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To whom it may concern:

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Results of Operations during the First Quarter of Fiscal 2013

The market for prescription pharmaceuticals faced the revision of medical fees and NHI drug prices in April this year, and NHI drug prices were reduced by 6.0% on average (6.25% on average if the additional price reduction for long-listed drugs is included). In addition, measures to hold down medical expenses have been spreading, as seen in the accelerated use of generic drugs due partly to the promotion of generic name prescription. However, the market is continuing to grow moderately and constantly, assisted primarily by the progressive aging of the population and the sales of new drugs and orphan drugs.

Under these circumstances, the TOHO Group deployed proposal-based marketing and sales and expansion of fee-based businesses by taking advantage of its unique customer support systems, and continued to tackle improvements in relation to distribution problems, including provisional shipping with the pricing yet to be negotiated, total value transactions and the issue of the gap between the NHI price and the market prices. In the pharmaceutical wholesaling operations, the Company strived to formulate reasonable selling prices in proportion to the value of each pharmaceutical product and to secure appropriate profits through the strict operation of the price lock system. On the other hand, in the field of dispensing pharmacy operations, the Company has promoted the expansion of operations and the efficiency in the businesses of its existing subsidiaries, as well as bringing higher added value to their businesses.

As a result, the Company's operating results for the consolidated cumulative first quarter of the fiscal year ending March 2013 recorded 277,545 million yen for net sales (an increase of 4.5% on a year-on-year basis), 2,893 million yen for operating income (an increase of 65.9% on a year-on-year basis), 3,830 million yen for ordinary income (an increase of 31.9% on a year-on-year basis), and 2,411 million yen for net income (an increase of 24.0% on a year-on-year basis).

1. Results in the first quarter of fiscal 2013 (Consolidated)

(1) Comparison with the same period in the previous fiscal year

Unit: million yen, %

Consolidated	Net Sales	Operating Income	Ordinary Income	Quarterly net Income
First Quarter, Fiscal 2013	277,545	2,893	3,830	2,411
First Quarter, Fiscal 2012	265,548	1,744	2,905	1,944
YoY Change	11,997	1,148	925	466
YoY Change Ratio (%)	104.5	165.9	131.9	124.0

(2) Comparison with the cumulative forecast for the first half of fiscal 2012

Unit: million yen, %

Consolidated	Net Sales	Operating Income	Ordinary Income	Quarterly net Income
First Quarter, Fiscal 2013	277,545	2,893	3,830	2,411
Cumulative Forecast for the First Half of Fiscal 2013	556,000	7,100	8,500	4,900
Progress (%)	49.9	40.7	45.1	49.2

2. Forecast for fiscal 2013 (Full-year)

There has been no change in our forecast for fiscal 2013 performance, both in the first half and the full-year period, from the figures announced on May 9, 2012.