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FOR IMMEDIATE RELEASE

Company name	Sugi Holdings Co., Ltd.
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Sugi Medical (Sugi Holdings subsidiary) to Acquire TMRC's CRO Division and Merge the Newly Establish Spin-off Company with Sugi Medical Research (Sugi Holdings subsidiary)

Sugi Holdings Co., Ltd., announced today that its subsidiary Sugi Medical Co., Ltd., has entered into a basic agreement with TMRC Co., Ltd., under which Sugi Medical will acquire all shares of TMRC CRO Co., Ltd., a new company to be established to take on the CRO clinical trials business spun off by TMRC. This will further enhance Sugi Medical's clinical trial capabilities in oncology.

TMRC CRO Co., Ltd., which will become a member of the Sugi Group, will then merge with Sugi Medical Research Co., Ltd., a sub-subsiary of Sugi Medical (Sugi Holdings subsidiary).

1. Objectives

TMRC Co., Ltd., provides CRO clinical trial services specializing in oncology, and also works in drug development.

Sugi Medical Co., Ltd., began clinical trial operations with the establishment of three companies on December 1, 2008—Sugi Institute of Biological Science Co., Ltd., which conducts non-clinical research; Sugi Medical Research Co., Ltd., which provides CRO services for clinical trials; and Sugi Medical Support Co., Ltd., which provides SMO services.

The basic agreement was entered into as it meets the needs of both companies, allowing TMRC to concentrate enterprise resources on its drug development business while enhancing Sugi Medical Research's position in CRO services for oncology clinical trials.

The clinical trial CRO operations of TMRC in oncology will be spun off as a separate company, TMRC CRO Co., Ltd., leaving TMRC with its drug development business. Sugi Medical Co., Ltd., is scheduled to acquire all the shares of the newly formed TMRC CRO Co., Ltd., on March 31, 2009, making it a wholly owned subsidiary.

Sugi Holdings aims to further enhance CRO capabilities in specialist fields with the merger of Sugi Medical Research Co., Ltd., and TMRC CRO Co., Ltd., scheduled for June 1, 2009.

2. Acquisition and merger details

TMRC Co., Ltd., will spin off its CRO business on March 31, 2009 to establish TMRC CRO Co., Ltd.

Sugi Medical Co., Ltd., will acquire all outstanding shares in TMRC CRO Co., Ltd., on April 1, 2009 to make this company a wholly owned subsidiary.

Sugi Medical Research Co., Ltd., and TMRC CRO Co., Ltd., are scheduled to merge on June 1, 2009, with Sugi Medical Research as the surviving entity.

3. Overview of companies involved

(1) Company name	Sugi Medical Research Co., Ltd.	TMRC CRO Co., Ltd.
(2) Main business activities	CRO for clinical trials	CRO for clinical trials
(3) Establish	December 1, 2008	Scheduled to be established on March 31, 2009
(4) Head office	2-5-23 Kanda Surugadai, Chiyoda-ku, Tokyo, Japan	3-4-3 Akasaka, Minato-ku, Tokyo, Japan
(5) Representative	Hideyuki Muraki, President	Hisao Ekimoto, President and CEO
(6) Paid-in capital	100 million yen	10 million yen
(7) Major shareholders and percent holdings	Sugi Medical Co., Ltd. 100%	TMRC Co., Ltd. 100%

4. Effect on business results

Sugi Holdings has not revised its earnings forecasts because the impact of the acquisition and merger on results will be immaterial.