



Financial Results Briefing for the First Half of the Fiscal Year Ending March 2012

November 17, 2011 (Thu.)

【Notice】

Statements contained in this presentation that are not historical facts are forward-looking statements that reflect our plans, expectations, strategies and convictions, and involve known and unknown risks and uncertainties.

These statements are based on currently available information and represent the beliefs of the management of Toho Holdings Co., Ltd.

These statements are subject to numerous risks and uncertainties that could cause actual results, performance and achievements to differ materially from those described or implied in the forward-looking statements. Since many factors could cause the actual results to differ substantially from these forward-looking statements, investors are advised to avoid undue reliance on the latter.

This presentation has not been prepared for the purpose of stimulating investment. Any decision to invest is the sole responsibility of the individual investor.

Contents

1. Financial Highlights for the First Half of FY2012 and Forecast for FY 2012

Mamoru Ogino, Corporate Officer and General Manager of Finance Department

2. Kyoso Mirai Group

Hiroyuki Kohno, Vice President and Director

3. Group Strategy

Norio Hamada, President and Representative Director

4. Reference



1. Financial Highlights for the First Half of FY2012 and Forecast for FY 2012

**Mamoru Ogino, Corporate Officer and
General Manager of Finance Department**

Financial Highlights for the First Half of the Fiscal Year Ending March 2012

Tackled the securing of appropriate profits and reducing expenses under a continued severe business environment, resulting in profits significantly exceeding the initial projections

- We strictly operated the “Price Lock System”.
- Results of proposal-based marketing and sales utilizing customer support systems
- Growth of the fee-business by providing information to pharmaceutical manufacturers
- Business expansion and greater management efficiency in dispensing pharmacy operations
- With the operation of TBC Kyushu, the supply capacity to the Kyushu and Okinawa area has improved
- Reduction in personnel costs, etc., with rationalization and streamlining after merging with Asucome Co., Ltd.
- Establishment of cost consciousness and a reduction in daily expenses under budgetary controls

Profit and Loss Statement (Consolidated)

Unit: million Yen

	1st half of fiscal 2011	1st half of fiscal 2012				FY2012 (Forecast)	Progress (%)
		Plan	Results	Year on Year (%)	Change from plan (%)		
Net sales	519,858	530,000	539,360	103.75	101.77	1,075,000	50.17
Gross income	44,995	45,300	45,117	100.27	99.60	92,200	48.93
Raito of net sales(%)	8.66(9.03)	8.55	8.36			8.58	
SG&A expenses	39,935	42,400	41,006	102.68	96.71	85,300	48.07
Raito of net sales(%)	7.68(8.02)	8.00	7.60			7.93	
Operating income	5,060	2,900	4,110	81.23	141.72	6,900	59.57
Raito of net sales(%)	0.97	0.55	0.76			0.64	
Ordinary income	7,140	4,400	6,059	84.86	137.70	9,500	63.78
Raito of net sales(%)	1.37	0.83	1.12			0.88	
Net income	3,692	2,300	3,364	91.12	146.26	4,900	68.65
Raito of net sales(%)	0.71	0.43	0.62			0.46	

Note) Figures in parentheses are those arrived at by excluding sales before consolidation of 21,712 million yen recorded by SHOUJI through joint purchases.

Balance Sheet (Consolidated)

	FY2011		1st half of fiscal 2012			Major factors behind the increase or decrease (million yen)
	Sum (million yen)	Proportion (%)	Sum (million yen)	Proportion (%)	Inc. or Dec. (million yen)	
Current assets	388,666	74.98	378,745	73.41	-9,921	Decrease in cash and deposits of 8,076 Increase in accounts receivable-trade of 805 Decrease in merchandise of 4,041
Noncurrent assets	129,722	25.02	137,219	26.59	7,497	Increase in Buildings and structures of 2,155 Increase in tangible leased assets of 1,284 Increase in investment securities of 5,167
Total assets	518,389	100.00	515,965	100.00	-2,424	
Current liabilities	364,624	70.34	359,611	69.70	-5,013	Decrease in accounts payable-trade of 10,323 Increase in short-term loans payable of 5,084
Noncurrent liabilities	42,848	8.27	41,469	8.04	-1,379	Decrease in long-term debt of 3,400 Increase in long-term lease obligations of 1,079 Increase in deferred tax liabilities of 1,647
Total liabilities	407,472	78.60	401,080	77.73	-6,392	
Net assets	110,916	21.40	114,884	22.27	3,968	Increase in capital surplus of 3,259 Increase in retained earnings of 2,643 Increase in treasury stock of -2,460
Total liabilities and net assets	518,389	100.00	515,965	100.00	-2,424	

Cash Flow

Unit : million Yen

	1st half of fiscal 2011	1st half of fiscal 2012	Major factors (1st half of FY 2012)
Cash and cash equivalents at beginning of year	22,645	29,111	
Operating activities	5,453	-5,926	Income before income taxes: 6,236 Increase in notes and accounts receivables- trade: -4,444 Decrease in notes and accounts payable- trade: -10,897 Decrease in inventories: 5,596
Investment activities	151	-2,569	Purchase of property, plant and equipment: -1,148 Purchase of stocks of subsidiaries and affiliates: -1,260
Financing activities	-3,179	-1,710	Long-term loans payable: 1,912 Purchase of treasury stock: -2,460 Cash dividends paid: -595
Cash and cash equivalents at the end of first half	25,327	19,813	

Profit and Loss Statement (Pharmaceutical Wholesaling Business)

Unit: million Yen

	1st half of fiscal 2011	1st half of fiscal 2012				FY2012 (Forecast)	Progress (%)
		Plan	Results	Year on Year (%)	Change from plan (%)		
Net sales	503,194	510,000	519,870	103.31	101.94	1,034,000	50.28
Gross income	35,396	33,800	33,610	94.95	99.44	68,400	49.14
Raito of net sales(%)	7.03(7.35)	6.63	6.47			6.62	
SG&A expenses	31,005	32,600	31,835	102.68	97.65	65,400	48.68
Raito of net sales(%)	6.16(6.44)	6.39	6.12			6.32	
Operating income	4,391	1,200	1,774	40.40	147.83	3,000	59.13
Raito of net sales(%)	0.87	0.24	0.34			0.29	
Ordinary income	7,265	3,500	4,417	60.80	126.20	7,500	58.89
Raito of net sales(%)	1.44	0.69	0.85			0.73	
Net income	4,126	2,200	2,791	67.64	126.86	4,600	60.67
Raito of net sales(%)	0.82	0.43	0.54			0.44	

Note) Figures in parentheses are those arrived at by excluding sales before consolidation of 21,712 million yen recorded by SHOUJI through joint purchases.



