

November 7, 2012

To whom it may concern:

TOHO HOLDINGS CO., LTD.
Norio Hamada, President and Representative Director
(Tokyo Stock Exchange Securities Code: 8129)
Contact: Katsuya Kato
Corporate Officer and General Manager of
Corporate Communications Office
and Corporate Planning Office
(TEL: 03-5259-9520)

Results of Operations during the Second Quarter of Fiscal 2013

During the consolidated cumulative second quarter of the fiscal year ending March 2013, the market for prescription pharmaceuticals faced a revision of the 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).

Under these circumstances, the TOHO Group, while harnessing its unique customer support systems as a competitive advantage, deployed a “strategy of balance” between provision of customer support services and sales of pharmaceuticals, and also actively promoted painstaking proposal-based marketing and sales in order to enhance relationships with medical institutions as well as efforts for sales of new pharmaceuticals for which there is a possibility for the expansion of the market.

As a result, the Company’s operating results for the consolidated cumulative second quarter of the fiscal year ending March 2013 recorded 556,184 million yen in net sales (an increase of 3.1% on a year-on-year basis), marking a rate of achievement of 100.0% of the initial projection for the first-half. As it has traditionally practiced, the Company strictly operated a price lock system to secure appropriate profits based on price systems in accordance with the value of each product, and tackled improvements in relation to distribution problems, including total value transactions and the issue of the gap between the NHI price and the market prices as well as the problem of provisional shipping with the pricing yet to be negotiated. The Company also promoted the expansion of fee-based businesses and cost reduction activities within the companies of the whole Group. As a result of these efforts, operating income increased by 76.4% on a year-on-year basis to 7,252 million yen with a rate of achievement of 102.1% of the initial projection for the first-half, and ordinary income was 8,640 million yen, an increase of 42.6% on a year-on-year basis, marking a rate of achievement of 101.7% against the initial projection, and consolidated net income for the first half stood at 5,145 million yen, up by 52.9% from a year earlier, recording a rate of achievement of 105.0% against the initial projection.

1. Results in the second 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 Half, Fiscal 2013	556,184	7,252	8,640	5,145
First Half, Fiscal 2012	539,360	4,110	6,059	3,364
YoY Change	16,824	3,141	2,580	1,780
YoY Change Ratio (%)	103.1	176.4	142.6	152.9

(2) Comparison with the forecast for the first half of fiscal 2013

Unit: million yen, %

Consolidated	Net Sales	Operating Income	Ordinary Income	Quarterly net Income
First Half, Fiscal 2013	556,184	7,252	8,640	5,145
Forecasts for the First Half, Fiscal 2013	556,000	7,100	8,500	4,900
Achievement rate compared to the forecasts (%)	100.0	102.1	101.7	105.0

(3) Comparison with the forecast for full fiscal 2013

Unit: million yen, %

Consolidated	Net Sales	Operating Income	Ordinary Income	Quarterly net Income
First Half, Fiscal 2013	556,184	7,252	8,640	5,145
Forecast for the Fiscal 2013	1,140,000	15,700	18,400	10,400
Percentage against the Full-year Earnings Forecasts (%)	48.8	46.2	47.0	49.5

2. Forecast for fiscal 2013 (Full-year)

There has been no change in our forecast for fiscal 2013 performance from the figures announced on May 9, 2012.

