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(Translation)

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Notice Regarding the Establishment of a New Mid-Term Business Plan

In view of recent trends in the external environment and business performance, EPS Holdings, Inc. hereby announces a newly-devised mid-term business plan (for the five years from FY September 2017 to FY September 2021) as follows:

1. Progress of Current Mid-Term Business Plan

In November 2014, the EPS Group announced a three-year business plan set to end this fiscal period (the period ending September, 2017). Numerical targets of the plan are as set out below.

< Target of Consolidated Net Sales and Operating Income > (JPY million)

	FY 2015/9	FY 2016/9	FY 2017/9
Net Sales	44,120	47,500	52,500
Operating Income	4,625	5,500	6,700

The plan has proceeded favorably, particularly insofar as having achieved the sales targets for the out-year of the plan ahead of schedule in the preceding fiscal period. Accordingly, the EPS Group has newly established a five-year plan culminating in the period ending September 2021 in light of a variety of factors, including the 30th anniversary of the Group's founding in that period.

2. Overview of the New Mid-Term Business Plan

2.1 Basic Policies

"We will contribute to the advancement of the healthcare industry by providing high-value-added solutions to our clients." is the driving philosophy of the EPS Group, and for the duration of the new mid-term plan we shall remain steadfast as always in adhering to this driving philosophy as we institute the following fundamental policies:

(1) Establishing a Firm Position as a Provider of Solutions in the Healthcare Industry

While the EPS Group currently offers a variety of specialized services targeted primarily toward the pharmaceutical industry, we will aim to promote growth of our customer base to the healthcare industry at large, including the medical equipment industry, hospitals, and more, in conjunction with growing our

existing businesses as well as improving and enhancing the quality of a variety of services. Specific measures to be implemented are as follows:

- ① Providing solutions intended to enhance customer value
 - (ア) Integrating an assortment of services based on the business needs of clients and offering solutions that match those needs.
 - (イ) Improving the quality of services and developing new services that are both aligned with and anticipatory of the front-line needs of clients.
- ② Working toward and establishing business models that enable sustainable growth
 - (ア) Refining existing business models by means such as restructuring intra-group operations
 - (イ) Creating new business models by means such as partnerships with outside parties

(2) Securing the Scale

The EPS Group has established a steady foothold in the domestic Japanese market primarily in areas related to clinical trials. However, in view of expected intensification in competition with global leaders in the industry moving forward, the EPS Group will promote further bolstering of its base in the domestic market as well as strengthening a framework to enhance its ratio of business overseas, which still remains at 15%. Specific measures to be implemented are as follows:

- ① Securing the top position in the domestic market
 - (ア) Securing the top position in the sector related to clinical trials (contract research organization, “CRO,” and site management organization, “SMO”)
 - (イ) Further growth in our contract sales organization (“CSO”) business and creation of new ventures geared toward new client bases such as hospitals
 - ② Enhancing expansion overseas
 - (ア) Strengthening foundations in the Asia-Pacific market
 - (イ) Establishing a presence in American and European markets
- ## (3) Strengthening and Establishing a Structure of Management

In order to respond to the rapid growth in business scale and diversification of recent years, the EPS Group adopted a holding company system in January of last year and, in association therewith, has proceeded with instituting organizational structure, including the active decentralization of power delegated to each respective business segment. For the duration of the new mid-term business plan, we will deliver synergistic effects between each respective business segment and aspire to the sound, sustainable advancement of the organization, pushing forward with the following measures:

- ① Strengthening and establishing the basic structure of the management structure
 - (ア) Enriching the independent and autonomous management of each respective business segment
 - (イ) Promoting group management
- ② Promoting a management system that enables sustainable growth
 - (ア) Further development of the basic structure of the management system from above

(1) Training and producing management personnel that will lead the next generation

2.2 Numerical Target and Plan

(1) Numerical Target of Out Year (FY2021/9)

Item	Target
Net Sales	100 billion JPY
Operating margin	12.5%
CAGR	13.7%
Overseas Ratio	30%

(2) Numerical Plan

(JPY : 100 million)

		FY 2016/9 Results	FY 2017/9 Plan	FY 2019/9 Plan	FY 2021/9 Plan	CAGR	
Net Sales		527	580	750	1,000	13.7%	
Operating Income		62	65	90	125	15.0%	
Operating Income Margin		11.8%	11.2%	12.0%	12.5%	-	
Domestic	CRO	Net Sales	268	294	380	500	11.9%
	SMO	Net Sales	109	128	150	200	12.8%
	CSO	Net Sales	75	83	115	150	14.8%
	Subtotal	Net Sales	453	505	645	850	12.6%
Overseas	GR	Net Sales	40	51	90	150	29.9%
	EKISHIN	Net Sales	39	60	100	150	30.5%
	Subtotal	Net Sales	80	111	190	300	30.2%

2.3 Actions for the Successful Accomplishment of the Plan

To successfully achieve the objectives of the plan, we will execute all action measures in line with *The Three Principles of Behavior* listed below, which have long been held by the EPS Group.

Customer Oriented: We always place the highest priority on meeting client's needs and providing high-value-added service.

Business Oriented: We contribute to the advancement of society through sustained development of our business

Human Oriented: We grow through our service to clients, and improve quality of life (QOL) of all stakeholders

Specific measures to be implemented in each respective business segment are as follows:

(1) Domestic

① CRO Business (Japan)

(ア) Improving existing products that match clients' needs along with developing new products that anticipate those needs, as well as exceeding the market growth rate by

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ensuring and maintaining stable supply

- (1) Active development of new businesses including M&As
- ② SMO Business (Japan)
 - (ア) Improving supply capacity utilizing the largest-scale CRC and our network of facilities, as well as expanding market share by enhancing expertise in areas such as oncology
 - (1) Active development of new businesses including M&As, particularly creating new services geared toward constructed hospital, clinics.
- ③ CSO Business (Japan)
 - (ア) Expanding a unique contract sales organization (“CSO”) combining contract medical representatives (“CMR”), drug information management (“DI”), post-market surveys (“PMS”), MR direct services, and more
 - (1) Active development of new businesses including M&As, particularly BPO services, which are highly-specialized
- (2) Overseas
 - ① Global Research (“GR”) Business
 - (ア) Strengthening and establishing an operational system in three regions: Japan, China, and the Asia-Pacific
 - (1) Strengthening Japanese operations and promoting business development in Europe and the United States
 - (ウ) Establishing a global management system that can withstand business growth
 - ② EKISHIN (China) Business
 - (ア) Strengthening and expanding the operations of our pharmaceutical and medical devices business
 - (1) Accelerating commercialization of investment in pharmaceutical ventures, etc.
 - (ウ) Expanding and enhancing existing businesses, utilizing management base strengthened by our capital partnership with SUZUKEN CO., LTD., as well as exploring new businesses such as medical services, nursing care, and more