



Moroo Co., Ltd.

Kita 3-jo Nishi 15-chome, Chuo-ku, Sapporo 060-8525 Japan
Tel.: 011-618-2323 Fax: 011-644-0394 E-mail: moroo@moroo.co.jp
URL: <http://www.moroo.co.jp>



For further growth in the future

Moroo is based on the Japanese island of Hokkaido, whose diverse seasonal landscapes add to the region's considerable appeal. Designation of the area around the prefecture's Taisetsu Mountains as Japan's largest inland national park is just one manifestation of its many charms. At the top of these mountains, with Mt. Asahidake as the main peak, snow extensively covers gorges and fields even in summer, and abundant alpine plants bloom to create stunning floral landscapes.

Moroo celebrates its 100th anniversary in 2017.

Through its long history, the company has grown into an integrated entity specializing in health and lifestyles with an established reputation in Hokkaido.

As a leading pharmaceutical wholesaler, Moroo remains committed to its support for life in Hokkaido.

Toward a better tomorrow

Action!

Since 1917



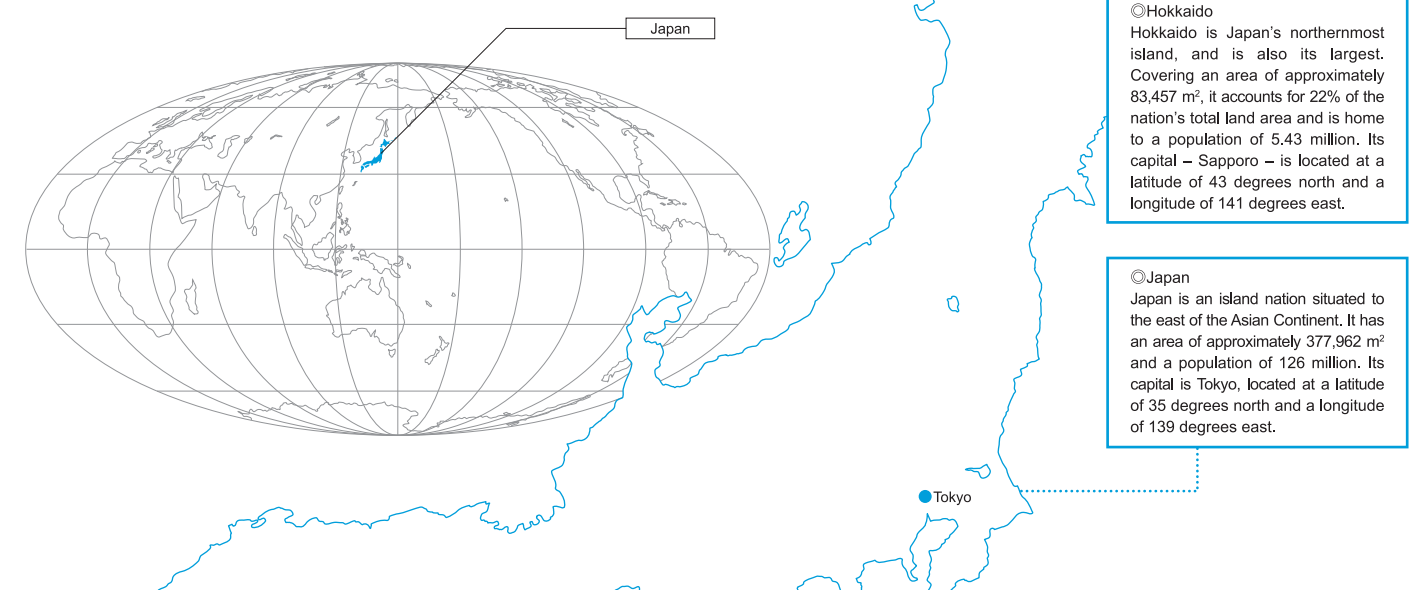
Development of Moroo as an integrated company specializing in health and lifestyles

Corporate philosophy

- Fulfillment of social responsibility as part of the company's contribution to health and lifestyles
- Promotion of corporate culture and positioning as a leader in the field
- Realization of employee affluence and personal growth through significant corporate activity

Five areas of commitment

- Personal development
- Concord and cooperation
- Research and enthusiasm
- Commitment to sincerity
- Health and appreciation



©Hokkaido
Hokkaido is Japan's northernmost island, and is also its largest. Covering an area of approximately 83,457 m², it accounts for 22% of the nation's total land area and is home to a population of 5.43 million. Its capital – Sapporo – is located at a latitude of 43 degrees north and a longitude of 141 degrees east.

©Japan
Japan is an island nation situated to the east of the Asian Continent. It has an area of approximately 377,962 m² and a population of 126 million. Its capital is Tokyo, located at a latitude of 35 degrees north and a longitude of 139 degrees east.

Moroo — meeting diverse pharmaceutical supply needs

MS Marketing specialists/sales

Commercial focus on pharmaceutical wholesale
In Japan, pharmaceutical companies deliver products to wholesalers catering to the needs of medical institutions in various areas. Moroo takes orders via its call center, by fax, online or through marketing specialists (MS), who play a central role in the company's main business.

Implementation of proposal-based sales
Marketing specialists are sales representatives for pharmaceutical wholesale. They visit medical institutions to sell and provide information on pharmaceutical products as well as offering advice on medical administration and a range of other services.

Rapid response to customer needs
In addition to the regular four deliveries a day, emergency deliveries are also made. Supporting the smooth implementation of Moroo's unique ordering system is one of the main roles of marketing specialists. This enables medical institutions to minimize surplus stock and helps patients receive appropriately managed pharmaceutical products.

