

April 7, 2011

To Whom It May Concern

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Acquisition of Shares of Hoepharma Holdings Sdn. Bhd.

We are pleased to announce that Taisho Pharmaceutical Co., Ltd. (“Taisho”) and shareholders of Hoepharma Holdings Sdn. Bhd. (“HOE”) have reached an agreement on April 7, 2011 for Taisho to acquire 100% of the shares of HOE (the “Transaction”), 78.15% of which are owned by Goldis Berhad (“Goldis”) and 21.85% of which are owned by the rest of the shareholders.

1. Outline of the Transaction

(1) Shares which are subject to the Transaction

Class of Shares : HOE ordinary share
Number of shares : 8,000,000 shares

(2) Acquisition Price (including assumption of debt)

Acquisition Price : RM 370 million¹ (approximately JPY 10.4 billion²)

(3) Anticipated schedule for the Transaction

April 7, 2011	Execution of definitive agreement concerning the Transaction
August 2011	Expected Closing Date

(For Reference)

◇ Overview of Goldis

① Company Name	Goldis Berhad
② Primary Business	Investment holding and provision of management services
③ Date of Establishment	June 1, 2000
④ Head Office	Kuala Lumpur, Malaysia
⑤ Sales (FY2011)	RM 268 million (approximately JPY7.5 billion ²)
⑥ Net Income (FY2011)	RM 27million (approximately JPY0.8billion ²)

¹ including assumption of debt (For reference : outstanding debt as of end of January 2011 RM21.8 million)

² calculated at 28 yen for every 1 Ringgit Malaysia

2. Overview of HOE

(1) Company Name	Hoepharma Holdings Sdn. Bhd.	
(2) Registered Office	Suite 28-03, Level 28 GTower 199, Jalan Tun Razak 50400 Kuala Lumpur, Malaysia	
(3) Name of Directors	Tan Lei Cheng Lee Boon Kian	
(4) Primary Business	Investment holding, provision of healthcare management services and marketing of cosmetic products	
(5) Issued Capital	RM 8,000,000 comprising 8,000,000 ordinary shares of RM1.00 each	
(6) Date of establishment	September 6, 1996	
(7) Accounting period	January 31	
(8) Shareholders and Ratio	Goldis Berhad	78.15%
	Lee Boon Kian	10.00%
	Khoo Joo Lee	7.965%
	Kwek Eng Lam	1.00%
	Woon Kim Toon	1.00%
	Soh Thian Boon	1.00%
	Hum Hoe Mei	0.885%
(9) Sales (FY2011)	RM 76 million (approximately JPY 2.1 billion ²)	
(10) Net Income (FY2011)	RM 13 million (approximately JPY 0.4 billion ²)	

3. Purpose of the Transaction

Taisho's corporate mission has been to contribute to society by creating and offering superior pharmaceuticals and health-related products as well as healthcare-related information and services in socially responsible ways that enrich people's lives by improving health and beauty. In order to achieve this mission, Taisho is striving to build a stronger business foundation so that it can continue to steadily grow and develop even in the face of global competition.

In the self-medication business, one of our core businesses, we put our efforts into the creation of products that meet consumers' needs, and we endeavor to develop and enhance brands that are appreciated and loved by consumers. Under such policy, we also have consummated mergers & acquisitions that enable us to realize a synergistic effect in our R&D, marketing and sales structure.

Major examples of such alliances in Japan are: 1997 business acquisition of a laxative drug "Colac" from the P&G Group; 2002 business acquisition of a sore throat remedy in lozenge form, "Vicks Medicated Drop", from P&G; 2003 acquisition of the right to serve as the sole distributor of an ointment-type cold medicine, "Vicks Vaporub", from P&G; and the 2008 acquisition of a majority of the shares of Biofermin Pharmaceutical Co. Ltd., manufacturer of probiotic lactobacillus preparation "Biofermin."

On the other hand, Taisho began marketing the first health drink, Lipovitan D, in 1962 and entered the overseas market with it. Since then, Taisho has established local companies in Hong Kong, Taiwan, Malaysia, the Philippines, Indonesia, Thailand, Vietnam and China, created the new energy drink market, and secured its position as the leader in the international health drink business. In 2009, Taisho acquired Bristol-Myers Squibb ("BMS")'s OTC Drug Trademarks in Asia and PT Bristol-Myers Squibb Indonesia Tbk, making a full-scale entry into the OTC drug market in Asia in order to carry out the strategic enhancement and brand building of the self-medication business in Asia.

Taisho are currently expanding its Asian operations by selling the antipyretic analgesic "Tempra" and the anti-

inflammatory analgesic for external use “Counterpain” in Southeast Asian countries, such as Indonesia, and establishing a subsidiary in Singapore to manage its entire Asian business.

HOE is the leading local pharmaceutical company in Malaysia. HOE has the largest share in the area of its flagship ethical dermatological market in Malaysia and sells its products in over 40 countries, especially in other Asian markets.

Taisho foresees the following effects from the acquisition:

1. By obtaining an operating base mainly for pharmaceutical products in Malaysia, in which Taisho have mainly sold Lipovitan D so far, it will become possible to enter the Malaysian pharmaceutical product business in earnest.
2. Taisho expects further growth of its business in Asian markets due to its sales of ex-BMS products, utilizing HOE’s Asian distribution channels spreading from the hub of Malaysia.

The acquisition will strengthen our business in Malaysia, and Taisho will continuously advance the expansion of its business in the growing Asian market.

In the Transaction, Taisho’s financial advisor is SMBC Nikko Securities Inc, its legal advisor is Morrison & Foerster LLP, its accounting advisor is KPMG FAS Co., Ltd., its tax advisor is KPMG Taxation Corporation, and its environmental advisor is ERM Japan Ltd.

4. Future Outlook

The specific details of the acquisition and the impact on the results of Taisho will be announced as soon as the specifics are determined.