2. Kyoso Mirai Group

Hiroyuki Kohno, Vice President and Director

Review of 1st Half of FY2012 and issues of FY2012(Kyoso Mirai Group)

■ Situation of price negotiations

- Price levels progressing within the scope of the initial projections
- Rate of agreement
- Rate of reduction in the gap between NHI prices and market prices
- NHI drug price revisions in April, 2012
- Paying close attention to the NHI drug price revisions and the trend of revisions to the medical consultation fees

■ Solid expansion of Meissa MS Promotion

Topics (Pharmaceutical Wholesaling Business)

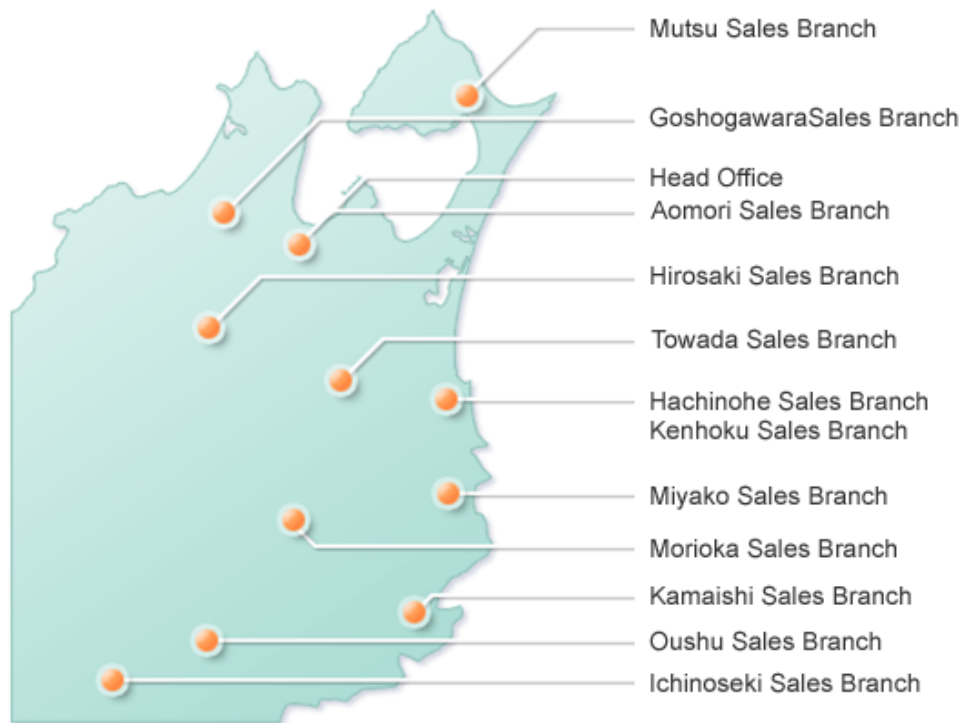
April, 2011 SHOUEI became a wholly-owned subsidiary of TOHO HOLDINGS
Completion of TBC Kyushu (Arao city, Kumamoto)

October, 2011 Koizumi Yakuhin (Wholesaler of reagents) became a wholly-owned subsidiary
of TOHO PHARMACEUTICAL
Total market share of TOHO PHARMACEUTICAL, Koizumi Yakuhin,
SHOUEI(Reagents)
Tohoku region(6prefectures): 27.9% (1st place) Miyagi 42.7% (1st place)

January, 2012 Consolidation of TOHO PHARMACEUTICAL and SHOUEI
Market share after consolidation
Tohoku region(6prefectures): 21.6% (2nd place)
Aomori 39.4% (1st place) Iwate 21.7% (2nd place)

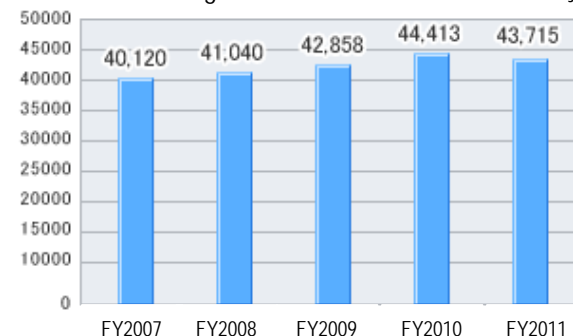
Company profile of SHOUEI

SHOUEI CO., LTD.



Sales change

(Unit: million yen)



