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To whom it may concern:

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Results of Operations during the Third Quarter of Fiscal 2013

While the market for prescription pharmaceuticals for the consolidated cumulative third quarter of fiscal 2013 ending March 2013 grew by 2.3% on a year-on-year basis (estimates by Crecon Research & Consulting Inc.), the TOHO Group's pharmaceutical wholesaling operations for the cumulative third quarter showed a growth rate exceeding the average market growth rate, supported by the deployment of a "strategy of balance" between the proposal-based marketing and sales centered on customer support systems and the sales of new products with the potential for market growth in the near future.

In addition, today, while there is an increasing need to strengthen coordination between medical care and nursing care in response to changing medical needs due to the ageing of the society, the development and enhancement of the environment for providing support in the home is considered important. In this situation, many people involved in promoting home medical care have asked us, as a company that has a capillary distribution system for delivery to medical-care facilities, to develop a system for the smooth distribution of medical materials. In response to such requests from various quarters, the Company launched the wholesale distribution of medical materials in small lots on December 1, 2012, in order to deliver medical materials in the quantities needed, when they are needed, on a nationwide scale across Japan.

Under these circumstances, the Group's consolidated net sales for the third quarter (cumulative) were 862,368 million yen, an increase of 3.0% on a year-on-year basis, achieving 75.6% of the rate of progress against the initial projection for the full-term. In the pharmaceutical wholesaling operations, 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 has also promoted the expansion of fee-based businesses resulting from the sufficient use of Meissa and customer support systems as well as cost reduction activities within the companies of the whole Group. In the field of dispensing pharmacy operations, the Company constantly expanded its business scale through setting up new dispensing pharmacies, however, the increased expenses for setting up new pharmacies and employing pharmacists have weighed on profits. As a result, the operating income increased by 39.5% on a year-on-year basis to 10,645 million yen, achieving 67.8% of the rate of progress against the initial projection for the full-term, and the ordinary income was 13,051 million yen, an increase of 23.8% on a year-on-year basis, marking a rate of progress of 70.9% against the initial projection for the full-term, and the consolidated net income for the third quarter stood at 7,852 million yen, up by 17.2% from a year earlier, recording a rate of progress of 75.5% against the initial projection for the full-term.

1. Results in the third 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
Third Quarter, Fiscal 2013	862,368	10,645	13,051	7,852
Third Quarter, Fiscal 2012	837,391	7,631	10,538	6,698
YoY Change	24,976	3,013	2,512	1,154
YoY Change Ratio (%)	103.0	139.5	123.8	117.2

(2) Comparison with the forecast for the full fiscal 2013

Unit: million yen, %

Consolidated	Net Sales	Operating Income	Ordinary Income	Quarterly net Income
Third Quarter, Fiscal 2013	862,368	10,645	13,051	7,852
Forecast for Fiscal 2013	1,140,000	15,700	18,400	10,400
Percentage against the Full-year Earnings Forecasts (%)	75.6	67.8	70.9	75.5

2. Forecast for fiscal 2013 (Full-year)

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

