

July 5, 2016

To Whom It May Concern:

Company Name: Taisho Pharmaceutical Holdings Co., Ltd
Head Office: 3-24-1, Takada, Toshima-ku, Tokyo
Representative: Akira Uehara, Chief Executive Officer
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Taisho Completes Acquisition of 24.50% Shares in Duoc Hau Giang Pharmaceutical JSC

Taisho Pharmaceutical Co., Ltd. [Headquarters: Toshima-ku, Tokyo, CEO: Shigeru Uehara] (“Taisho”), a subsidiary of Taisho Pharmaceutical Holdings Co., Ltd. (“Taisho Holdings”), has completed the acquisition of 24.50% of shares of Duoc Hau Giang Pharmaceutical JSC (“DHG”) on July 4, 2016 (the “Transaction”). Taisho is also pleased to announce that Taisho executed an alliance agreement with DHG on May 31, 2016 (the “Alliance”) in advance of the Transaction.

1. Shares which were subject to the Transaction

Shares of DHG : Number of shares: 21,304,064 (24.50% of voting rights)

2. Overview of DHG

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|--------------------------|---|
| ① Company Name | Duoc Hau Giang Pharmaceutical JSC |
| ② Business Description | Manufacturing and sales of pharmaceuticals and dietary supplements |
| ③ Establishment | 1974 |
| ④ Headquarters | 288 Bis Nguyen Van Cu Street, An Hoa Ward, Ninh Kieu District, Can Tho City, Vietnam |
| ⑤ Sales (Dec. 2015) | 3,608 Billion VND (Approximately 16.6 Billion Yen ¹)
(Largest Vietnamese domestic-invested pharmaceutical company) |
| ⑥ Net Profit (Dec. 2015) | 593 Billion VND (Approximately 2.7 Billion Yen ¹) |

¹ 1 VND = 0.00461Yen

3. Purpose of the Transaction and Alliance

The mission and philosophy of Taisho Pharmaceutical Group (“Taisho Group”) is 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 Group 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. As part of our efforts to strengthen Taisho Group’s competitiveness, in addition to its domestic business, Taisho Group is focusing on investments in global markets, especially Southeast Asia.

Taisho Group believes that the Transaction and Alliance will enable Taisho Group to share its knowledge, technology, and know-how in the pharmaceutical business with DHG, resulting in an increase in DHG’s sales and further growth of Taisho Group’s and DHG’s businesses in Asia. In addition, synergy is expected between DHG, with its strong presence in Vietnam, and Taisho Group.

Taisho Group is committed to enhancing its pharmaceutical business in Asia and striving to grow various business segments in the continuously expanding Asia market.

4. Future Outlook

The impact of the Transaction on the financial condition of Taisho Group is expected to be non-material.