

March 19, 2018

To whom it may concern:

Company Name	TOHO HOLDINGS CO., LTD.
Corporate Representative	Norio Hamada, Chairman of the Board and Representative Director (First Section of Tokyo Stock Exchange Securities Code:8129)
Contact:	Makoto Kawamura, Corporate Officer, General Manager, Public and Investor Relations Department (TEL: 81-3-6838-2803)

Announcement about Capital Alliance with HekaBio K.K.

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; Chairman of the Board and Representative Director: Norio Hamada; hereinafter, "TOHO HOLDINGS") announces today it has decided to subscribe to the third-party share issuance by HekaBio K.K. (Headquarters: Tokyo; CEO: Robert Evans Claar; hereinafter, "HekaBio"), a bio venture company. Specifics are as outlined below:

1. Reason for capital alliance

TOHO HOLDINGS is a corporate group active in medical, nursing and healthcare fields, engaged in pharmaceutical wholesaling, dispensing pharmacy, manufacturing and sales of pharmaceuticals, and development and provision of customer support systems under the corporate slogan "Total Commitment to Good Health". TOHO HOLDINGS also proactively promotes initiatives for regional medical collaboration, nursing and home care.

HekaBio endeavors to contribute to the advancement of medical care by introducing innovative, novel therapeutics from overseas for patients fighting intractable cancer and autoimmune/inflammatory disease. HekaBio's leadership conducts businesses based on experience from previously established Japan-based companies including Junicon K.K. (est. 1992), a healthcare market research consulting firm for Japanese, American and European companies, and Vorpal Technologies K.K. (est. 2013), a medical device and pharmaceutical CRO.

TOHO HOLDINGS and HekaBio share the same philosophy of contribution to society and medical care. Through this investment, TOHO HOLDINGS will collaborate in the development, marketing and distribution of new and innovative therapeutics in Japan.

2. Overview of HekaBio K.K.

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| (1) Company name: | HekaBio K.K. |
| (2) Location: | Yashima Bldg 3F, 2-7-14 Toranomom, Minato-ku, Tokyo |
| (3) Representative: | Robert Evans Claar, CEO |
| (4) Established: | November 2016 (Company name changed to HekaBio K.K. in November 2017) |
| (5) Business content: | Import, development, manufacturing and sales of pharmaceutical, medical device, diagnostic and regenerative medicine products |
| (6) Capital: | JPY 94.514 million |
| (7) Fiscal year end: | December 31 |
| (8) Number of employees: | 7 |
| (9) Contact: | Ben Pratt, COO (TEL: 81-3-6205-7585, email: ben.pratt@hekabio.com) |

3. Number of shares, method, price, shares owned before and after acquisition and share acquisition date

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|----------------------------------------|-------------------------------------------------------------------|
| (1) Number of shares to be acquired: | 1,400 Class A shares |
| (2) Acquisition method: | Subscription to third-party allotment of shares issued by HekaBio |
| (3) Acquisition price: | Undisclosed |
| (4) Shares owned prior to acquisition: | 0 (Ownership percentage: 0%) |
| (5) Shares owned after acquisition: | 1,400 (Fully diluted ownership percentage: 6%) |
| (6) Date of share acquisition: | March 20, 2018 |

4. Forward looking outlook

Impact to consolidated performance is minor.