Sales composition ratio

branch	Share
Pharmaceutical	97.4%
Medical equipment	0.9%
Other	1.7%
Total	100.0%

History

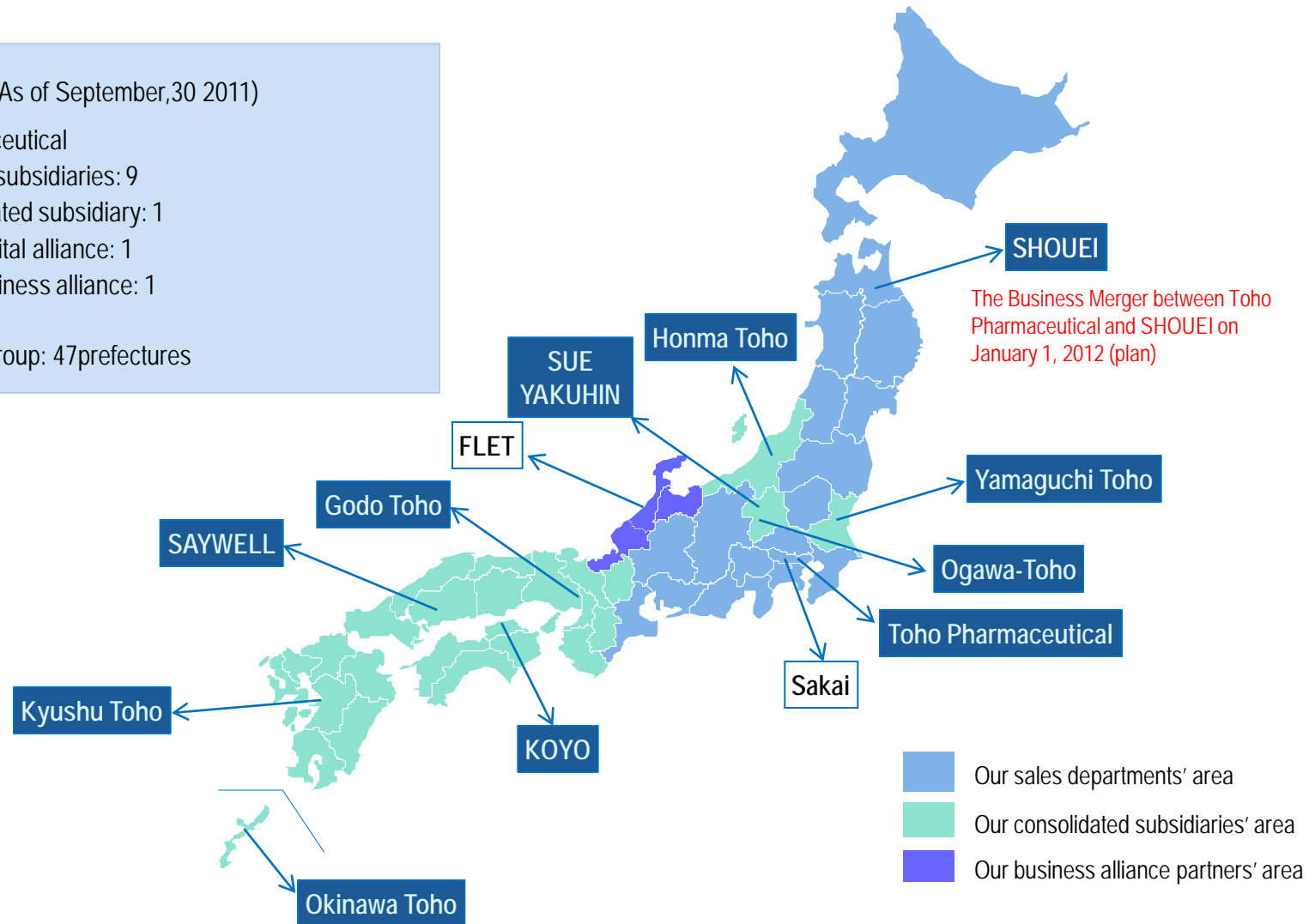
Apr, 1992	With the merger of the three companies Tsurumata Yakuhin., Hachinohe Yakuhin and Tamura Yakuhin, the Headquarters was relocated to 1-6-2 Okuno, Aomori-shi, and the company name has been changed to SHOUEI.
Oct, 1999	Enters into business alliance with TOHO PHARMACEUTICAL
Oct, 2002	Transferred a part of the rights of businesses in Akita prefecture to TOHO PHARMACEUTICAL. Acquired the rights of business in Aomori prefecture from TOHO PHARMACEUTICAL.
Nov, 2003	Acquired the rights of business in Iwate prefecture from TOHO PHARMACEUTICAL.
Oct, 2004	Started joint purchasing with TOHO PHARMACEUTICAL
Nov, 2009	80th anniversary of the founding
Apr, 2011	Became a wholly owned subsidiary of TOHO HOLDINGS through a stock swap

Kyoso Mirai Group

■ Group companies 13 (As of September,30 2011)

- Toho Pharmaceutical
- Consolidated subsidiaries: 9
- Non-consolidated subsidiary: 1
- Partner in capital alliance: 1
- Partner in business alliance: 1

■ Sales territory of the group: 47 prefectures

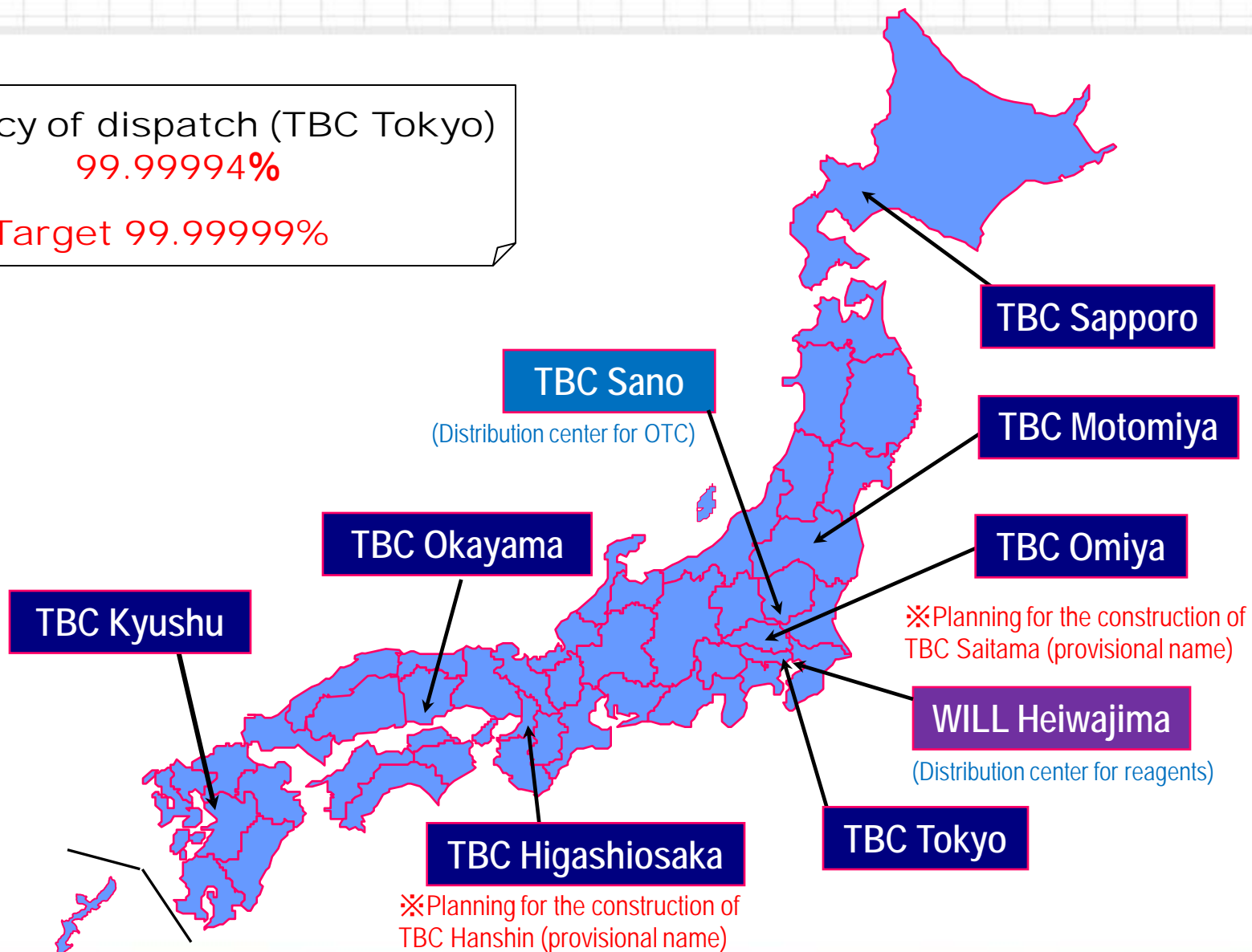


Distribution centers

Accuracy of dispatch (TBC Tokyo)

