

March 20, 2014

Company: Fuji Pharma Co., Ltd.  
Representative: Hirofumi Imai, President & CEO  
Stock code: 4554, TSE (1st section)  
Contact: Takuya Usami, Director and General  
Manager of Administration Department  
Tel: +81-3-3556-3344

## **Notice of Establishment of Capital and Business Alliance, Issuance of New Shares through Third-Party Allotment, and Changes in Largest Shareholder and Other Affiliated Company**

Fuji Pharma Co., Ltd. announces that its Board of Directors approved a resolution on March 20, 2014 to establish a capital and business alliance with Mitsui & Co., Ltd. and to issue new shares through the third-party allotment to Mitsui & Co. Details are as follows.

In conjunction with this third-party allotment, Fuji Pharma is making the following announcements concerning changes in its largest shareholder and other affiliated company.

### **I Capital and Business Alliance**

#### **1. Purpose and reasons for capital and business alliance**

Japan's market for generic drugs has been expanding steadily in recent years. The Ministry of Health, Labour and Welfare (MHLW) has enacted numerous measures aimed at increasing the use of these drugs as a key method of holding down health care expenses. MHLW has established the goal of increasing the market share of generic drugs to at least 60% by the end of March 2018. We believe that, with the "Roadmap for Further Promotion of the Use of Generic Medicines" having been published in April 2013, the expansion in the market share of generic drugs will continue. In addition, competition is becoming more intense as both Japanese pioneer drug manufacturers, foreign affiliated pharmaceutical manufacturers and other companies enter the generic drug market.

Fuji Pharma is currently implementing a medium-term business plan covering the period from 2010 to 2014 with the central theme of "expanding existing core businesses and capitalizing on new opportunities for creating new businesses for the future." Based on this plan, the company has been taking actions to accomplish the following three goals: (1) Upgrade operations in the acute medical care sector, with emphasis on parenteral injections; (2) Increase activities aimed at becoming a leader in the field of medical care for women; and (3) Establish a pharmaceutical manufacturing capability in Southeast Asia.

In conjunction with these ongoing initiatives, Fuji Pharma began to consider in November 2013 the establishment of a broad-based alliance, including a stronger equity relationship, with the intended allottee Mitsui & Co. The primary objective of the alliance is to expand overseas operations by using Fuji Pharma subsidiary OLIC (Thailand) Limited (Location: Ayutthaya, Thailand; President: Toyoyuki Kamide; "OLIC" hereafter), which is Thailand's largest contract manufacturer of pharmaceuticals. Enlarging overseas operations is expected to enable Fuji Pharma to meet the growing demand for generic drugs in Japan and other countries as well as to become more cost competitive.

Fuji Pharma believes that building a stronger relationship with Mitsui & Co., which has an extensive global network, will help make the operations of Fuji Pharma and OLIC (the "Fuji Pharma Group" hereafter) even more powerful. Working with this partner is expected to allow using OLIC to grow outside Japan, make R&D investments in the pharmaceutical business to search for seeds, and provide access to a variety of support and cooperation involving manufacturing and sales activities (especially for the procurement of active ingredients for pharmaceuticals).

In addition, Fuji Pharma believes that a third-party allotment of stock to Mitsui & Co. is the best way to procure funds. Using this fund procurement method allows Fuji Pharma to procure funds quickly and reliably while laying the groundwork for capturing synergies between the business operations of Fuji Pharma and Mitsui & Co.

This third-party allotment will dilute the voting rights of existing shareholders. However, as was explained earlier, Fuji Pharma is aiming to continue to grow while constantly adapting to the significant changes that are taking place in the operating environment. Fuji Pharma believes that deepening its capital and business alliance with Mitsui & Co. and capturing more synergies with this partner will be vital to making the Fuji Pharma Group even more powerful. Capital alliance between Fuji Pharma and Mitsui & Co. already span two decades. Consequently, although the voting rights of Fuji Pharma shareholders will be diluted by this third-party allotment, Fuji Pharma believes this sale of stock will create corporate value for the Fuji Pharma Group that exceeds this dilution, thereby generating higher medium and long-term returns for existing shareholders.

