

February 16, 2010

FOR IMMEDIATE RELEASE

|                |                                                                                                       |
|----------------|-------------------------------------------------------------------------------------------------------|
| Company name   | Sugi Holdings Co., Ltd.                                                                               |
| Representative | Yukimasa Yoneda<br>President                                                                          |
| Stock code     | 7649; 1st section, Tokyo Stock Exchange and Nagoya Stock Exchange                                     |
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## **Sugi Holdings Announces Representative Director Changeover**

Sugi Holdings Co., Ltd.'s board of directors passed a resolution approving the following representative director changeover when in met on February 15, 2010.

### 1. Background to changeover

Amid an inclement operating environment marked by unprecedented global economic crisis and persistently weak consumption, the Sugi Group is striving to grow its operations to 1,500 store locations and sales of 500 billion yen in fiscal 2015, a goal set in its medium-term management plan. The board's decision to effect a representative director changeover is aimed at strengthening core Group operating company Sugi Pharmacy's sales capabilities and bolstering the Group's corporate governance structure.

### 2. Names and current and new titles of outgoing representative director and new representative director candidate

| Name            | New title                                                                                                   | Current title                               |
|-----------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------|
| Tadashi Masuda  | Representative Director, President, and COO (new appointment)                                               | Advisor                                     |
| Yukimasa Yoneda | Executive Officer in charge of Sugi Pharmacy (Representative Director & President, Sugi Pharmacy Co., Ltd.) | Representative Director, President, and COO |

\*Tadashi Masuda is candidate for Representative Director whose appointment is subject to shareholder approval at Sugi Holding's 28<sup>th</sup> general shareholders' meeting scheduled in late May, 2010.

\*Yukimasa Yoneda will assume the position of Sugi Holding's Executive Officer and be appointed President and Representative Director of its subsidiary Sugi Pharmacy Co., Ltd., after retirement with full term of service as Director.

### 3. Scheduled date of appointment

Tadashi Maeda will be appointed Director as of Sugi Holding's 28<sup>th</sup> general shareholders' meeting scheduled for late May 2010 (subject to shareholder approval). The appointment will be officially approved by the board at a meeting scheduled to be held after the shareholders' meeting on the same day.

#### 4. Name and career summary of new representative director candidate

|                   |                                                                                                  |
|-------------------|--------------------------------------------------------------------------------------------------|
| New title         | President and Representative Director                                                            |
| Name              | Tadashi Masuda                                                                                   |
| Date of birth     | May 19, 1951 (Age: 58)                                                                           |
| Place of registry | Kobe, Hyogo                                                                                      |
| Education         | Graduated Kansei Gakuin University in Sociology (March 1974)                                     |
| Career summary    |                                                                                                  |
| May 1998          | General Manager, Logistics and Information Headquarters, Jasco Co., Ltd.(current Aeon Co., Ltd.) |
| April 2003        | COO and Representative Director Starbucks Coffee Japan, Ltd.                                     |
| June 2005         | President and Representative Director Kokumin Co., Ltd.                                          |
| October 2008      | Outside Director Sanko Marketing Foods Co., Ltd. (current position)                              |
| June 2009         | Advisor Sugi Holdings (current position)                                                         |
| May 2010          | President, COO, CFO and Representative Director Sugi Holdings (subject to shareholder approval)  |