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**Notification on the Amount of Assets and Liabilities to Be Taken Over from Consolidated Subsidiary and Posting of Extraordinary Income (Gain on Extinguishment of Tie-In Shares) on Non-Consolidated Basis**

As Sugi Holdings Co., Ltd. (the Company) disclosed in a press release—"Sugi Holdings Announces Restructuring of Two Subsidiaries for Group Reorganization"—on September 21, 2010, the Company took over the rights and obligations of the business regarding operation and management of the assets of Sugi Pharmacy Co., Ltd., one of the Company's consolidated subsidiaries, through an absorption-type company split, effective February 28, 2011.

Because the exact amount of assets and liabilities the Company took over through the absorption-type company split has now been finalized, the Company is pleased to make the disclosures below.

In addition, the Company is also pleased to disclose that the Company has posted extraordinary income (gain on extinguishment of tie-in shares) on a non-consolidated basis due to the succession of the above assets and the like.

1. Amount of assets and liabilities the Company took over from Sugi Pharmacy Co., Ltd. through the absorption-type company split

The following is the amount of assets and liabilities the Company took over from Sugi Pharmacy Co., Ltd. through the absorption-type company split effective February 28, 2011.

Amount of assets to be taken over	Amount of liabilities to be taken over
11,878 million yen	2,154 million yen

2. Extraordinary income (gain on extinguishment of tie-in shares) posted

(1) Detail

The Company has posted as extraordinary income (gain on extinguishment of tie-in shares) the difference between the amount of net assets the Company took over from Sugi Pharmacy Co., Ltd through the absorption-type company split and the book value of Sugi Pharmacy's equity the Company holds corresponding to the net assets taken over.

(2) Impact on the Company's consolidated earnings

The Company has posted a gain on extinguishment of tie-in shares of 4,418 million yen as extraordinary income for the fiscal year ending February 28, 2011 on a non-consolidated basis. Because Sugi Pharmacy Co., Ltd. is the Company's wholly-owned subsidiary, the impact on Company's consolidated earnings from the posting is deemed immaterial.