

January 8, 2010

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  
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Notice regarding the Commencement of Consultations toward a Business Merger between Toho Holdings Co., Ltd. and Medical Brain Co., Ltd.

TOHO HOLDINGS CO., LTD. is pleased to announce that at the meeting of its Board of Directors held on January 8, 2010, it was resolved to make an agreement to commence consultations towards a business merger between the Company and MEDICAL BRAIN CO., LTD. (Head office: Yahata Nishi Ward, Kita Kyushu City, Fukuoka Prefecture), which is 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 the year before last 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.

Medical Brain 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 two companies above have decided to commence consultations towards business integration among them.

2. Content of Consultations concerning the Business Merger

The Company intends to make Medical Brain Co., Ltd. a wholly owned subsidiary in early March, 2010.

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)	MEDICAL BRAIN CO., LTD. (as of March 31, 2009)
(2) Business contents	Holding company's function, namely control and management of operating companies	Dispensing pharmacy business
(3) Establishment	September 17, 1948	July 21, 1995
(4) Principal place of business	5-2-1 Daizawa, Setagaya Ward, Tokyo	2-1-6 Chiyogasaki, Yahata Nishi Ward, Kita Kyushu City, Fukuoka
(5) Corporate representative	Norio Hamada / President and CEO	Jiro Hirata / President
(6) Capital	10,649 million yen	25 million yen
(7) Number of shares issued	60,766,622 shares	480 shares
(8) Net sales	838,903 million yen (consolidated)	1,640 million yen
(9) Net assets	77,605 million yen (consolidated)	87 million yen
(10) Total assets	397,845 million yen (consolidated)	616 million yen
(11) Fiscal year end	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 %	Jiro Hirata: 75.4 % Norio Deguchi: 10.0 % Fujiko Hirata: 8.3 % Yuki Hirata: 2.1 % Kei Hirata: 2.1 %