99.99994%

Target 99.99999%

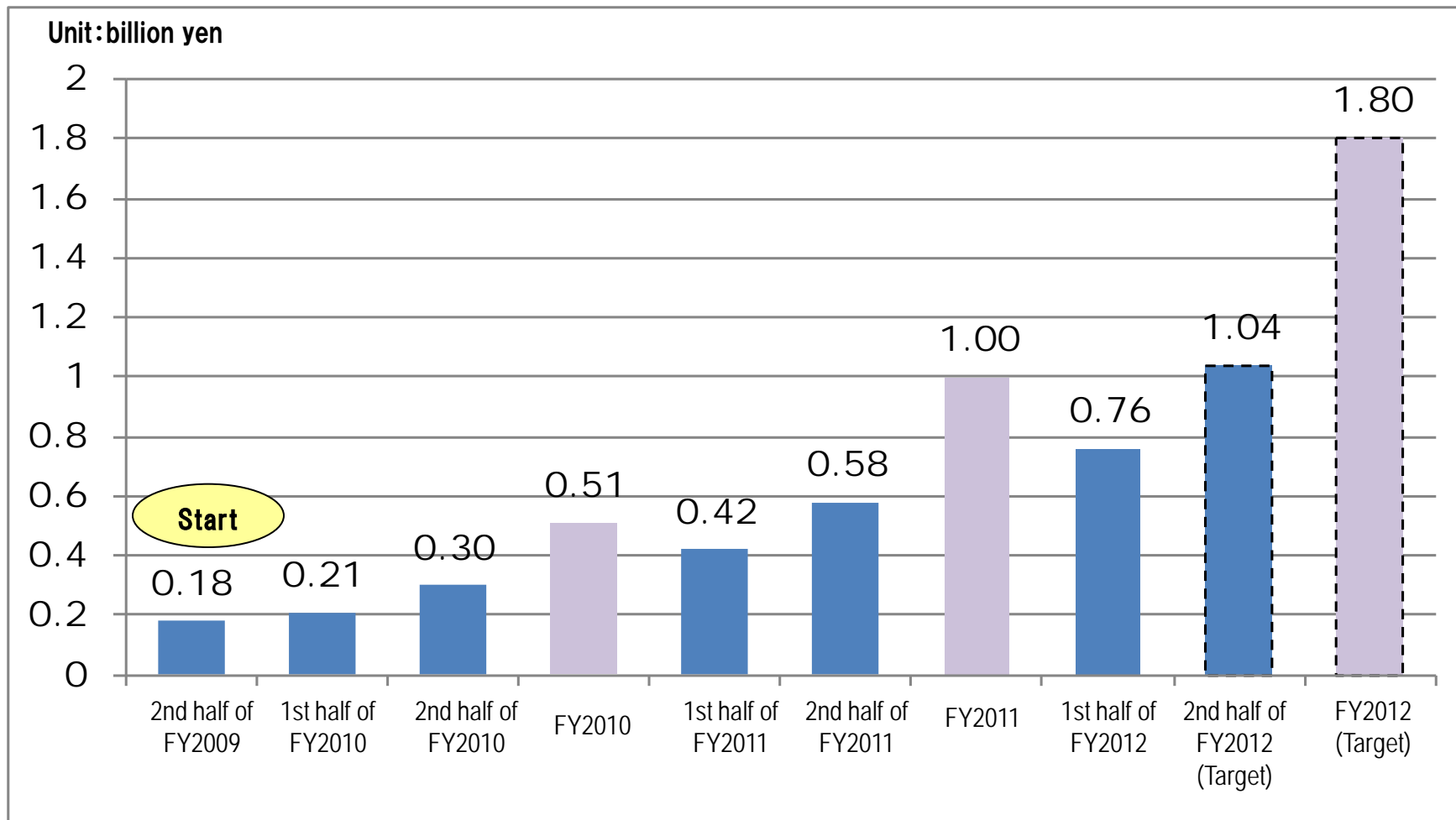


Construction plan of the new distribution centers

Planning for the construction of distribution centers to replace TBC Omiya and TBC Higashi Osaka

Name	TBC Saitama (Provisional name)	TBC Hanshin (Provisional name)
Place	Shobumachi, Kuki city, Saitama ward (Many of the numbers have not yet been finalized.)	7-86, Konoike, Itami city, Hyogo ward
Site area	28,502.48 m ²	31,214.08 m ²
Building space	12,031.07 m ²	11,798.06 m ²
Total floor space	33,928.10 m ²	28,761.25 m ²
Structure	RCSS structure (Pillars: RC structure, Beams: steel structure), Three-story building	Two-story steel structured building (Partly three-story)
Number of product lines	About 30,000 items	About 25,000 items
Maximum shipping capacity	40 billion yen / monthly	25 billion yen / monthly
Product lines	Pharmaceutical, OTC, Medical equipment, Medical supplies, Reagent	Pharmaceutical, OTC, Medical equipment, Medical supplies, Reagent
Coverage area	Saitama, Ibaraki, Tochigi, Gunma, Niigata, Aomori, Iwate, Akita (Miyagi, Fukushima, Yamagata)	Osaka, Hyogo, Kyoto, Shiga, Nara, Wakayama, Aichi, Gifu, Mie
Expected date of the start of construction	March, 2012	April, 2012
Expected date of the completion	March, 2013	February, 2013
Expected date of the Operation	August, 2013	May, 2013
Total costs	9.9 billion yen (Land: 1.4 billion yen, Buildings and equipment: 8.5 billion yen)	7.4 billion yen (Land: 2.8 billion yen, Buildings and equipment: 4.6 billion yen)

Fee Business (Meissa MS Promotion)





3. Group Strategy

Norio Hamada, President and
Representative Director

Review of 1st half of FY2012

Operating results for the 1st half are growing favorably compared with the initial projections

June, 2011 Announcement of the Acquisition of
Company Stocks
4,000,000,000 yen (total)

October, 2011 “Okusuri-yoyaku” from eKenkoshop started

Acquisition of Company Stocks

As of October 31, 2011

Reason of Acquisition of Company Stock

To make it possible to carry out a flexible capital policy

Details of Acquisition

Type of stock acquired:	Common stock
Total number of shares acquired:	6,000,000 shares
Total cost of stock acquired:	4,000,000,000 yen (Limit)
Period of acquisition:	from July 1, 2011 to March 31, 2012

Status of Acquisition

Period of acquisition:	from July 1, 2011 to October 31, 2011
Total number of shares acquired:	3,936,900 shares
Total cost of stock acquired:	3,373,361,500 yen

Theme of the new distribution centers

Shipping accuracy (99.99994%): Improved the TBC Tokyo's shipping accuracy during the latest one year to the "Seven 9s"

Monthly average shipping lines: about 1.25 million lines

Monthly average incorrect shipments: 0.75 line

Improvement in the traceability of the management of the lot numbers and their expiry dates

Adoption of a new picking system to achieve labor saving ⇒ Labor saving effects

Picking robots

Picking by the customer, the person in charge of shipping and the order of shipping to the customers

Countermeasures against natural disasters based on lessons from the Great East Japan Earthquake

Introduction of uninterruptible power supply equipment

Establishment of an alternative function (as Reagents Center) at TBC Hanshin when WILL Heiwajima suffers disaster damages

eKenkoshop



Started on October 9

eKenkoshop

Medicine reservation system

Number of member pharmacies: 11,527

Number of orders: 1,809

(As of November 14, 2011)



After making an appointment on the website, OTC drugs will be sold at a pharmacy through face-to-face sales by a pharmacist.