## 2. Details, etc. of the capital and business alliance

### (1) Details of business alliance

Fuji Pharma and Mitsui & Co., as independent companies, plan to establish a business alliance encompassing the following fields based on the premise of using fair transaction and contract terms.

- 1) Acquisitions of development rights and manufacturing and sales rights in the Fuji Pharma pharmaceutical business in Japan  
(Goals are to enable Fuji Pharma to sell in Japan drugs that have already been approved in other countries, perform development activities in Japan to receive approval in Japan for compounds under development in other countries, and to conduct other activities.)
- 2) Supply of products, intermediate products and ingredients for development and manufacturing and sales activities in Japan of Fuji Pharma's pharmaceutical business  
(Goal is to locate even higher-quality, lower-cost sources for active pharmaceutical ingredients used in Fuji Pharma products to improve the stability of the supply of these products.)
- 3) Expansion of the Fuji Pharma Group's sales and sales channels outside Japan in the pharmaceutical business  
(Goal is to establish channels for sales of the high-quality, competitively priced products of Fuji Pharma in Southeast Asia, where economic growth is expected to continue.)
- 4) Fully utilize Fuji Pharma subsidiary OLIC and expand distribution and sales channels and sales for new products of OLIC  
(Goals are to locate more companies that will outsource drug production to OLIC and develop products sold using OLIC's own brand.)

### (2) Details of capital alliance

Fuji Pharma will use a third-party allotment to sell stock to Mitsui & Co.

The number of shares to be purchased by Mitsui & Co. using this third-party allotment and the percentages of all Fuji Pharma stock held by Mitsui & Co. before and after this allotment are shown in the following section "II Issuance of New Shares Through Third-party Allotment."

### (3) Directors from Mitsui & Co.

Mitsui & Co. will have the right to submit the name of one candidate for election as a Fuji Pharma director. If a candidate is submitted, Fuji Pharma will first discuss the selection of this candidate with Mitsui & Co. and then submit resolutions concerning this candidate at a Fuji Pharma Board of Directors meeting and a Fuji Pharma annual shareholders' meeting.

3. Profile of Mitsui & Co. (As of March 31, 2013, unless otherwise stated)

(1) Company name	Mitsui & Co., Ltd.			
(2) Location	2-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo			
(3) Representative	Masami Iijima, President and Chief Executive Officer			
(4) Business	General trading company			
(5) Capital	341.481 billion yen (as of September 30, 2013)			
(6) Established	July 25, 1947			
(7) Number of shares issued and outstanding	1,829,153,527 shares (as of September 30, 2013)			
(8) Fiscal years end	March 31			
(9) Employees	45,148 (Consolidated)			
(10) Major customers	Japanese and foreign corporations			
(11) Major banks	Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Trust Bank, Limited, Japan Bank for International Cooperation			
(12) Major shareholders and shareholding ratios (as of September 30, 2013)	The Master Trust Bank of Japan, Ltd.(Trust account)		7.94%	
	Japan Trustee Services Bank, Ltd. (Trust account)		6.02%	
	Sumitomo Mitsui Banking Corporation		2.10%	
	Japan Trustee Services Bank, Ltd. (Trust account 9)		2.02%	
	Nippon Life Insurance Company		1.91%	
	THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT (Standing Proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)		1.40%	
	Barclays Securities Japan Limited		1.36%	
	Mitsui Sumitomo Insurance Company, Limited		1.35%	
	THE BANK OF NEW YORK – JASDECTREATY ACCOUNT (Standing Proxy: Mizuho Bank, Ltd.)		1.16%	
	JP MORGAN CHASE BANK 380055 (Standing Proxy: Mizuho Bank, Ltd.)		1.12%	
(13) Relationships between Fuji Pharma and Mitsui & Co.	Capital	Fuji Pharma does not hold Mitsui & Co. stock. Mitsui & Co. holds 1,930,600 shares of Fuji Pharma stock.		
	Personnel	An employee of Mitsui & Co. is dispatched to Fuji Pharma.		
	Business	Mitsui & Co. sells drug ingredients to Fuji Pharma and has other business relationships with Fuji Pharma		
	Related parties	Mitsui & Co. is a main shareholder of Fuji Pharma and holds 13.67% voting rights. Mitsui & Co. falls under the definition of a related party of Fuji Pharma.		
(14) Operating results and financial position for the last three (3) years (US GAAP)				
	Fiscal years ended	March 2011	March 2012	March 2013
	Consolidated shareholders' equity	2,366,192	2,641,318	3,181,819
	Consolidated total assets	8,598,124	9,011,823	10,324,581
	Consolidated shareholders' equity per share (Yen)	1,296.66	1,447.34	1,743.34
	Consolidated net sales	9,942,472	10,481,166	10,049,637
	Consolidated operating income	317,003	348,384	254,603
	Income before income taxes and equity in earnings of associated companies	272,697	413,211	314,098
	Net income attributable to Fuji Pharma's shareholders	306,659	434,497	307,926
	Net income per share attributable to Fuji Pharma's shareholders (Yen)	168.05	238.10	168.72
	Dividend per share (Yen)	47.00	55.00	43.00

