

October 29, 2010

Trade name: Noevir Co., Ltd.

Representative: Takashi Okura, President and Representative Director

(Securities Code Number: 4916; TSE, Second Section)

Contact: Ikko Yoshida, Director and Senior Executive Officer, General Manager of Management Strategy

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Notice Regarding Establishment of a Holding Company through a Sole Share Transfer

As announced on May 20, 2010, Noevir Co., Ltd. has decided to effect a transition to a holding company structure, subject to receipt of approval at the general meeting of shareholders. In line with this, the Board of Directors of the Company, at a meeting held today, October 29, 2010, passed a resolution to implement a share transfer plan with the intention of establishing a holding company under the name of Noevir Holdings Co., Ltd. (hereinafter “the holding company”). The details of this plan, including matters already made public, are given below.

1. Background to decision to establish a holding company through a sole share transfer

In the three main markets in which the Noevir Group operates – cosmetics, pharmaceuticals, and health food – we are experiencing increasingly intense competition accompanying the maturation of these markets. As a result of this, in addition to the adverse impact of the recent tendency of consumers to prefer lower-priced products, as well as the decline in Japan’s population, we have determined that the Company must enhance its competitiveness in the domestic market. At the same time, new growth markets are emerging overseas, particularly in Asia.

Meanwhile, the Group’s operating environment – encompassing markets, distribution methods, and our customers – has been changing rapidly both in Japan and overseas. This process has caused us to place a high management priority on realizing growth opportunities by creating new demand through the strengthening of our product development and marketing capabilities, with a focus on the precise identification of consumer needs.

Against this backdrop, we believe that the establishment of a holding company will allow us to optimally utilize the Company’s management resources, including its brand power and capabilities in the fields of R&D, production, and marketing, and to further reinforce the Company’s operational base and market competitiveness. In this way, we will be able to maximize the Group’s enterprise value by providing high-quality, highly functional products and by actively marketing in domestic and overseas growth markets, thereby realizing growth and development of the Group’s business operations.

2. Objectives of establishment of a holding company

1) Maximization of Group corporate value

By clearly separating the organization responsible for Group management from the organization responsible for business execution, the Group seeks to demonstrate the distinctive and specialized nature of its Cosmetics, Pharmaceuticals, Health Food and Other Businesses, as well as optimally manage its overall business by flexibly and swiftly responding to the changing business environment, and maximize Group corporate value.

2) Reinforcement of corporate governance

Through assessment and monitoring conducted by the holding company, the Group will further develop its internal system of checks and balances and reinforce its corporate governance as a whole. This will enable greater transparency of Group management and help fulfill its corporate social responsibility.

3) Strengthening of Group strategic capabilities

Under the holding company's leadership, the Group's management will swiftly respond to changes in the business environment through flexible and agile restructuring of the Group's businesses and organizations, its business and capital alliances and M&As. These efforts are designed to give the Group an even greater competitive edge in markets in Japan and overseas, as well as strengthen the Group's business foundation and expand its business domain.

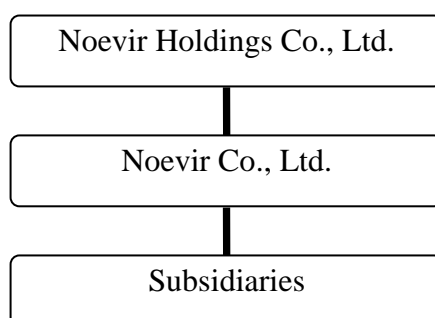
The listing (start of trading) of the newly established holding company (a parent company owning all the shares of the Company) is scheduled on March 22, 2011, the effective date of the share transfer. However, this may be changed in accordance with the regulations of the Tokyo Stock Exchange. The Company's shares will be delisted due to the share transfer.

3. Transition to holding company structure

The transition of the Group to a holding company structure is scheduled to follow the procedure shown below.

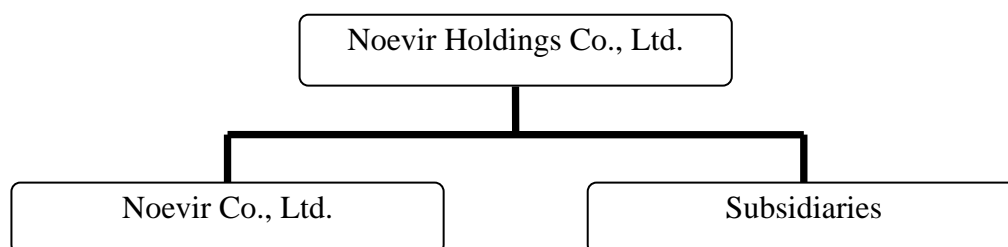
Step 1: Establishment of a holding company through a share transfer

On March 22, 2011, the Company will become a wholly-owned subsidiary of the holding company to be established on the same day through a share transfer.



Step 2: Group structure following establishment of a holding company

During its first quarter (three-month) period, the holding company will take steps to enhance the Group's corporate capabilities through a strategic restructuring of the Group's organization, producing the relationship shown below.



Note: Certain subsidiaries may become subsidiaries of Noevir Co., Ltd., and certain subsidiaries may also possess subsidiaries of their own.

