



Notification of Company Separation (Simplified Division)

According to a meeting of the board of directors of our company, held on July 26, 2014, it has been decided that EPS EKISHIN Co, Ltd.'s operations in China (referred to as EPS EKISHIN below) will be transferred to an intermediate holding company, effective as of October 1, 2014 (tentative). The details of this transaction are as follows.

Moreover, the spun-off company will be a wholly owned subsidiary resulting from a simplified absorption-type split process, for which we will disclose about it, omitting some contents and disclosures.

For the Record

1 . Purpose of the Company Separation

Our company and the EPS group has perceived the growth potential from EKISHIN's (Chinese) operations, which are only second to domestic operations and have become a source of extensive expansion. More concretely, our company has invested in over 10 affiliated companies within China, sequentially establishing them and then providing them investment funds, leading to the creation of EPS EKISHIN as the Chinese division of our company in October last year.

Furthermore, according to the "Notice of Establishment of a Split-Preparation Company to Accompany Conversion into a Holding Company" we released on June 23, 2014, the authorities and duties of each business segment, including CRO, SMO, CSO, GR (Global Research) and EKISHIN's (Chinese) operations are clarified, and we are considering/implementing the transition to a new organizational structure that will allow more autonomous operations on each segment.

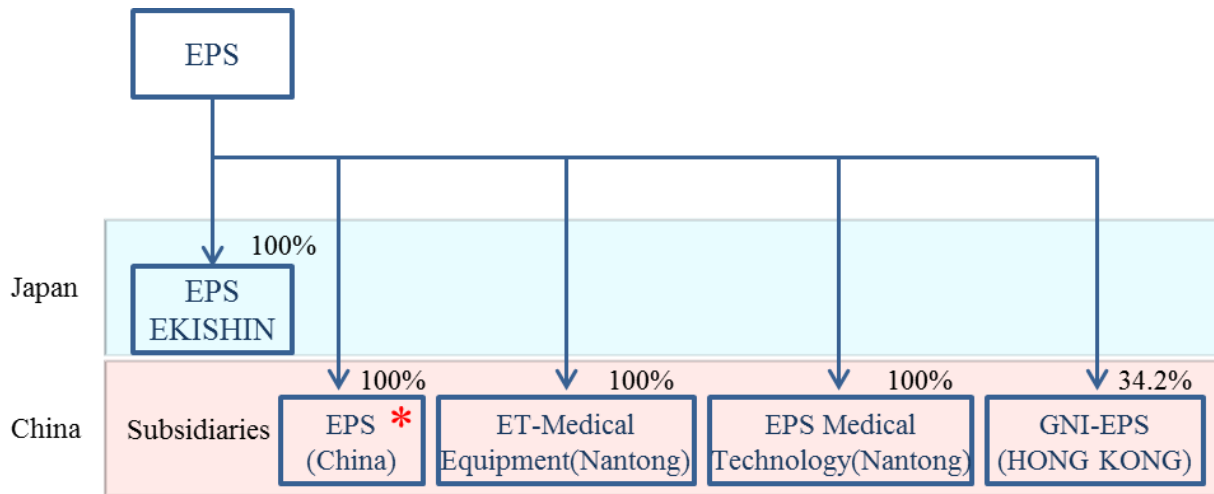
Currently, each company belonging to EKISHIN's (Chinese) operational segment under the jurisdiction of EPS EKISHIN is integrated, permitting a more integral management.

Regarding EKISHIN's (Chinese) operations, the equity capital held by the Company will be split into three corporate entities: ET-Medical Equipment(Nantong) Co., Ltd., EPS Medical Technology(Nantong) Co., Ltd. and GNI-EPS (HONGKONG) HOLDINGS LIMITED, as well as EPS (China) Co., Ltd. under which the Company will transfer the equity interests it holds.

Hereafter, EPS EKISHIN will strengthen its supervision and management capabilities working as an intermediate holding company. By performing a reasonable cost management, EKISHIN's (Chinese) operations segment will lead to faster revenues, and will permit us to continue working on ways to implement capital and investment strategies that are more suitable for the scale and structure of the business.

