order to cooperate with and assist pharmacies that are independently contributing to medical services and the support of patients in the local community, and has been inviting the participation of dispensing pharmacies that approve its objectives.

The Seiko Pharmacy Group has approved the objectives and considered that it would be able to further strengthen its dispensing functions and maximize its corporate value by actively utilizing the management resources of the Toho Holdings Group while maintaining its community-based business infrastructure. Consequently, the three companies above have decided to commence consultations towards business integration among them.

2. Content of Consultations concerning the Business Merger

Toho Holdings plans to make Seiko Pharmacy and Himawari Pharmacy its wholly owned subsidiaries, with December 1, 2009, as the target. Specific details about the method of the business merger and the operation and business expansion after the business merger will be announced immediately after they have been finalized.

3. Outlines of the parties involved

(1) Company name	TOHO HOLDINGS CO., LTD. (as of March 31, 2009)	Seiko Pharmacy (as of March 31, 2009)	Himawari Pharmacy (as of March 31, 2009)
(2) Business contents	Holding company's function, namely control and management of operating companies	Dispensing pharmacy business	Dispensing pharmacy business
(3) Establishment	September 17, 1948	March 25, 1985	March 10, 1994
(4) Principal place of business	5-2-1 Daizawa, Setagaya Ward, Tokyo	6-1 Yoshihara-machi, Iiduka City, Fukuoka	4-20-11 Momochihama, Sawara Ward, Fukuoka City, Fukuoka
(5) Corporate representative	Norio Hamada / President and CEO	Masahiro Iwaido/ President	Masahiro Iwaido/ President
(6) Capital	10,649 million yen	30 million yen	3 million yen
(7) Number of shares issued	60,766,622 share	3,000 share	60 share
(8) Net sales	838,903 million yen (consolidated)	1,363 million yen	444 million yen
(9) Net assets	77,605 million yen (consolidated)	131 million yen	14 million yen
(10) Total assets	397,845 million yen (consolidated)	571 million yen	126 million yen
(11) Fiscal year end	March 31	March 31	March 31
(12) Major shareholders and equity holdings	Mitsubishi Tanabe Pharma Corporation: 6.02 % DAIICHI SANKYO COMPANY, LIMITED: 4.42 % Japan Trustee Service Bank, Ltd. (trust account): 4.24 % SHIONOGI & CO., LTD: 4.12 % Japan Trustee Service Bank, Ltd. (trust account 4G): 3.64 %	Masayo Iwaido: 40.0% Masahiro Iwaido: 30.0% Norio Deguchi: 30.0%	Masahiro Iwaido: 50.0% Norio Deguchi: 50.0%