



**Notice of Capital and Business Alliance with Sogo Rinsho Holdings Co., Ltd.**

At our board of directors meeting on March 7, 2013, a resolution was passed to form a capital and business alliance with Sogo Rinsho Holdings Co., Ltd. (hereinafter referred to as Sogo Rinsho HD). Please see below for further details.

I. Overview of Capital and Business Alliance

1. Background and Overview of Alliance

EPS has been expanding its business as a leading company of CRO\* since our establishment. Not limited to clinical trials, we have been actively involved in providing a comprehensive service that conducts everything from planning to pharmaceutical applications.

In addition, while the environment surrounding medicine and medical equipment market is rapidly changing, we have successfully deployed CRO, SMO\*, and CSO\* businesses domestically, and began our Global Research business overseas\*, as well as China related business\*. This progress is based all on our fundamental philosophy, “Contributing to the advancement of the health care industry through the creation of high value added solutions”.

Our SMO business is conducted through our consolidated subsidiary, EP-Mint Co., Ltd. (Address: Bunkyo-ku, Tokyo. President: Hidetaka Ando. JASDAQ code 6052. Hereinafter referred to as “EP-Mint”). EP-Mint is strong in highly difficult areas that such as cancer, circulatory systems, neurosurgery, as well as lifestyle related diseases such as high blood pressure, hyperlipidemia, diabetes, and so on.

On the other hand, Sogo Rinsho HD was established in order to support the medical scene. It has been growing and expanding its business through supporting medical organizations conducting clinical trials, based on their philosophy, “Contribute to the development of medical scenes by supporting its operations with high ethics and responsibilities”. Currently, they are putting much effort into expanding its SMO (Site Management Organization) and other areas and launching new businesses in order to achieve their goal to become an “Enterprise with a sales that exceeds 10 Billion yen”, which was stated in the “SOGO New Success Plan 2015” upon their mid-term management plan ended in fiscal year July 2015. They are putting much effort into expanding sales and increasing quality of the SMO business, which is their main operation.

As seen here, although our backgrounds are different, EPS and Sogo Rinsho HD have decided to form a capital and business alliance in order to complement competitiveness each other, centering on cooperation in SMO businesses.



We believe we will be able to expand our businesses with an increased competitiveness by utilizing both our resources such as local networks, cover areas, and different types of cooperating medical organizations in supporting the operation of clinical trials centering on SMO related businesses through this capital and business alliance.

## 2. Details of Business Alliance

Both firms have agreed to establish a business partnership in the clinical trials and development fields of the SMO operations.

Based on our capital and business alliance, we will consolidate our businesses in each of our group subsidiaries, utilizing both of our strengths. As our main joint-operation, we will form a business alliance on the SMO related businesses between our subsidiary, EP-Mint and Sogo Rinsho HD's subsidiary, Sogo Rinsho Science Co., Ltd.

## 3. Details of Capital Alliance

Both firms have agreed to form their capital alliance contract as of March 7, 2013. Stock ownership has been agreed as shown below.

### ① EPS will acquire Sogo Rinsho HD's stocks as shown below.

EPS will acquire 3,000 common shares of Sogo Rinsho HD. (2.78% ratio to total of 107,740. Ration of voting: 3.09%)

(1) Acquisition Date	March 25, 2013
(2) Payment Date	March 25, 2013
(3) Shares Acquired	3,000 common shares (Ratio to total: 2.78%, Ration of voting: 3.09%)
(4) Acquisition Price	190,800yen/share
(5) Acquisition Method	Allocation of new shares to a third party

### ② Sogo Rinsho HD will acquire our stock as below

Sogo Rinsho HD has agreed to obtain 2,000 common shares owned by our Chairman & CEO, Yan Hao. (1.10% ratio to total of 180,800, Ration of voting: 1.11%)

(1) Acquisition Date	March 8, 2013
(2) Shares Acquired	2,000 common shares (Ratio to total: 1.10%, Ration of voting: 1.11%)
(3) Acquisition Method	Closing Price Trading (ToSTNeT-1)