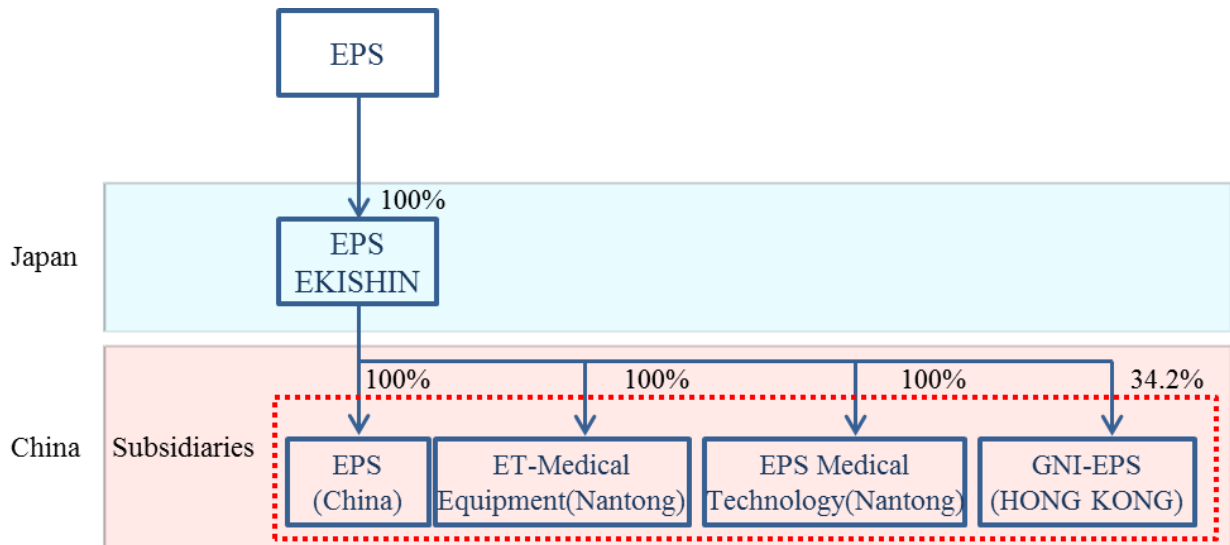
<Structure of EKISHIN's (Chinese) operation segments (Numbers indicate equity ratio)>

【Before the Division/Transfer】



*Regarding EPS (China) Co., Ltd., we expect to restructure the transfer of equity investment.

【After the Division/Transfer】



Integration of equity interests.



2. Summary of Company Separation

(1) Company Separation Schedule

Separation Agreement approved by Board of Directors	July 28, 2014
Execution Date of the Separation Agreement	During July 2014 (tentative)
Effective Date of Separation	October 10, 2014 (tentative)

(2) Form of Company Separation

The Company will be spun off under the absorption-type split system proceedings, and the resulting company, EPS EKISHIN, will be a 100% owned subsidiary that will serve as the successor entity.

(3) Allocation related to the Company Separation

EPS EKISHIN will issue 2,000 shares of common stock upon company separation, all of which will be allotted to our Company.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights related to the Company Separation

Not applicable.

(5) Increases or decreases in Capital resulting from the Company Separation

The separation will not cause any increases or decreases in the company's capital.

(6) Rights and Obligations of the resulting Successor Company

This company separation implicates equity interest transfers to our affiliated companies in China, for which the new successor company will not carry over any debt from EPS EKISHIN.

(7) Estimations of Financial Obligations

It has been determined that EPS EKISHIN, on its character of successor company, will have no issues fulfilling its financial obligations as of the effective date of the Separation Agreement.

3. Summary of the parties involved in the Company Separation/Transfer

	Company to be Separated (As of April 1, 2014)	Successor Company (As of October 1, 2013)
Corporate Name	EPS Corporation	EPS EKISHIN Co., Ltd.
Address of the Head Office	1-8 Tsukudo-cho, Shinjuku-ku, Tokyo	1-8 Tsukudo-cho, Shinjuku-ku, Tokyo
Representative	CEO Yan Hao President and CEO Shinro Tashiro	President & CEO Yan Hao
Business	Support services for clinical developments	Managing, support EKISHIN's operations
Capital	1,875 million yen	100 million yen
Date of Foundation	May 30, 1991	October 1, 2013
Number of shares outstanding	36,160,000 shares	2,000 shares
Accounting period ends	September 30	September 30
Major Shareholders and Equity Ratio (as of March 31, 2014)	Y AND G CO., LTD 26.94% JAPAN TRUSTEE SERVICES BANK 5.96% BBHFORMATTHEWSASIA DIVIDENDFUND 5.96% GOLDMAN,SACHS&CO.REG 3.61% SUMITOMO LIFE INSURANCE, CO. 3.32%	EPS Corporation 100%
Operating results and financial position	As of September , 2013 (consolidated)	As of October 1, 2013
Net assets	20,060 million yen	100 million yen
Total assets	30. 323 million yen	100 million yen
Net assets per share	488.91 yen	50,000 yen
Sales	37,584 million yen	—
Operating income	3,497 million yen	—
Income before taxes	3,540 million yen	—
Current net income	1,709 million yen	—
Net earnings per share	47.81 yen	—

Note: Regarding per share data, please notice that it already takes into account the stock split performed by the Company, in which each ordinary stock share was split into 100 shares on April 1, 2014.



4. Overview of the equity interest division

(1) Equity Interest to be divided

The whole equity interest of ET-Medical Equipment(Nantong) Co., Ltd., EPS Medical Technology(Nantong) Co., Ltd., and GNI-EPS (HONGKONG) HOLDINGS LIMITED.

(2) Operating Results of the Departments to be divided

The totality of equity interest will be transferred, for which there are no implications related to this.

(3) Assets or liabilities to be divided and their corresponding amounts

Involved assets	1,432 million yen
Debt to be split	- million yen

5. State of Stock Listings after Company Separation

There will be no changes related to the company's trading name, address of head office, name or title of representatives, business, capital or fiscal period according to this separation.

6. Expected Business Impact caused by the Separation

The current consolidated results of the company will suffer no impact from this separation.

End