

January 30,2019

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
(Representative)
(First Section of TSE: Code 4581)
Contact: Hideki Iuchi, General Manager of
Corporate Communications
(Tel: +81-3-3985-1115)

Notice of Change in a Sub-subsidiary

Taisho Pharmaceutical Holdings Co., Ltd. (Headquartered in Toshima-ku, Tokyo; Chief Executive Officer: Akira Uehara; hereinafter referred to as the “Company”) and its subsidiary Taisho Pharmaceutical Co., Ltd. (Headquartered in Toshima-ku, Tokyo; Chief Executive Officer: Shigeru Uehara; hereinafter referred to as “Taisho Pharmaceutical”) hereby announce that the Boards of Directors of each company passed a resolution at each meeting held on January 30, 2019 on the Company’s investment in kind of all shares of Taisho Toyama Pharmaceutical Co., Ltd. (Headquartered in Toshima-ku, Tokyo; President: Kenichi Fujita; hereinafter referred to as “Taisho Toyama”) held by the Company in Taisho Pharmaceutical for Taisho Pharmaceutical to become a parent company of Taisho Toyama. Details are as follows.

1. Reason for the change

Having Taisho Toyama under the direct control of Taisho Pharmaceutical, which conducts the pharmaceutical business, the Taisho Pharmaceutical Group aims for efficiency in its pharmaceutical business operation.

2. Overview of the company that will change from a subsidiary to a second-tier subsidiary

(1)	Company name	Taisho Toyama Pharmaceutical Co., Ltd.
(2)	Headquarters	25-1, Takada 3-chome, Toshima-ku, Tokyo
(3)	Title and name of representative	President (Representative): Kenichi Fujita
(4)	Business fields	Sales of ethical pharmaceuticals
(5)	Share capital	¥100 million
(6)	Establishment	October 8, 2002

(7)	Shareholding ratio	Taisho Pharmaceutical Holdings Co., Ltd.: 100%		
(8)	Relationship between the listed company and the company concerned	Capital relationship	The listed company holds a 100% stake in the company concerned.	
		Personal relationship	Dispatching four officers	
		Business relationship	There is an entrustment relationship in some operations.	
(9)	Business results and financial position over the last three fiscal years			
	Fiscal year	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
	Net assets	¥ 13,946 million	¥ 15,232 million	¥ 16,940 million
	Total assets	¥ 60,103 million	¥ 56,748 million	¥ 61,490 million
	Shareholders' equity per share	¥ 348,660.50	¥ 380,816.50	¥ 423,503.39
	Net sales	¥ 107,215 million	¥ 96,126 million	¥ 91,259 million
	Operating profit	¥ 2,673 million	¥ 2,044 million	¥ 2,724 million
	Ordinary profit	¥ 2,702 million	¥ 2,117 million	¥ 2,743 million
	Net profit	¥ 1,396 million	¥ 1,263 million	¥ 1,707 million
	Profit per share	¥ 34,901.77	¥ 31,589.84	¥ 42,686.88

3. Overview of Taisho Pharmaceutical

(The subsidiary in which the investment in kind will be made)

(1)	Company name	Taisho Pharmaceutical Co., Ltd
(2)	Headquarters	24-1, Takada 3-chome, Toshima-ku, Tokyo
(3)	Title and name of representative	Chief Executive Officer (Representative) Shigeru Uehara
(4)	Business description	Development, production, marketing, distribution and sales of over-the-counter pharmaceutical products, foods and general goods and development, production, marketing, distribution and sales of ethical pharmaceutical products
(5)	Share capital	¥29,804 million

4. Date

Date of change from the subsidiary to the second-tier subsidiary March 29, 2019

5. Future Outlook

The impact of this transaction on the business performance and financial standing of the Company will be minor.