

**For Immediate Release**

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**Notice Concerning Voluntary Adoption of  
 International Financial Reporting Standards (IFRS)**

Tokyo, Japan – Otsuka Holdings Co., Ltd. (“Otsuka”) announces that it has resolved at a meeting of the Board of Directors held today that, as of the fiscal year ending December 31, 2016 (“FY2016”), it will voluntarily adopt the International Financial Reporting Standards (IFRS) for consolidated financial statements, in place of the Japanese Generally Accepted Accounting Principles (J-GAAP) previously adopted.

Otsuka is actively developing its business in Japan and in the global markets of the United States, Europe, Asia and elsewhere. Given its global operations, Otsuka is voluntarily adopting IFRS as a means of improving comparability of financial information across international capital markets, standardizing financial information of the group, and enhancing efficiency of financial reporting.

Reference

The following table shows the estimated consolidated financial forecasts for FY2016 announced today in 3Q FY2016 financial results calculated under IFRS.

100 million yen

	J-GAAP	Adjustment	IFRS
Net sales	12,000	-200	11,800
Operating income	1,150	—	1,150
Profit attributable to owners of parent	850	+100	950
Basic earnings per share	156.87 yen	+18.46 yen	175.33 yen

Non-operating income/expenses and extraordinary income/losses are included in operating income except for finance items which are recorded as finance income/expenses under IFRS.