



Notice of Establishment of a Split-Preparation Company to Accompany Conversion into a Holding Company

Our company, in its meeting of the board of directors on June 23rd, 2014, decided to convert to a holding company, provisionally on January 1st, 2015, and, as part of the preparation, to set up EPS Split-Preparation, Ltd. (hereinafter referred to as the *split-preparation company*) as a wholly owned subsidiary. We inform the public of the following as detailed below. In converting our corporate structure into a holding company, we are bound to the condition of obtaining a decision of approval at our regular shareholders' meeting to be held in December 2014, as well as necessary approvals from the government agencies concerned. Further details about the company split will be given after they have been decided at subsequent board meetings.

For the Record

1. Purpose of Conversion to a Holding Company

Our corporate group, in aspiring to realize our corporate philosophy of "Contributing to the development of the health industry through creating solutions of value," is working toward defining the company's (organization's) mechanism of operation, strengthening management functions, and fully realizing the operational and management functions of the group's businesses.

With the expansion of business operations in recent years, our company has found that it must more clearly define and back up the momentum, authority, and responsibility of the autonomous operations that we have in each of our business segments. We progressed to exploring an appropriate group business model.

At this time, for our corporate group to achieve further growth while maintaining the special characteristics of each business segment, we believe it necessary to build a system that maximizes the business value of the entire group. We have thus decided to convert into a holding company.



2. Outline of the Preparation Company Established in Connection with Conversion to a Holding Company

Name	EPS Split-Preparation, Co., Ltd.
Established	Early July, 2014 (tentative)
Headquarters	2-23 Shimomiyabi-cho, Shinjuku-ku, Tokyo
Representative	Hisashi Tanaka, CEO
Capital	100 million yen
Business	Support services for clinical developments
Fiscal year end	September
Major shareholder	EPS Corporation. (100% ownership)

3. Upcoming Plans

Tentatively, in early July 2014 the preparation company will be set up, followed by signing of a contract between our company and the split-preparation company. On the conditions that the contract is approved at the regular shareholders' meeting scheduled for December 2014, and that approvals are obtained from the government agencies concerned, we envision having the absorption-type split take place on January 1st, 2015.

Our company plans to become a holding company of the various subsidiaries, to be responsible for coordinating group operations and managing group integrity, and to maintain our status on the stock exchange as a holding company.

As the content of the absorption-type split and the details of the group business model become determined, we will make that information known immediately.

End