

Establishment of a New Internet Information Service Company (China Business)

As part of our China business strategy, EPS (China) Co., Ltd. (located in Suzhou city, Jiangsu province, China; led by Chairman and CEO Yan Hao), which leads our China operations, has established Suzhou EPS Information Technology Co., Ltd. in Suzhou city, Jiangsu province, China.

1. Background

We have focused on China as an important base for expanding our business overseas, and have gradually scaled up our business in the country. EPS (China) Co., Ltd., which heads our China business, has taken the lead in initiating business in the fields of medical equipment sales, drug development, generics, and BPO in China. Hereafter we intend to restructure our China headquarters to build a business structure capable of both strengthening existing businesses and seizing various new business opportunities. We intend to further develop our role as a bridge between the healthcare industries of Japan and China, and further widen the scope of the business to make it the main source of profit within our China operations.

2. Purpose of the new company

As part of our healthcare business strategy in China, we have set up Suzhou EPS Information Technology Co., Ltd. in order to:

- (1) Accelerate clinical development of drugs
Ex. Efficiently recruit clinical trial patients
- (2) Sell healthcare products via the Internet
- (3) Partner with major Chinese companies in the field

We aim to create a synergy effect with our CRO business, and, through the use of information technology, improve our services and sales in the field of healthcare.

3. Outline of the new company

Name	蘇州益普思信息技術有限公司
English name	Suzhou EPS Information Technology Co., Ltd.
Address	Room 1003, No.88 Jixian Street, Suzhou Industrial Park, Suzhou city, Jiangsu province, China
Representative	Liang Fei
Business description	Provision of Internet-based information service and business consulting service
Capital	7.2 million yuan (¥115.2 million)
Date of establishment	June 26, 2013
Fiscal year end	December
Ownership ratio	100 % indirect ownership by EPS Corporation (100% ownership by EPS (China) Co., Ltd.)

4. Outlook

At present, the effect of this decision on the consolidated business performance for this term is expected to be negligible. In the event that a significant effect on performance is anticipated, we will make timely announcements.