(Million yen, unless otherwise stated)

#### 4. Schedule

(1) Board of Directors' resolution	March 20, 2014
(2) Contract signing	March 20, 2014
(3) Date of commencement of business alliance	April 21, 2014 (Schedule for the completion of capital increase through a third-party allotment)

#### 5. Prospects for the future

Please refer to "II Issuance of New Shares through Third-party Allotment, 8. Prospects for the future," below.

### II Issuance of New Shares through Third-party Allotment

#### 1. Outline of offering

(1) Payment date	April 21, 2014
(2) Number of shares to be newly issued	The Company's common stock of 1,506,900 shares
(3) Issue price	1,794 yen per share
(4) Amount of funds raised	2,703,378,600 yen
(5) Method of offering or allotment (party to which shares will be allotted)	A third-party allotment will be used with all shares allotted to Mitsui & Co.
(6) Others	All of the above items will first require the submission of a valid notice under the Financial Instruments and Exchange Law, completion of the Antimonopoly Act waiting period concerning this purchase of Fuji Pharma stock by Mitsui & Co., the absence of a cease and desist order by the Japan Fair Trade Commission in accordance with the Antimonopoly Act, and certain other actions.

#### 2. Purpose and reason for offering

Please refer to "I Capital and Business Alliance, 1. Purpose and reasons for capital and business alliance," above.

#### 3. Amount, use and scheduled expenditure of funds to be raised

##### (1) Amount of funds to be raised

1) Total payment amount	2,703,378,600 yen
2) Estimated cost of issuance	17,000,000 yen
3) Estimated net proceeds	2,686,378,600 yen

Note: Estimated cost of issuance consists of registration license tax and other registration fees, legal fees and other charges.

##### (2) Specific use of funds procured

Specific use of funds	Amount	Scheduled expenditure of funds
1) Capital expenditures for the production of parenteral injections at an overseas subsidiary	2,300,000,000 yen	From November 2014 to September 2016
2) Investments for R&D for new drugs and other activities	386,378,600 yen	From April 2014 to December 2015

\* Funds procured will be kept in bank accounts until payments are made.

##### 1) Capital expenditures for the production of parenteral injections at an overseas subsidiary

OLIC, which is Thailand's largest contract manufacturer of pharmaceuticals, became a subsidiary of Fuji Pharma in October 2012. An investment will be made to manufacture cost-competitive products at OLIC by using a new plant that meets Japanese standards. One objective is to meet the growing demand

in Japan for generic drugs. This plant will also be used to produce high-quality, low-cost drugs, particularly parenteral injections, a field where Fuji Pharma has much expertise, for sale in growing markets in Asia and other regions of the world.

Outline of the construction plan is as follows.