Enabling confirmation of the classification of OTC drugs (1st category, 2nd category and 3rd category) through a display screen of the website and securing reservations for the purchase of medicines

By designating a family pharmacy as the pick-up pharmacy, it is possible to check for any interactions with any prescription medicine that is habitually being taken and duplicated prescriptions → Allows for appropriate guidance by a pharmacist

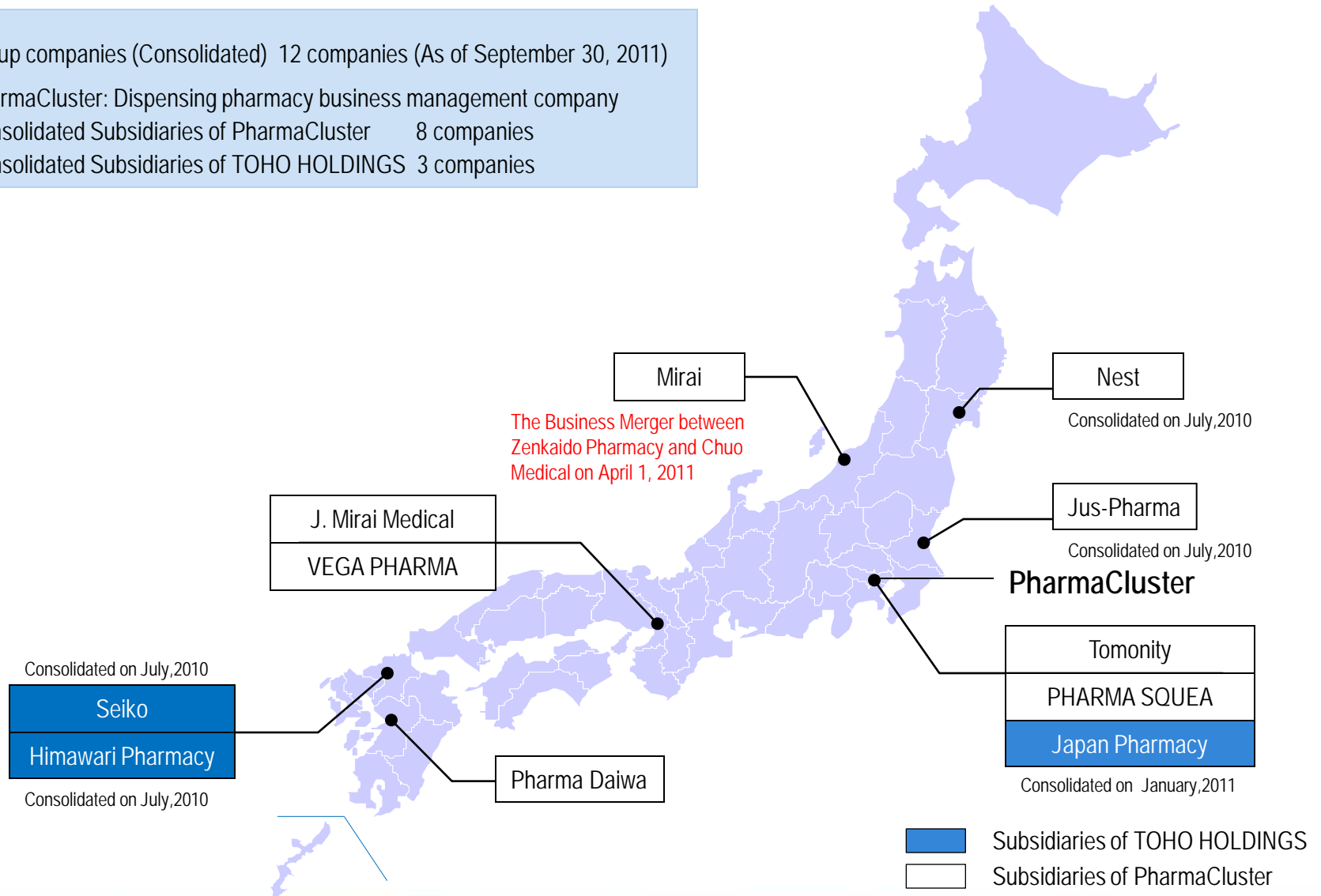
Sales of pharmaceuticals without carrying inventory relieve pharmacies of the burden of maintaining inventories and inventory losses.

Total control of prescription medicines and OTC drugs makes it possible to detect any side effects earlier and to provide professional guidance in accordance with each patient. → Improvement of value as a family pharmacy

Committed to delivering safe medicines without fail to all people wishing for good health.

Dispensing Pharmacy Business

- Group companies (Consolidated) 12 companies (As of September 30, 2011)
- PharmaCluster: Dispensing pharmacy business management company
- Consolidated Subsidiaries of PharmaCluster 8 companies
- Consolidated Subsidiaries of TOHO HOLDINGS 3 companies



Action of Kyoso Mirai Group in Pharmacy

【Member】597 companies About 3,800 stores

(East Japan: 329 companies About 2,280 stores / West Japan : 268 companies About stores)

■Action of eachcommittee (Started in 2009)

