



Notification of the Separation of the Chinese Operation

We would like to announce that, following a meeting of the board of directors on May 1st 2013, it has been agreed that our corporate headquarters in China will be spun off as a separate entity. With regards to methods employed for the separation, we intend to make announcements as soon as decisions are made.

1. Separation of the China Operation

Our company has valued China as an important base for overseas expansion, and since initiating CRO and software development enterprises, has gradually expanded the scale of its operation. In 2008, the presiding company EPS (China) Co., Ltd. was founded in Suzhou city, Jiangsu Province and has developed in the fields of medical equipment wholesale, drug development, generics, and BPO.

At this juncture it has been decided that a new corporate body will be established by the separation of the Chinese corporate headquarters, which will then retain EPS (China) group, and from then on develop further its specialized commercial capabilities in the field of healthcare. Our company's China operation employs more than 300 people domestically and internationally, and is looking forward to predicted proceeds of ¥3 billion in this term.

(1) Company name	EPS (China) Corporation (provisional name)
(2) Representative	Chairman & CEO: Yan Hao
(3) Business Description	Presiding over, driving, and managing the Chinese Operation, and driving sales in Japan.
(4) Ownership Ratio	EPS Corporation 100%
(5) Capital	Unconfirmed
(6) Date of Foundation	July 1st 2013 (planned)
(7) Location of Head Office	Shinjuku-ku, Tokyo



(8) Objectives of Separation

- Speed up decision-making and determine unified management strategies for the China Operation
- Profitable growth (Internal growth and mergers and acquisitions)
- Clarification of results and responsibilities
- Make use of diverse human resources

2. Effects on Consolidated Business Performance in this Term

At this point in time, effects on consolidated business performance in this term are forecast to be negligible. In the event that effects on performance are anticipated, timely announcements will be made at the defined stage.