(Million yen)

Name of business place (Location)	Description of facility	Planned investment		Fund-raising method	Schedule for start and completion		Increased capacity on completion
		Total amount	Amount already paid		Start	Completion	
New plant of OLIC (Thailand) Limited	Buildings and structures	1,316	-	Increase in capital and own funds	Nov. 2014	Sep. 2016	Newly established 7.50 million per year
	Machinery, equipment and vehicles, and furniture and fixtures	1,284	-				

## 2) Investments for R&D for new drugs and other activities

Some of the proceeds are to be used for expenses required for clinical trials for obtaining additional indications for contrast media.

## 4. Justification for the use of funds

The funds procured from the third-party allotment will be used as explained in the above section “3. Amount, use and scheduled expenditure of funds to be raised, (2) Specific use of funds procured.” Investments will be made at OLIC to purchase equipment for producing parenteral injections and perform R&D for new drugs and other purposes. The goal is to earn profits in growing markets.

Fuji Pharma believes that the improvement in its financial soundness resulting from these investments will increase corporate value and produce higher returns for existing shareholders. Consequently, Fuji Pharma believes that this is a proper use of funds from the third-party allotment.

## 5. Rationale for issuing terms and other items

### (1) Basis of the calculation of the amount to be paid in and the details thereof

The simple average closing price of Fuji Pharma common stock on the First Section of the Tokyo Stock Exchange is 1,888 yen per share (rounded to the nearest one decimal place, the same applies hereinafter.) during the one-month period prior to March 19, 2014 (February 20 to March 19, 2014), which is the business day before the date of the resolution by the Board of Directors (the “resolution date”). The issue price is 1,794 yen per share, which is a 4.98% discount compared with the above average closing price.

The closing price on the First Section of the Tokyo Stock Exchange of Fuji Pharma common stock on March 19, 2014, which is the business day before the resolution date, is 1,890 yen. The issue price is 5.08% lower than this closing price. The simple average closing price during the three-month period prior to the business day before the resolution date is 1,872 yen. The issue price is 4.17% lower than this average. The simple average closing price during the six-month period prior to the business day before the resolution date is 1,803 yen. The issue price is 0.50% lower than this average.

The discount of 4.98% for the issue price was determined for the following reason. Fuji Pharma believes that strengthening the capital and business alliance with Mitsui & Co. will result in business synergies that are particularly valuable for the growth of the Fuji Pharma Group outside Japan. This is expected to increase Fuji Pharma’s corporate value and raise returns for existing shareholders. The discount of 4.98% was determined after taking into account all applicable factors following sufficient discussions and negotiations about this rate with Mitsui & Co. The discount also reflects the growth in corporate value and other benefits that are expected from the third-party allotment.

Furthermore, the simple average closing price for the one-month period ending on the business day before the resolution date was selected based on the belief that using an average price over a certain period better reflects Fuji Pharma's corporate value by eliminating the effects of possible future volatility. Volatility of the Nikkei Average has been relatively high since the end of 2013. This approach is consistent with the Policy for Handling of Third-party Allotments of the Japan Securities Dealers Association and Fuji Pharma believes that the issue price is not significantly advantageous as defined by this policy.

All three corporate auditors, including two outside corporate auditors, who attended the above meeting of the Board of Directors stated that they believe the amount paid for the third-party allotment is not significantly advantageous for Mitsui & Co. because there is no violation of the Policy for Handling of Third-party Allotments of the Japan Securities Dealers Association.

(2) Basis for judgment that the number of shares to be issued and level of dilution are reasonable

The number of shares to be sold using the third-party allotment is 10.67% of the 14,120,000 shares of Fuji Pharma stock issued (and is 10.67% of the 141,181 voting rights) as of the day before the resolution date. Therefore, there will be dilution to some extent of the value of each share of Fuji Pharma common stock.

Despite this dilution, Fuji Pharma believes that the funds procured by the third-party allotment based on the capital and business alliance contract will help make the Fuji Pharma Group stronger regarding overseas growth, investments in pharmaceutical R&D and other activities, as was explained in the above section "2. Purpose and reason for Third-party Allotment." As a result, Fuji Pharma expects the third-party allotment to help increase corporate value, thereby generating higher medium and long-term returns for existing shareholders.