Committee for the Enhancement of the Functions of Pharmacies	<p>Implementation of various lecture meetings concerning the health care system and the revision of dispensing fees, the proposal of solutions to problems by utilizing the ideas or schemes of the member companies, and the development of new schemes to enhance the functions of pharmacies and pharmacists.</p> <p>• Committee...Held five times (Participant:total 95) • Lecture, Seminar...Held Three times (Participant:total 278)</p>
Training Committee	<p>Proposal to hold meetings to discuss problems or assignments that member companies are dealing with and the preparation of training programs for these.</p> <p>• Committee...Held four times (Participant:total 56) • Workshop, Seminar...Held four times (Participant:total 311)</p> <p>* Held "Physical Assessment Basic Seminar" in October this year.</p>
Product Development Committee	<p>The development of pharmaceuticals that only pharmacists can deal with or those leading to a differentiation from other pharmacies, the development of tools for communication with the patients, and promotional activities for generic drugs</p> <p>• Committee...Held four times (Participant:total 52)</p>
Home Assistance Committee	<p>Study of the knowledge, functions and systems required to become a community-based pharmacy equipped with the functions necessary for home medical care</p> <p>• Committee...Held five times (Participant:total 80) • Case study...Held one time (Participant:123)</p>
General Affairs Committee	<p>Assistance toward cost reductions and the promotion of greater business efficiency through the preparation of various guidelines, including ones related to the wage and salary system, personnel management, working regulations and employment contracts in management work</p> <p>• Committee...Held four times (Participant:total 73) • Seminar...Held one time (Participant:105)</p> <p>* Held a study meeting with the attendance of a certified social insurance and labor consultant in November this year.</p>

Study Groups of Kyoso Mirai Group:

The Group is planning to hold a joint study session for East Japan and West Japan this year.

December 11, 2011(Sun) Nomura conference plaza Nihonbashi 5,6F

Dividend Outlook

【Expected Cash Dividend Payment】

As for fiscal 2012, the Company intends to pay an annual dividend of 16 yen per share in fiscal year 2011.

	Interim	Year End	Annual Dividend
FY2012	8 yen	8 yen	16 yen
FY2011	8 yen	8 yen	16 yen

【Our policies for providing dividends】

We remain committed to a flexible distribution policy that takes account of results during each period, while also ensuring the enhancement of our future revenue base and the retention of sufficient earnings to allow for market fluctuations.



4. Reference

Meissa MS Promotion

New Model of Meissa



docomo
Smartphone T-01B

- Business meeting
- Provision of information
- Interview (Market research) (Survey)
- Exchanges with the call center
- Delivery
- Correspondence to the inquiry



Head office

3G

Phone call
PUSH mail
• Notice of an order received

Business processing
• Order processing • Search of the stock
• Search of the price • Search of the delivery history
• Search of generic products • Search of small lot products
• Search of sales results

Promotional video

Top of emergency information (emergency recovery etc.)

Input processing
• Automatic speech recognition

Update of master data

Wireless local area network

Information-providing to manufacturers



Call Center



Mission-critical system



Server at sales office

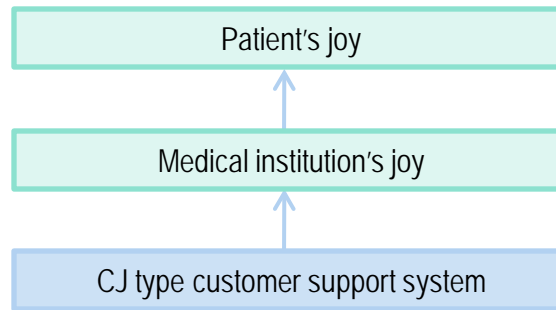


Original market database

Customer Support Systems as the core for building a business model

Proposing original services by sensitively understanding the ever-changing needs of patients and medical institutions

- Upgrading service for patients
- Stable supply of Pharmaceuticals and information



CJ: Customer's Joy
★ = Our original

Pharmacy	Clinic	Hospital
<p>Business support</p> <ul style="list-style-type: none"> ★ENIF ★e-ENIF.net ★Wholesale in Small Lots Receipt computer ★ENIFvoice SP <p>Support for separation of pharmacy and clinic</p> <ul style="list-style-type: none"> ★ENI-PHARMACY <p>Added Value</p> <ul style="list-style-type: none"> ★ENIF club ★Study Groups of Kyoso Mirai Group in Pharmacy ★Call Centers ★Temporally Transferred Pharmacist ★Hitonowa.com ★eKenkoshop <p>Support for start in practice</p> <p>Support for opening of new pharmacies</p>	<p>Clinic appointment booking</p> <ul style="list-style-type: none"> ★LXMATE HeLios ★Brief version on the Internet ★SELENE <p>Business support</p> <ul style="list-style-type: none"> ★ENIF ★Wholesale in Small Lots Electronic chart Receipt computer <p>Added Value</p> <ul style="list-style-type: none"> ★ENIF club ENIF vision ★Call Centers ★Nutritionists ★The website creation service (linked to the appointment system) <p>Support for start in practice</p> <p>Support for opening of new Clinics</p>	<p>Clinic appointment booking</p> <ul style="list-style-type: none"> ★LXMATE-V <p>Business support</p> <ul style="list-style-type: none"> ★ENIF ★Wholesale in Small Lots ★ENIFwin Nex-Sus Electronic chart Receipt computer SPD <p>Support for separation of pharmacy and clinic</p> <ul style="list-style-type: none"> ★ENI-PHARMACY <p>Added Value</p> <ul style="list-style-type: none"> ★ENIF club ENIF vision ★Call Centers ★Nutritionists ★Hitonowa.com ★MD management

Customer Support System Line-up

As of September 30, 2011



Automated Medical Care
Appointment System
LXMATE HeLios/SELENE

- Launched: 1995
- Total: 2,601 machines
- 7.0 million cards issued



Pharmaceutical Ordering System
ENIF

- Launched: 1997
 - Total: 25,345 machines
- Installed at roughly 40% of dispensing pharmacies nationwide



System Supporting the Separation of
Dispensing and Prescribing Function
ENI-PHARMACY

- Launched: 1998
- Total: 767 machines
- 4.75 million cards issued



Membership-based service
ENIF Club

- Started: 1998
- Total member: 12,175
- Net sales for members: 232 billion yen



Pharmacy management support system
on the Internet
e-ENIF.net

- Launched: 2008
 - Total: 763 cases
- Strong support for visible business management with the visualization of information on the headquarters and stores



An integrated in-hospital distribution and
inventory-management system
ENIFwinNex-Sus

- Launched: 2010
 - (*ENIFwin series launched 2000)
 - Total: 8 sets
- (Total of ENIFwin series: 381)
Broader support for hospital management through achievement of the centralization of in-hospital distribution



Voice-recognition Electronic Medication
History Recording Support System
ENIFvoice SP

