Notice of Share Transfer Regarding Affiliated Company

Kobayashi Pharmaceutical Co., Ltd. announces the transfer of remaining shares the company owns in Japan Medicalnext Co., Ltd. to Mitsubishi Corporation.

Notice

1. Reason for share transfer

As stated in a notice released on April 24, 2012 on Change in Consolidated Subsidiary (share transfer), our company transferred 80% of its equity stake in the wholly-owned firm Japan Medicalnext Co., Ltd. (previously called Kobayashi Medical Co., Ltd.) to Mitsubishi Corporation to help the company grow further in the medical equipment market. Since the business transfer was made smoothly, our company has decided to sell its remaining 20% share in Japan Medicalnext to Mitsubishi.

- 2. Outline of Japan Medicalnext Co., Ltd.
- (1) Corporate name: Japan Medicalnext Co., Ltd.
 - * Name change made in November 2012
- (2) Representative: President and CEO, Masatoshi KIMURA
- (3) Head office: 2-5-8 Imabashi, Chuo-ku, Osaka, Japan
- (4) Foundation date: April 1, 2010
- (5) Capital: 50 million yen
- (6) Main business lines: Imports, production and sale of medical equipment and medical instruments
- (7) Financial results for most recent business year: Sales totaled 8.9 billion yen (for the year ended March 31, 2012).
- (8) Major shareholders and their shareholding ratios:

Mitsubishi Corporation 80% Kobayashi Pharmaceutical Co., Ltd. 20%

3. Share transfer date

May 20, 2013 (planned)

4. Effects of share transfer on Kobayashi Pharmaceutical's earnings

The planned share transfer's possible effects on Kobayashi Pharmaceutical's financial results for the business year ending March 31, 2014 will be minimal.