



Press Release

October 20, 2014

Company	EPS Corporation
Representative	Chairman & CEO Yan Hao President & COO Shinro Tashiro
	(Code 4282 TSE 1st Section)
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Notification of Company Split (Simple Division)

According to a meeting of the board of directors of our company, held on October 20, 2014, it has been decided that EPS International Holdings Co.,Ltd. (EPSI), which operates and manages Global Research business (GR business) in support services for global clinical development, will be transferred to an intermediate holding company by using a company spin-off method, effective as of January 1, 2015 (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 Company Split

Our company and the EPS Group have perceived the growth potential from GR business, which is only second to domestic operations and have become a source of extensive expansion. At present, we own more than 10 corporate affiliates through direct investment in Asia and the US. Moreover with the establishment of EPSI last October as a wholly owned subsidiary in Japan, we transferred control of the functions of our GR business from in-house to EPSI.

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.

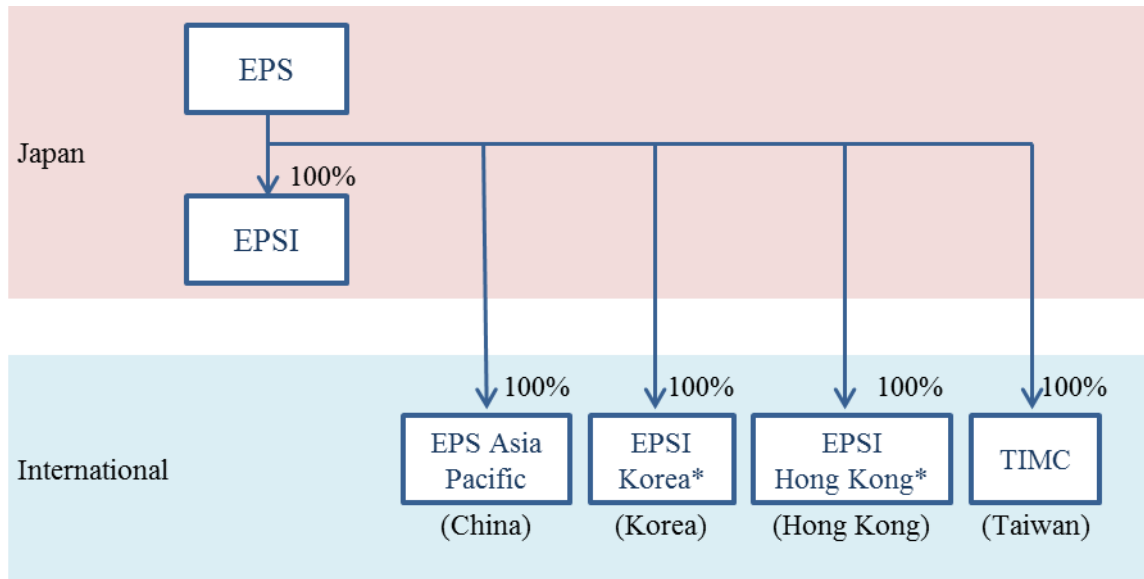
Currently, we decided to consolidate under the EPSI corporate umbrella 4 overseas subsidiaries that belong to the GR business segment in which EPS has equity interest, to help build a more unified operational structure based on the fundamental policy of greater autonomy for segment operations. Specifically, the EPS equity interests in the GR business companies EPS Asia Pacific, Ever Progressing System (Hong Kong) Limited, EPS International Korea Limited and TTMC will be succeeded to EPSI through the absorption split.

With this change to the organization, the GR business segment, with the intermediary holding company EPSI as the core, will pursue the double goals of business expansion and management efficiency, aiming to execute forward-looking capital and investment strategies for the future.