For these reasons, Fuji Pharma believes that the number of shares to be issued and the level of dilution for the third-party allotment are reasonable.

6. Reason for selecting Mitsui & Co. and other related matters

(1) Profile of Mitsui & Co.

Profile of Mitsui & Co. is as described in "I Capital and Business Alliance, 3. Profile of Mitsui & Co." above.

\*The stock of Mitsui & Co., the intended allottee, is listed on the First Section of the Tokyo Stock Exchange and the company has announced its policies and standards of behavior concerning anti-social activities in the Corporate Governance Report submitted to the Tokyo Stock Exchange. Fuji Pharma has reviewed these information on the Tokyo Stock Exchange website, thus reached the decision that Mitsui & Co. and any executives or major shareholders of Mitsui & Co. are not deemed to be anti-social groups or associated with anti-social activities or any similar activities.

(2) Reason for selecting Mitsui & Co.

Please refer to "2. Purpose and reason for Third-party Allotment," above.

(3) Policy of Mitsui & Co. for holding Fuji Pharma stock

Fuji Pharma has confirmed through discussions for the capital and business alliance that Mitsui & Co. intends to become a medium- and long-term holder of the Fuji Pharma stock.

In addition, Fuji Pharma plans to receive a consent letter from Mitsui & Co. regarding the following points: if Mitsui & Co. transfers ownership of all or part of the allotted shares within two years of the payment date, Mitsui & Co. will immediately notify Fuji Pharma in writing of the information about the transfer; Fuji Pharma will submit the contents of this report to the Tokyo Stock Exchange; and the contents of this report will be made available to the public.

(4) Details of the confirmation of the payment capacity of Mitsui & Co.

Fuji Pharma has reviewed total assets, net assets, cash and deposits and other information in the Mitsui & Co. 94th Securities Report (filed on June 21, 2013), 95th First Quarter Report (filed on August 13, 2013), Second Quarter Report (filed on November 13, 2013), and Third Quarter Report (filed on February 13, 2014). As a result, Fuji Pharma has confirmed that Mitsui & Co. has sufficient funds for the payment in the third-party allotment.

7. Major shareholders and their shareholding ratio after offering

Before offering (As of September 30, 2013)		After offering	
FJP Ltd.	15.16%	Mitsui & Co., Ltd.	22.00%
Hirofumi Imai	14.34%	FJP Ltd.	13.70%
Mitsui & Co., Ltd.	13.67%	Hirofumi Imai	12.96%
Terumo Corporation	4.56%	Terumo Corporation	4.12%
Noriko Arai	4.39%	Noriko Arai	3.97%
BBH BOSTON - HEARTLAND VALUE FUND Inc. (Standing Proxy: Mizuho Bank, Ltd., Settlement Division)	3.54%	BBH BOSTON - HEARTLAND VALUE FUND Inc. (Standing Proxy: Mizuho Bank, Ltd., Settlement Division)	3.20%
Michiko Imai	3.00%	Michiko Imai	2.71%
RBC IST LONDON - CLIENTS ACCOUNT (Standing Proxy: Citibank Japan Ltd.)	2.31%	RBC IST LONDON - CLIENTS ACCOUNT (Standing Proxy: Citibank Japan Ltd.)	2.08%
The Master Trust Bank of Japan, Ltd. (Trust Account)	1.92%	The Master Trust Bank of Japan, Ltd. (Trust Account)	1.73%
Fuji Pharma Employees' Stockholding	1.58%	Fuji Pharma Employees' Stockholding	1.42%

Note: Percentages are rounded to the hundredths place.

8. Prospects for the future

Fuji Pharma believes that the third-party allotment based on the capital and business alliance contract will contribute to strengthening business operations, financial soundness and other items. However, since these benefits are expected to emerge over a period of several years or more, it is not possible to determine at this time any specific monetary effect of this allotment on results of operations in the fiscal year ending on September 30, 2014 and afterward.

