



July 27, 2018

To the press and whom it may concern,

Company name: CMIC HOLDINGS Co., Ltd.
Representative: Kazuo Nakamura, Representative Director and CEO
(TSE 1st Section Code No. 2309)
Inquiries: Wataru Mochizuki, Senior Managing Executive Officer and CFO
(Phone: +81-3-6779-8000)

Notice Concerning Integration of Consolidated Subsidiaries of CRO Business

In a meeting of the Board of Directors held today, the Company resolved to reorganize the CRO business and integrate its wholly-owned subsidiaries CMIC Co., Ltd. (hereinafter referred to as "CMIC") and CMIC-PMS Co., Ltd. (hereinafter referred to as "CMIC-PMS") on October 1, 2018, as announced by the "Notice Concerning Integration of Consolidated Subsidiaries of CRO Business" on February 1, 2018.

1. Purpose and Overview of the Integration

Major changes are happening recently with respect to handling of medical information such as utilization promotion of Medical Database (hereinafter referred to as "Medical DB"), which may impact the way clinical studies and clinical researches should be conducted. "Next Generation Healthcare Foundation Law" established last year and "Good Post-marketing Study Practice (GPSP)" revised in April are considered to be specific examples of the trend. "

CMIC Group promptly grasped the market needs and launched the "Database Strategy Office" last December that is a dedicated department to promote the use of optimal Medical DB, and is providing solutions to customers that utilize the real-world data including medical practitioners' and pharmacists' receipt for health insurance claim. By integrating CMIC and CMIC-PMS operations, we are able to further enhance PMS and clinical research operations and provide end-to-end coverage for clinical studies, clinical researches, and PMS. Through this integration, data analysis and technology know-how of both companies will be shared and high quality services will continuously be provided by getting ahead of changes surrounding drug development and mobilizing group-wide resources.



2. Summary of the integration

(1) Method of the integration

The contemplated integration is an absorption-type merger wherein CMIC will be the surviving company and CMIC-PMS will be dissolved.

(2) Schedule of the integration

Effective date of the integration: October 1, 2018 (plan)

(3) Details of allocation relating to the integration

There will be no allotment of shares or payment of cash or other financial considerations upon completion of the contemplated integration because they are both wholly-owned affiliates of the Company.

(4) Treatment of new stock acquisition rights and bonds with stock acquisition rights of the integrated company

Not applicable.

3. Overview of the Operating Companies

(1) Trade name	CMIC Co., Ltd.	CMIC-PMS Co., Ltd.
(2) Location	1-1, Shibaura 1-chome, Minato-ku, Tokyo	1-1, Shibaura 1-chome, Minato-ku, Tokyo
(3) Name and title of representative	Toru Fujieda President, CMIC Co., Ltd.	Seiichiro Mochizuki, Ph.D. President, CMIC-PMS Co., Ltd.
(4) Main businesses	CRO Business <ul style="list-style-type: none"> • Clinical study (Monitoring, Data Management, Other clinical trials support services, Statistical analysis) • Clinical research support for academia • eClinical Trials related services • Regulatory consulting, Medical Writing • Pharmacovigilance 	CRO Business <ul style="list-style-type: none"> • Post-marketing surveillance (Monitoring, Data Management, Other Post-marketing surveillance support services, Statistical analysis) , Management of Safety Information • Clinical Research Support
(5) Capital	100 million yen	100 million yen
(6) Date established	January 4, 2012	February, 28 2013
(7) Accounting term	September 30	September 30
(8) Number of employees (As of July 1 2018)	2,568	261
(9) Shareholders and holding ratios	Wholly-owned subsidiary	Wholly-owned subsidiary



4. Status after the integration (plan)

There will be no changes in the trade name, location, title and name of representative, scope of business, stated capital or accounting period and the shareholding ratio of the Company upon the completion of the contemplated integration.

5. Future outlook

Because the merger is between consolidated subsidiaries, there is expected to be little impact on consolidated performance this fiscal year.