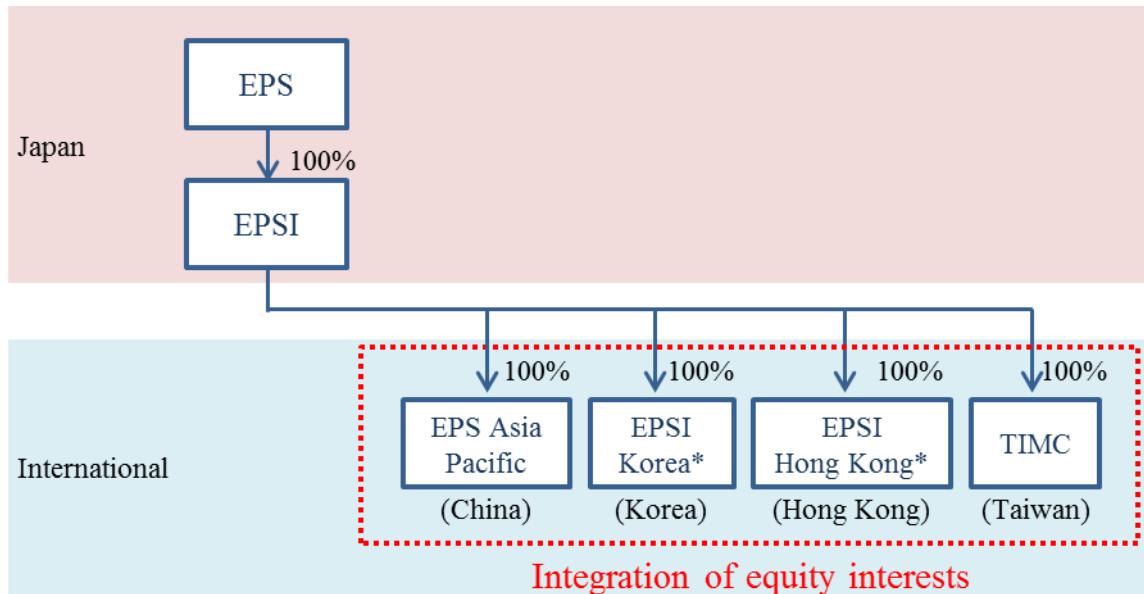
<Structure of the GR business segment (Numbers indicate equity ratio)>

【Before the Split/Transfer】



*EPSI Hong Kong and EPSI Korea are abbreviations for Ever Progressing System(Hong Kong) Limited and EPS International Korea Limited, respectively.

【After the Split/Transfer】



*EPSI Hong Kong and EPSI Korea are abbreviations for Ever Progressing System(Hong Kong) Limited and EPS International Korea Limited, respectively.



2. Summary of Company Split

(1) Company Split Schedule

Separation Agreement approved by Board of Directors	October 20, 2014
Execution Date of Separation Agreement	During October, 2014 (tentative)
Effective Date of Separation	January 1, 2015 (tentative)

(2) Format of Company Split

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

(3) Allocations Related to the Company Split

EPSI will issue 2,000 shares of common stock upon the company split, all of which will be allocated to the Company.

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

Not applicable.

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

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

(6) Rights and Obligations of the resulting Successor Company

Since the company split is a transfer of equity interest in an affiliated company, there is no succession of obligations from the Company to EPSI.

(7) Estimations of Financial Obligations

We believe that there will be no issues with the anticipated fulfillment of obligations by successor company EPSI subsequent to the effective date of the company split.



3. Outline of Companies Involved in the Company Split

Outline of Companies Party to the Company Split/ Transfer

	Company to be Split (as of April 1, 2014)	Successor Company (as of October 1, 2013)										
Corporate Name	EPS Corporation	EPS International Holdings Co.,Ltd.										
Head Office Address	1-8 Tsukudocho, Shinjuku-ku, Tokyo	1-8 Tsukudocho, Shinjuku-ku, Tokyo										
Representative	Chairman & CEO Yan Hao President & COO Shinro Tashiro	President & CEO Dan Weng										
Business	Support services for clinical developments	Implementation, Management of Global Clinical Development Support Service Business										
Capital	1,875 million yen	100 million yen										
Date Established	May 30, 1991	October 1, 2013										
Number of shares Outstanding	36,160,000 shares	2,000 shares										
Accounting Period End	September 30	September 30										
Major Shareholders & Equity Ratio (as of March 31, 2014)	<table> <tr> <td>Y And G Co., Ltd.</td> <td>26.94%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd.(Trust Account)</td> <td>6.83%</td> </tr> <tr> <td>BBH For Matthews Asia Dividend Fund</td> <td>5.96%</td> </tr> <tr> <td>Goldman, Sachs & Co. Reg</td> <td>3.61%</td> </tr> <tr> <td>Sumitomo Life Insurance Co.</td> <td>3.32%</td> </tr> </table>	Y And G Co., Ltd.	26.94%	Japan Trustee Services Bank, Ltd.(Trust Account)	6.83%	BBH For Matthews Asia Dividend Fund	5.96%	Goldman, Sachs & Co. Reg	3.61%	Sumitomo Life Insurance Co.	3.32%	EPS Corporation 100%
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Goldman, Sachs & Co. Reg	3.61%											
Sumitomo Life Insurance Co.	3.32%											
Operating Results & Financial Position	As of September 30, 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	488.91yen	50,000yen										
Sales	37,584million 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	47.81yen	—										

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

Entire equity interest in EPS Asia Pacific, Ever Progressing System (Hong Kong) Limited, EPS International Korea Limited, TTMC

(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	1,072 million yen
Debt to be split	- million yen

5. State of Stock Listings after Company Split

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 split.

6. Expected Business Impact caused by the Split

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

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