All relevant information required to be disclosed shall be released in a speedy and timely manner.

9. Matters concerning procedures in the code of corporate conduct

This third-party allotment will result in dilution of less than 25% and there will be no change in a controlling shareholder. As a result, there is no need for the receipt of an opinion from an independent third-party or a procedure to confirm the wishes of shareholders as prescribed in Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

10. Business results for and equity finance executed in the last three (3) years

(1) Consolidated business results in the last three (3) years	(Million yen)		
	FY9/11	FY9/12	FY9/13
Consolidated net sales	21,623	21,520	25,174
Consolidated operating income	3,565	2,746	3,261
Consolidated ordinary income	3,545	2,698	3,376
Consolidated net income	2,204	1,370	2,068
Consolidated net income per share (Yen)	167.63	97.09	146.48
Dividend per share (Yen)	37.00	37.00	40.00
Consolidated net assets per share (Yen)	1,506.00	1,565.03	1,704.46

Note: Figures for FY9/12 and FY9/11 are parent figures since Fuji Pharma began preparing consolidated financial statements starting from FY9/13.

(2) Current number of shares outstanding and dilutive shares (As of March 20, 2014)

	Number of shares	Ratio to total number of issued shares
Number of shares issued and outstanding	14,120,000 shares	100%

Note: There are no dilutive shares as of March 20, 2014.

(3) Recent stock prices

1) Situation over the last three (3) years (Yen)

	FY9/11	FY9/12	FY9/13
Opening price	1,592	1,255	1,277
High price	1,653	1,348	2,380
Low price	1,162	998	1,190
Closing price	1,266	1,286	1,737

2) Situation over the last six (6) months (Yen)

	September	October	November	December	January	February
Opening price	1,609	1,730	1,738	1,750	1,865	1,866
High price	1,809	1,750	1,815	1,870	1,969	1,920
Low price	1,605	1,620	1,660	1,710	1,768	1,760
Closing price	1,737	1,744	1,751	1,870	1,856	1,888

3) Stock price as of the business day prior to the resolution for issuance

(Yen)

	March 19, 2014
Opening price	1,918
High price	1,919
Low price	1,828
Closing price	1,890

(4) Equity finance executed in the last three (3) years

· Public offering

Payment date	July 8, 2011
Amount of funds raised	1,461,625,000 yen (estimated net proceeds)
Issue price	1,328.75 yen
Number of issued shares at the time of offering	12,870,000 shares
Number of shares to be issued through such offering	1,100,000 shares
Total number of issued shares after offering	13,970,000 shares
Initial use of the funds planned at the time of issuance	Partial repayment of loans from financial institutions to fund capital expenditures for a new parenteral injection drug plant and equipment for this plant
Scheduled timing of expenditure at the time of issuance	FY9/11
Current status of application	Application for the above-mentioned use of the funds has been completed as initially planned.



· Third-party allotment for a secondary public offering using an over-allotment

Payment date	July 28, 2011
Amount of funds raised	199,312,500 yen (estimated net proceeds)
Issue price	1,328.75 yen
Number of issued shares at the time of offering	13,970,000 shares
Number of shares to be issued through such offering	150,000 shares
Total number of issued shares after offering	14,120,000 shares
Initial use of the funds planned at the time of issuance	Partial repayment of loans from financial institutions to fund capital expenditures for a new parenteral injection drug plant and equipment for this plant
Scheduled timing of expenditure at the time of issuance	FY9/11
Current status of application	Application for the above-mentioned use of the funds has been completed as initially planned.