#### 4. Overview of alliance partner and our firm

##### ① Overview of business partner and our firm

(1) Name	Sogo Rinsho Holdings Co., Ltd.		
(2) Address	Nishishinjuku 2-4-1, Shinjuku-ku, Tokyo		
(3) Title and name of representative	CEO, Noriyuki Tachikawa		
(4) Business overview	SMO related businesses		
(5) Capital	1,364.51 million Yen		
(6) Date established	December 20, 1989		
(7) Total number of the issued shares	107,740 common shares (As of July 31, 2012)		
(8) Accounting period	July 31		
(9) Number of employee	(Cons.) 549 (As of July 31, 2012)		
(10) Major partner bank	Mizuho Bank, Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking Corporation		
(11) Top shareholder and ratio	Haruo Nishino	16.88%	
	Yukihiro Sasaki	16.88%	
	CAC Co., Ltd.	9.99%	
(12) Relation of enterprises			
	Capital	There are no capital relations between the companies. There are no capital relations between personnel of both parties that require notice.	
	HR	There are no personal relations between the companies. There are no personal relations between personnel of both parties that require notice.	
	Trading	There are no trading relations between the companies. There are no trade relations between personnel of both parties that require notice.	
	Applicable situation of related parties	The counterpart company is not part of our related parties. Personnel of the other firm and its subsidiaries do not belong to our related parties.	
(13) Business performance and financial situation over the past three years. (Unit: Thousand Yen, unless stated otherwise)			
Accounting period	FY July 2010	FY July 2011	FY July 2012
Consolidated net assets	4,169,100	4,394,155	4,474,868
Consolidated total assets	7,707,586	7,901,415	7,999,538
Consolidated net asset per share (Yen)	36,569.23	39,546.46	41,181.56
Consolidated sales	4,887,151	5,157,454	6,196,733
Consolidated operating profit	580,485	801,661	1,131,106
Consolidated current profit	566,908	806,530	1,135,539
Consolidated net profit	298,279	421,879	307,542



Net profit per share (Yen)	2,945.48	4,004.48	2,951.72
Dividend per share (Yen) (Interim dividend per share)	1,200 (700)	1,200 (500)	1,200 (600)

② Overview of our firm

(1) Name	EPS Corporation		
(2) Address	Kouraku 2-3-19, Bunkyo-ku, Tokyo		
(3) Title and name of representative	Chairman & CEO, Yan Hao		
(4) Business overview	CRO related business, SMO related business, CSO related business, Global Research related business, China related business		
(5) Capital	1,875.25 Million Yen		
(6) Date established	May 30, 1991		
(7) Total number of the issued shares	180,800 common shares		
(8) Accounting period	September 30 <sup>th</sup>		
(9) Number of employee	(Cons.) 3,495 (As of September 30 <sup>th</sup> , 2012)		
(10) Major partner bank	Bank of Tokyo-Mitsubishi UFJ, Mizuho bank		
(11) Top shareholder and ratio	Y&G Limited		18.53%
	Yan Hao		11.36%
	Japan Trustee Services Bank, Ltd. (Trust Fund)		8.38%
	BBH FOR MATTHEWS ASIA DIVIDEND FUND (Standing Proxy Bank of Tokyo-Mitsubishi UFJ)		
(12) Business performance and financial situation over the past three years. (Unit: Thousand Yen, unless stated otherwise)			
Accounting period	FY September 2010	FY September 2011	FY September 2012
Consolidated net assets	14,347,262	16,424,339	18,436,341
Consolidated total assets	20,650,639	23,399,514	26,647,412
Consolidated net assets per share	70,149.38	78,072.16	87,280.50
Consolidated sales	29,451,046	32,040,340	35,202,880
Consolidated operating profit	4,415,203	4,803,961	5,174,654
Consolidated current profit	4,443,988	4,790,424	5,091,585
Consolidated net profit	2,191,407	2,170,426	2,207,320
Net profit per share (Yen)	12,255.43	12,137.08	12,343.39
Dividend per share (Yen) (Interim dividend per share)	3,500 (1,600)	3,500 (1,600)	3,500 (1,600)



## 5. Alliance Date

Alliance date will be done as seen below

- |   |               |
|---|---------------|
| ① Board of Directors meeting                      | March 7, 2013 |
| ② Agreement date of Capital and Business Alliance | March 7, 2013 |

## 6. Future prospects

Through our capital and business alliance, EPS and Sogo Rinsho HD will strengthen our trust relationship on even ground and expand our proposal abilities by utilizing both of our strengths and specialties. We believe this will lead to an expansion of our customer basis and a wider coverage of business.

At the moment, the effects of this alliance towards the consolidated performance for fiscal year September 2013 are unknown. If something worth noting should come up, we will update accordingly.

### \*Note

CRO stands for Contract Research Organization. This indicates an organization (personnel) that is consigned with operational and management work in clinical trials conducted by pharmaceutical companies.

SMO stands for Site Management Organization. This indicates an organization (personnel) that supports clinical trials conducted by medical institutes.

CRC stands for Clinical Research Coordinator. This indicates personnel who support clinical trials. They are supervised by the investigators who are doctors or dentists. They support the operations of the investigators and subinvestigators from the points of view of the experts, consisted of nurses, pharmacists, clinical laboratory technologists, and other professionals that support the doctor.

CSO stands for Contract Sales Organization. They conduct sales and marketing on behalf of pharmaceutical companies. They provide and collect proper use information about the efficacy, effect and adverse effect of medicine through a MR (Medical Representative) to medical institutes, based on consignment from pharmaceutical companies.

Global Research related business: This involves clinical trials overseas. CRO business is deployed in china, Hong Kong, Taiwan, Korea, Singapore, and more.

China related business: This refers to any operation other than clinical trials conducted in China. To become the bridge between the medical industry of Japan and China, we conduct comprehensive market research for business development, consulting as a specialty company in health care field. We plan to further expand our networks between the two countries to fulfill the demands of both nations.