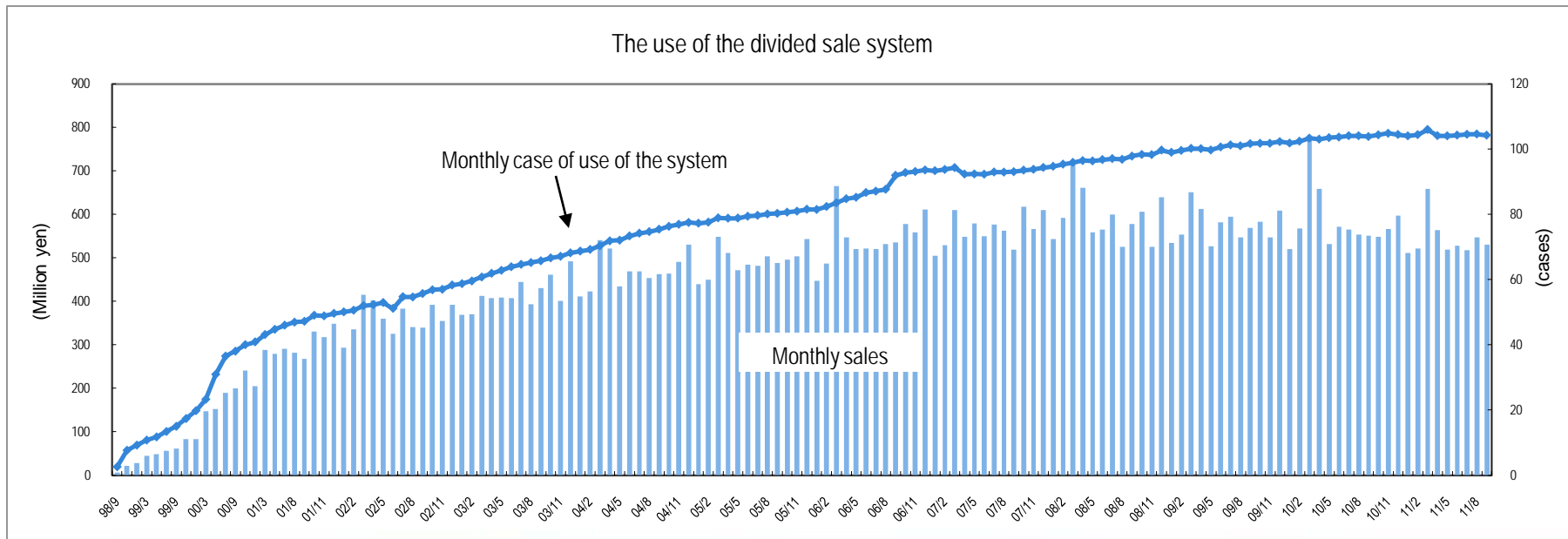
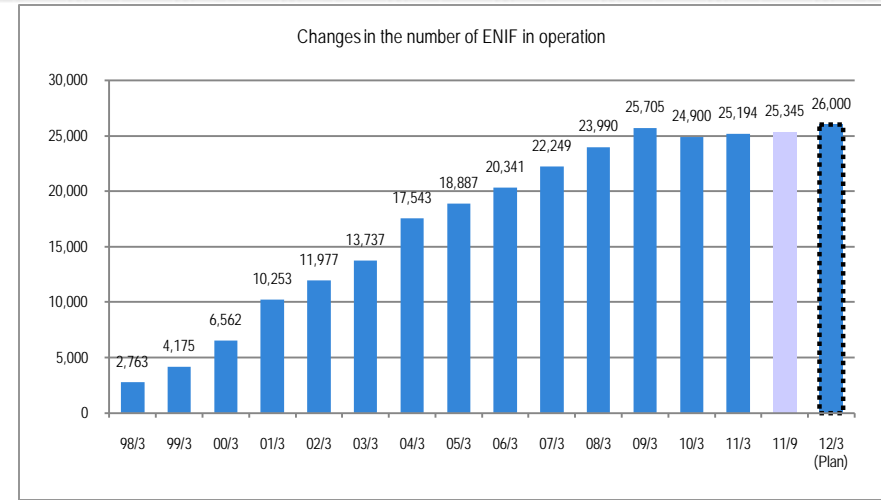
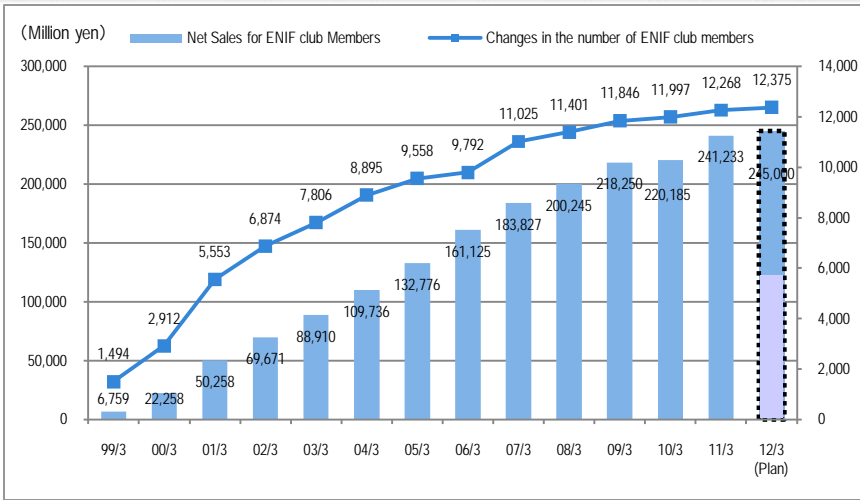
- Launched: 2010
 - Sales performance: 1,075 machines
- Support for improving efficiency in medication counseling and the preparation of the medication history of the patient as well as upskilling at pharmacies by introducing voice input systems



linked to the appointment system
The website creation service

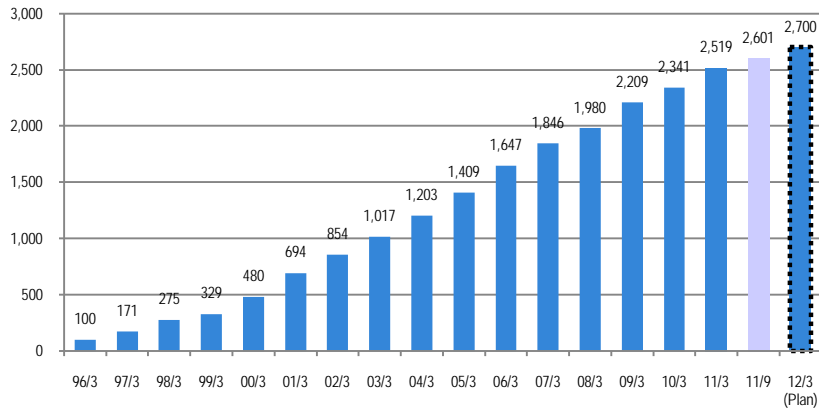
- Launched: 2010
 - Sales performance: 741 cases
- This service aims to establish a scheme for people to find medical institutions that are available for making an appointment through the Internet or by mobile phone and to create an environment for the establishment and popularization of appointment-based medical care.