4. Summary of establishment of a holding company through a share transfer

1) Schedule of share transfer

Record date for the Annual General Meeting of Shareholders: September 20, 2010 (Mon.)

Meeting of the Board of Directors approving the share transfer plan: October 29, 2010 (Fri.)

Annual General Meeting of Shareholders approving the share transfer plan: December 8, 2010 (Wed.) (scheduled)

Delisting date: March 16, 2011 (Wed.) (scheduled)

Registration date of the holding company (effective date): March 22, 2011 (Tue.) (scheduled)

Listing date of the holding company: March 22, 2011 (Tue.) (scheduled)

2) Method of share transfer

Sole share transfer whereby the Company will become a wholly-owned subsidiary of the holding company established through the same share transfer.

3) Share allotment involved in share transfer

Company	Noevir Holdings Co., Ltd. (parent company holding all shares of Noevir Co., Ltd.)	Noevir Co., Ltd. (wholly-owned subsidiary)
Share transfer ratio	1	1

Notes:

a. Share allotment ratio

One share of common stock in the newly established holding company shall be allotted for each common stock share of Noevir Co., Ltd.

b. Share trading unit

The holding company shall adopt the share trading unit system, under which the number of shares in one trading unit shall be 100.

c. Basis of calculation of share transfer ratio

The share transfer in question is to be implemented by the Company solely and independently for the purpose of establishing a holding company that will hold all the Company's shares and exercise full control over the Company. Therefore, there will be no change in the breakdown of the shareholders of the Company or of the holding company at the time of the share transfer, and to ensure above all that the share transfer involves no disadvantage to the shareholders of the Company, all shareholders of the Company shall receive one share of common stock in the holding company in exchange for each share of common stock in the Company.

d. Results, method, and basis of calculations by third-party institution

In consideration of the facts stated in item c. above, no calculation of share allotment ratio was performed by a third-party institution.

e. Number of new shares to be issued through share transfer

41,337,487 (scheduled)

4) Handling of new share subscription rights and bonds with subscription rights to new shares of the Company that will become a wholly-owned subsidiary

The Company issues no new share subscription rights or bonds with subscription rights to new shares.

5. Outline of the company entering into the share transfer

(as of September 20, 2010)

(1) Trade name	Noevir Co., Ltd.
(2) Address	6-13-1 Minatojima-nakamachi, Chuo-ku, Kobe
(3) Name and title of representative	Takashi Okura, President and Representative Director
(4) Nature of business	Manufacture and sale of cosmetics, toiletries, pharmaceuticals, and nutritional supplement, and sale of cosmetic accessories
(5) Paid-in capital	¥7,319 million
(6) Date of Incorporation	June 1971
(7) Number of issued shares	41,337,487
(8) End of business year	September 20
(9) Employees (consolidated)	2,287
(10) Main banks	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
(11) Major shareholders and shareholding ratio	Hiroshi Okura: 20.41% NII Co., Ltd.: 16.87% Okura Kohsan, Ltd.: 10.86% Takashi Okura: 8.95% Noevir Employees Shareholding Scheme: 3.02%

(12) Business performance over the last three years (consolidated)

(Millions of yen, except where otherwise indicated)

End of business year	Sept. 2008	Sept. 2009	Sept. 2010
Net sales	58,668	55,227	52,580
Operating income	4,042	3,538	2,782
Ordinary income	4,543	3,938	3,087
Net income	2,937	2,151	1,565
Earnings per share (yen)	71.94	52.07	37.88
Dividends per share (yen)	36.00	36.00	36.00
Net assets	51,600	51,902	52,011
Total assets	95,818	89,307	88,796
Net asset value per share (yen)	1,247.93	1,255.50	1,258.20

6. Outline of the new company to be established through the share transfer

(1) Trade name	Noevir Holdings Co., Ltd.	
(2) Address	6-13-1 Minatojima-nakamachi, Chuo-ku, Kobe	
(3) Name of representative and board members scheduled to be appointed	Hiroshi Okura	Chairman and Representative Director
	Takashi Okura	President and Representative Director
	Masashi Akagawa	Director
	Ikko Yoshida	Director
	Yasuo Kaiden	Director
	Masataka Nakano	Director
	Sanae Tanaka*1	Director
	Yoshiharu Hayashi	Corporate Auditor
	Masakazu Ueda*2	Corporate Auditor
	Kazuhiro Kida*2	Corporate Auditor
(4) Nature of business	Management and supervision of Group companies and related services	
(5) Paid-in capital	¥7,319 million	
(6) End of business year	September 30	
(7) Net assets (consolidated)	Not yet calculated	
(8) Total assets (consolidated)	Not yet calculated	

Note: *1 Outside Director; *2 Outside Corporate Auditor

7. Description of accounting treatment

Because this transaction will be treated as “a transaction under common control” under corporate accounting procedures, it has no effect on profits and losses and do not give rise to goodwill.

8. Outlook

As a result of the share transfer, the business performance figures of the Company will appear in the settlement of accounts of the holding company, of which the Company will be a wholly-owned subsidiary. The share transfer will have a minimal effect on the Company’s business performance.