11. Terms and conditions of issuance

(1) Class and number of shares to be offered

The Company's common stock of 1,506,900 shares

(2) Payment amount

1,794 yen per share (Total amount 2,703,378,600 yen)

(3) Amount by which stated capital stock and legal capital surplus are to be increased

Capital stock                      897 yen per share    (Total amount 1,351,689,300 yen)

Legal capital surplus            897 yen per share    (Total amount 1,351,689,300 yen)

(4) Offering method

Third-party allotment

(5) Party to which shares will be allotted and number of shares to be allotted

Mitsui & Co., Ltd.                      Fuji Pharma common stock of 1,506,900 shares

(6) Subscription date

April 21, 2014

(7) Payment date

April 21, 2014

(8) Others

- i) All necessary decisions in connection with above items and other matters for issuance of shares to be offered will be made at the discretion of President & CEO of Fuji Pharma.
- ii) All of the above items will first require the submission of a valid notice under the Financial Instruments and Exchange Law, completion of the Antimonopoly Act waiting period concerning this purchase of Fuji Pharma stock by Mitsui & Co., the absence of a cease and desist order by the Japan Fair Trade Commission in accordance with the Antimonopoly Act, and certain other actions.

### III Changes in Largest Shareholder and Other Affiliated Company

#### 1. Background of the change

Mitsui & Co., which is to purchase all shares of the third-party allotment, is expected to become the new largest shareholder of Fuji Pharma as well as an other affiliated company when the allotment takes place. Due to these changes, Fuji Pharma expects to become an affiliate accounted for using the equity method from the standpoint of Mitsui & Co.

#### 2. Overview of the shareholder to be changed

##### (1) Profile of shareholder that will no longer be the largest shareholder

1) Company name	FJP Ltd.	
2) Location	1-9-11-704, Shikahama, Adachi-ku, Tokyo	
3) Representative	Minoru Ozawa, President and Chief Executive Officer	
4) Business	Brokerage, management, operation, etc. for securities	
5) Capital	3.05 million yen	
6) Established	December 5, 2005	
7) Major shareholder	Hirofumi Imai	
8) Relationship between Fuji Pharma and FJP	Capital	FJP owns 2,141,000 shares (15.16%) of Fuji Pharma stock. Hirofumi Imai, President & CEO of Fuji Pharma owns whole shares of FJP stock.
	Personnel	Hirofumi Imai, President & CEO of Fuji Pharma serves concurrently as Director of FJP.
	Business	There is no special business relationship between Fuji Pharma and FJP.

##### (2) Profile of the largest shareholder and shareholder that will be other affiliated company

Mitsui & Co., Ltd. (information is described in “I Capital and Business Alliance, 3. Profile of Mitsui & Co.,” above.)

#### 3. Change in number of voting rights, number of shares, and percentage of total voting rights held by the shareholders

##### (1) FJP Ltd.

	Category	Number of voting rights, number of shares (Percentage of voting rights)			Shareholder ranking
		Directly held	Indirectly held	Total	
Before the change (as of September 30, 2013)	Largest shareholder	21,410 2,141,000 shares (15.16%)	-	21,410 2,141,000 shares (15.16%)	No. 1
After the change	Major shareholder	21,410 2,141,000 shares (13.70%)	-	21,410 2,141,000 shares (13.70%)	No. 2

(2) Mitsui & Co., Ltd.

	Category	Number of voting rights, number of shares (Percentage of voting rights)			Shareholder ranking
		Directly held	Indirectly held	Total	
Before the change (as of September 30, 2013)	Major shareholder	19,306 1,930,600 shares (13.67%)	-	19,306 1,930,600 shares (13.67%)	No. 3
After the change	Other affiliated company and largest shareholder	34,375 3,437,500 shares (22.00%)	-	34,375 3,437,500 shares (22.00%)	No. 1

Note 1: Percentages of voting rights before or after the change are rounded to the nearest three decimal places.

Note 2: Percentages of voting rights and shareholder ranking after the change are estimated by Fuji Pharma based on the shareholder register as of September 30, 2013.

4. Scheduled date of change

April 21, 2014

5. Change in non-listed parent company, etc. subject to disclosure

Not applicable.

6. Prospects for the future

This change will have no impact on the consolidated results of operations.

(Reference) Consolidated forecasts for FY9/14 (announced on February 13, 2014) and consolidated results for FY9/13

(Million yen)

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Consolidated net income
Consolidated forecasts for FY9/14	29,465	3,450	3,385	2,070
Consolidated results for FY9/13	25,174	3,261	3,376	2,068