

October 29, 2014

To whom it may concern:

Company Name	TOHO HOLDINGS CO., LTD
Representative	Norio Hamada / President and Representative Director (Securities Code: 8129 / First Section of Tokyo Stock Exchange)
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### Notice Regarding Business Alliance and Share Acquisition with Kokando and Kyoso Mirai Asia Pte.Ltd

TOHO HOLDINGS CO., LTD.(“TOHO HOLDINGS” hereinafter) hereby announces that it has agreed today to have business alliance with Kokando and Kyoso Mirai Asia Pte.Ltd (“Kokando and Kyoso Mirai Asia” hereinafter, Head office: Singapore, President: Mitsutaka Iida) , which is established by KOKANDO Co., Ltd. (“KOKANDO” hereinafter, Head office: Toyama City, Toyama, CEO: Yasuhiko Shioi) concerning the produce and sale of medical and healthcare goods in Southeast Asia and to acquire some part of shares of Kokando and Kyoso Mirai Asia.

Today, TOHO HOLDINGS concluded a basic agreement at the Embassy of Japan in Singapore.

#### 1. Background and purpose for the capital and business alliance

TOHO HOLDINGS, the group slogan “Total Commitment to Good Health”, developed and provided various systems and services under the mission not only to distribute pharmaceuticals but also to improve medical services and support self-medication. Furthermore, TOHO HOLDINGS strived to expand the networks which are as the core of pharmaceutical wholesaling and dispensing pharmacy based on the philosophy “Kyoso Mirai” in order to create the distribution value utilized the basis of pharmaceutical wholesaling.

As for overseas business development, in addition to wholesaling business in China, TOHO HOLDINGS aims as a strategic policy of “Medium-term Management Plan14-16” to promote personnel exchanges between partnerships in the United States and Southeast Asia and to reinforce the approaches such as investigations and researches to pharmaceutical distributions in foreign countries and business development in the healthcare market.

On the other hand, KOKANDO will supervise the local subsidiaries which sell medical-related products in the five countries of Southeast Asia by the establishment of Kokando and Kyoso Mirai Asia and arrange the sale structure like sales network expansion, substantial line-ups and construction of distributing management systems towards enhancement of competitiveness in that fast-growing area. Also, KOKANDO attempts to make crude drug products which are Japanese traditional drugs become familiar.

Both Companies expect to complement each other in fields of production, import and export, sale, and distributing management know-how concerning medical devices, medical materials and healthcare-related goods. Besides, by constructing hub function to promote pharmaceutical-related business in Southeast Asia, we suppose to be able to contribute to the expansion of our networks of Kyoso Mirai.

## 2. Outline of Kokando and Kyoso Mirai Asia Pte.Ltd

Company Name	Kokando and Kyoso Mirai Asia Pte.Ltd
Principal place	10 Anson Road #18-10 International Plaza Singapore
Corporate representative	Mitsutaka Iida / President
Business contents	①Production of drugs, quasi-drugs, medical devices, cosmetics and soft drinks ②Wholesale of drugs, quasi-drugs, medical devices, cosmetics, convenience goods, food for health use and food ③Import and export of things stated above ④Management of retailing like drug stores ⑤Development and sale of systems for medical institutions ⑥Investigation on medication and producing and distributing drugs, offering information and consulting
Business area	Singapore, Thailand, Malaysia, Hong Kong, Korea
Establishment	January 1, 2015
Fiscal year end	December 31

## 3. Schedule

Conclusion of the basic agreement :                      October 29, 2014  
Conclusion of agreement on the stock transfer :    Late January, 2015  
Stock transfer date :    Late February, 2015 (planned)

## 4. Impact of the Share Acquisition

There will be little influence on its consolidated financial results in FY2015.