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NEWS RELEASE

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Code: 4540  
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**Impact from "the 2011 Great East Japan Earthquake"**

We, Tsumura & Co., sincerely deliver our most heartfelt sympathy to the afflicted people and our deepest condolences to the tolls and their families affected by the Great East Japan Earthquake occurred on March 11, 2011.

This is the grand report as of today on the damaged situation and its business impact from the disaster, following the reports of "1<sup>st</sup> to 8<sup>th</sup>" updated continually in our homepage.

NOTES

1. Safety of Employees

Safety of all employees in Tsumura Group are confirmed.

2. Impact on the Production Facilities, etc.

1) Ibaraki Plant (Location: 3586 Yoshiwara, Ami-machi, Inashiki-gun, Ibaraki)

Part of the production lines of Kampo products have been suspended even today. Although there is no serious damage on the plant buildings and facilities, and because the production system and process of Kampo products in the plant are complex and huge, machinery adjustments and safety inspections, etc. have been implemented continually. Part of the production process such as packaging was started on April 4. The powdering process would be started in Mid-April, and then, most of the Kampo production process will be started gradually aiming to by early May.

2) Ishioka Center (Location: 7-2, Kashiwabara, Ishioka-shi, Ibaraki)

The Center has the functions of installation, processing and conditioning, quality control, storage of Kampo crude drug, and shipment of processed Kampo crude drug to the Plant. Most of the Center functions have been resumed today. All functions will be resumed completely aiming to by Mid-April.

3) Laboratory (Location: 3586 Yoshiwara, Ami-machi, Inashiki-gun, Ibaraki)

The functions of the Analysis Center in the Laboratory are quality tests of Kampo crude drug and Kampo products. There was no serious damage in the Laboratory. Along with the checkups on the precision equipments progressed, the various tests were started gradually, and the whole system was resumed on March 28.

4) East Japan Logistic Center (Location: 1584-8, No, Gyoda-shi, Saitama)

The Center has shipping function of medical products to East-Japan. There was no serious damage received. It has started its operations with schedule modification and adjustment due to the scheduled blackouts.

3. Situation of Kampo Products Supply

In the Ibaraki Plant, the packaging process has been resumed since April 4. Kampo products are shipped gradually after the final process of the Kampo preparations completed. Besides, due to the partial change of the production schedule, some of the Kampo products which were prepared in the Ibaraki Plant have already been produced in the Shizuoka Plant, and be shipped gradually from today. We sincerely express our gratitude for your supportive understanding on this best-effort product supply conditions.

4. Impact on Business Performance

We consider the impact to our Group from the disaster on the business performance of Fiscal Year Ending March 2011 minor at this moment.