Achievement of Customer Support System ①

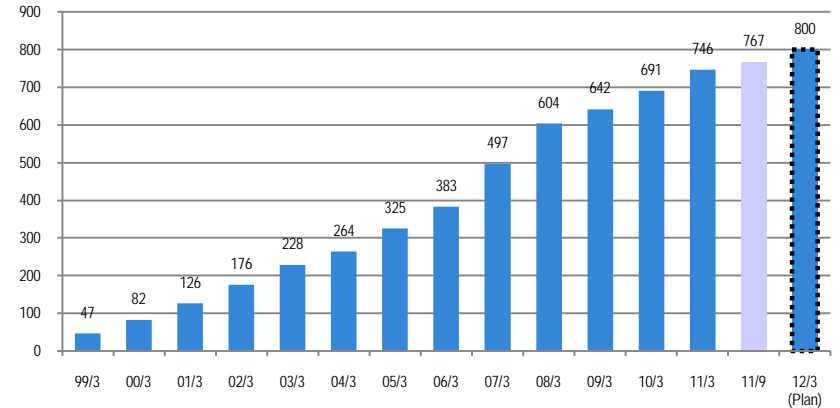


Achievement of Customer Support System ②

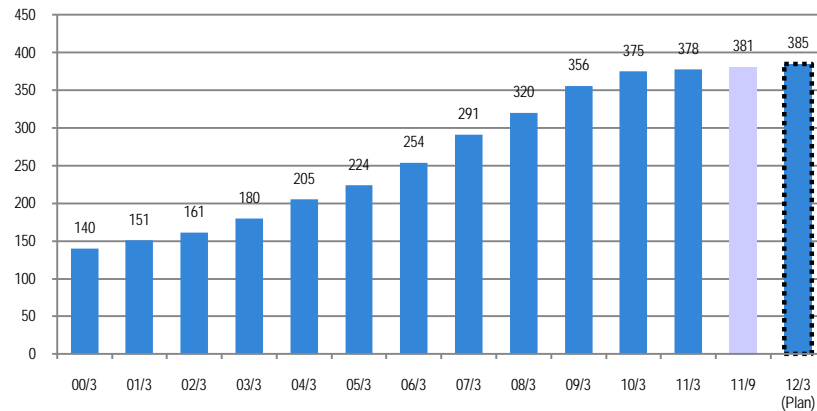
Changes in the number of HeLios / SELENE introduced



Changes in the number of ENI-Pharmacy

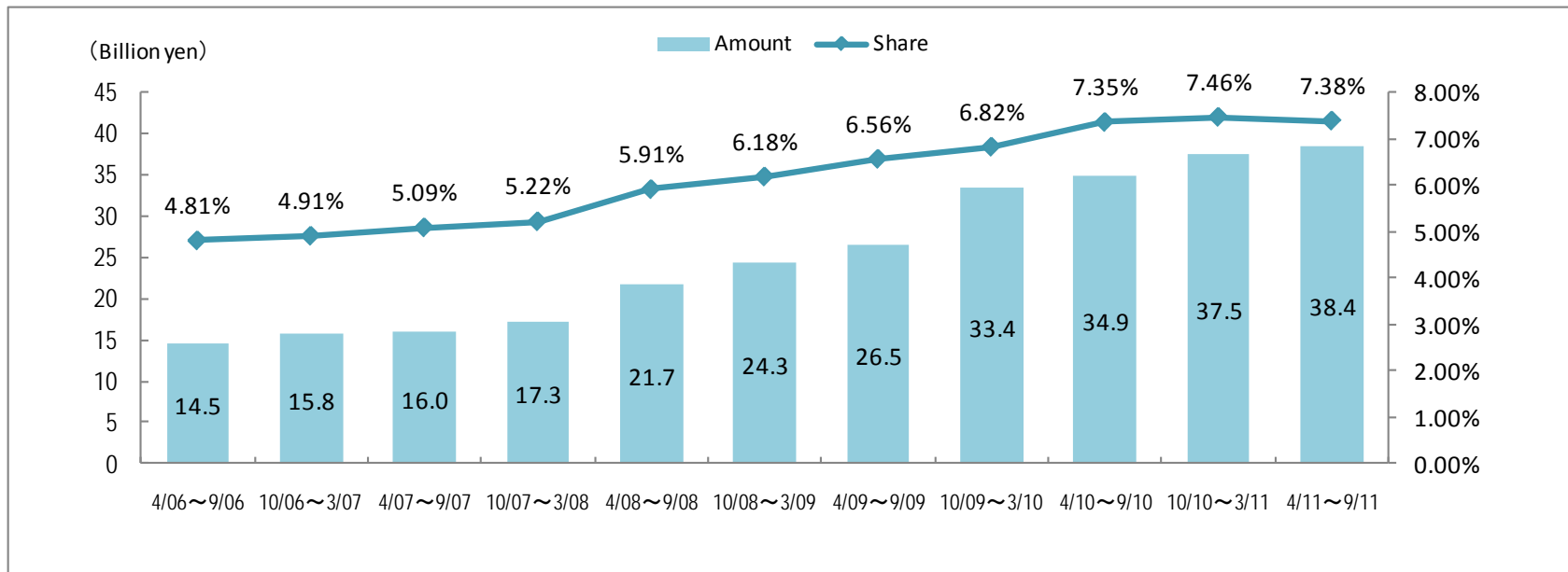


Change in the number of medical institutions with ENIF win installed



Sales of Generic Products

	1st half of 2006	2nd half of 2006	1st half of 2007	2nd half of 2007	1st half of 2008	2nd half of 2008	1st half of 2009	2nd half of 2009	1st half of 2010	2nd half of 2010	1st half of 2011
Amount	14.5 billion yen	15.8 billion yen	16.0 billion yen	17.3 billion yen	21.7 billion yen	24.3 billion yen	26.5 billion yen	33.4 billion yen	34.9 billion yen	37.5 billion yen	38.4 billion yen
Share	4.81%	4.91%	5.09%	5.22%	5.91%	6.18%	6.56%	6.82%	7.35%	7.46%	7.38%
Growth	10.69%	8.97%	1.27%	8.13%	25.43%	12.00%	9.05%	26.04%	4.50%	7.45%	2.40%
Annual(Growth)	30.3 billion yen(20.24%)		33.3 billion yen(9.90%)		46.0 billion yen(38.14%)		59.9 billion yen(30.22%)		72.4 billion yen(20.87%)		38.4 billion yen





Total commitment to good health

Challenge to be the Demand Innovator 10-12

【Front office in charge of IR】

PR&IR Section/Corporate Communications Office

TEL: +81-3-5259-9520

E-mail: info@so.tohoyk.co.jp

<http://www.tohohd.co.jp/>