

November 5, 2014

Company name: **VITAL KSK HOLDINGS, INC.**  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3151  
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## Notice Concerning Revision of Performance Forecast

VITAL KSK HOLDINGS, INC. (the "Company") announced today that, in light of recent performance trends, etc., the forecast of its consolidated results announced on August 5, 2014 has been revised as follows.

### 1. Revision of Forecast of Consolidated Results for the First Two Quarters of the Fiscal Year Ending March 31, 2015 (April 1, 2014 - September 30, 2014)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecast (A)	Million yen 270,240	Million yen 1,280	Million yen 3,750	Million yen 2,740	Yen 47.12
Revised Forecast (B)	265,480	720	3,230	2,530	43.64
Amount of increase/decrease (B-A)	(4,760)	(560)	(520)	(210)	
Rate of increase/decrease (%)	(1.76)	(43.75)	(13.87)	(7.66)	
(Reference) Actual results for the first two quarters of the previous fiscal year (Fiscal year ended March 31, 2014)	276,227	1,193	2,905	1,945	32.82

## 2. Revision of Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 - March 31, 2015)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	567,600	3,200	7,400	4,900	84.27
Revised Forecast (B)	551,600	1,800	6,000	4,300	75.51
Amount of increase/decrease (B-A)	(16,000)	(1,400)	(1,400)	(600)	
Rate of increase/decrease (%)	(2.82)	(43.75)	(18.92)	(12.24)	
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2014)	564,655	3,194	6,632	4,235	71.96

## 3. Reason for Revision

Recently, the pharmaceutical wholesale business market shrank as a whole due, among others, to the reaction to the increased demand in advance of the government's implementation of consumption tax hike in April 2014, lowered drug price standards, rapid category changes (shifting of main products in prescription drug sales from long-listed drugs to generic products and those covered by the premium pricing scheme for the promotion of new drug creation and resolution of unapproved drugs/off-label use) due to a revision in medical service fees, and a decrease in number of patient visits to physicians reflecting depressed consumer sentiment as a result of the consumption tax hike. Under such circumstances, despite the Company's expectation that the market would recover from the reaction to the increased demand, the trend in category changes progressed from the second quarter, resulting in a decrease in total sales of long-listed drugs which exceeded expectations. Furthermore, unfavorable weather nationwide over the summer adversely impacted patient visits to physicians, causing market results to fall below expectations. As a result, the Company's net sales are now anticipated to fall substantially below our previously announced forecast.

The Company has revised its forecast of consolidated results as presented above, reflecting the fact that sales rebates results are also expected to fall below our previous estimates due to such decrease in net sales. The revision also reflects a rapid decrease in sales prices immediately before the end of the second quarter, and our expectation that operating income, ordinary income and net income will also fall below our previously announced forecast.

The Company is currently reviewing its consolidated income targets under the second medium-term management plan (2013-2015) announced on August 5, 2014 and if any revision thereof will become necessary, intends to promptly disclose such revision.

\*The above forecast of results has been prepared based on data available at the time of the announcement of this material, and actual results may vary from those forecast as a result of various factors in the future.