Reliable and stable supply
Marketing specialists also collaborate with the logistics group (LG), system engineers (SE) and pharmacists (Ph). They strive on a daily basis to meet and exceed the diverse needs of medical institutions.

MOROO MS Topics

Communication across professions
Moroo marketing specialists are tasked with making optimal proposals in consideration of individual doctors' attitudes toward treatment and prescription. In this regard, everyday relationships with doctors are very important. Against such a background, Moroo marketing specialists work to establish close relationships with doctors by providing information on pharmaceutical products, medical equipment and systems, self-medication and various other areas. These staff also strive to build relationships of trust across professions by attending dinner meetings, recreational events and other gatherings on a regular basis.

Sales activity

Four pillars of support underpin Moroo's customer service.

- 1. Uniqueness**
Moroo was Hokkaido's first company to advance into the field of medical nutrition. It also promotes sales of medicinal herbal preparations, functional food, food for particular uses and health food.
- 2. Support service**
The company runs seminars on medical fields and nursing care insurance, new product workshops and other support events.
- 3. Nursing care**
The company engages in three types of business relating to nursing care insurance, including welfare equipment rental. Measures are also implemented in response to the Physically Disabled Persons Welfare Act and the Act for the Welfare of the Aged.
- 4. System service**
The company promotes systems to help improve management efficiency, including initiatives to support departmental cost accounting and inventory management.

Logistics

Support for improvement of logistics
To promote more accurate logistics, Moroo runs a system by which pharmaceutical product needs can be swiftly met as necessary.

Pharmaceutical product delivery process

Call center
Customer information, inventory status and ordering data are centrally managed using CTI technology.

Barcode inspection system
Safe and reliable shipping (pick-out) is ensured.

Stringent product management
Products are managed appropriately based on liaison between people and machines/systems.

Digital picking cart
Prevention of erroneous shipping and support for efficient picking

LG Logistics/distribution

Operation of a prompt and accurate logistics system
Moroo handles a wide variety of pharmaceutical products, making it a leading logistical player in the field. Its system allows pharmaceutical products to be promptly and accurately supplied as necessary with constant focus on logistical quality improvement.

SE System engineers/technology

Development of systems to help solve customers' issues and support their service provision
Moroo develops and provides a variety of problem resolution systems for its medical institutional clients to enable efficiency improvement and service simplification. Comprehensive support is provided both before and after system introduction, and overall corporate system management is collectively provided through in-house arrangements for service performance and improvement.

System engineer duties

1. Development of user support systems
At the request of hospitals and dispensaries, system engineers provide support for efficiency improvement and service simplification.
2. Development/operation of in-house systems
Systems necessary for execution of mission-critical tasks are managed collectively with a host computer as the hub.

Host (mission-critical)	<ul style="list-style-type: none"> ● Mission-critical system management ● Logistics system management ● Financial system management
Open (information)	<ul style="list-style-type: none"> ● Information system management ● Sales system management ● In-house network & collective system management

Ph Drug information/pharmacists

Collection and provision of drug information and fairness in related management
Drug information is essential for the safe and appropriate use of pharmaceutical products. Accordingly, daily updates on effects, side effects and other matters related to pharmaceuticals are provided. Conveying such news is an important role of qualified pharmacists, who appropriately manage enormous amounts of information to support medical personnel and consumers.

Information collection
In addition to collecting information online, pharmacists also attend meetings and workshops of the Pharmaceutical Society of Japan, the Japan Pharmaceutical Association and other organizations.

Information provision
Information on the effectiveness of new products, side effects, administrative trends, medicine-related products and other topics is provided weekly.

Creation of records
Collected information is documented for provision to customers and in-house training.

In-house training
Pharmacists provide training for new employees (graduates and mid-career transferees) regarding basic medicine, pharmaceutical commodity science and other subjects.

DATA Japan's medical industry/ insurance system

Japan — a world leader in medical technology
Medical care in Japan is among the world's most cost-effective, and the country's dietary habits and health examination system are internationally renowned. WHO's World Health Report ranks Japan top overall in terms of health goal attainment and healthy life expectancy despite the nation's lowly placing of 15th in terms of per-capita medical cost.

(International relations materials on medical security systems, conditions of medical expenses in OECD countries (2012))

Medical cost: ¥2,000

Amount paid from medical insurance: ¥1,400

Patient co-pay: ¥600

A well-established insurance system
All residents of Japan are in principle required to enroll in a universal public insurance system in which certain health insurance premiums are paid. Patients from school age to 69 years old pay 30% of medical expenses directly to medical institutions, which then submit a claim for the remaining amount to an examination payment facility based on a unit price list of medical treatment fees.

There is a serious shortage of doctors and nurses in Japan.

- No. of medical institutions in Japan: approx. 177,800
- Daily no. of outpatients: approx. 1.39 million (ave.)
- No. of doctors: 303,268
- No. of nurses: 1,373,521
- No. of pharmacists: 280,052

(Source: Summary — Survey of Physicians, Dentists and Pharmacists)

As a company contributing to health and lifestyles, Moroo works to usher in a new era



Contribution to health and lifestyles in Hokkaido through comprehensive planning

Since its establishment in 1917, Moroo has remained committed to its contribution to health and lifestyles through the provision of quality pharmaceutical products and related information. As the company moves forward into a new era with an eye to the next century, it is consolidating the strengths of its employees and formulating comprehensive plans for its contribution to medical care and welfare in Hokkaido. The driving philosophy behind this work involves developing Moroo as an integrated entity specializing in health and lifestyles. The company will promote further reform of its business model to support even greater contribution by listening to customer feedback as well as considering matters and acting together with individual customers. We look forward to your continued guidance and support.

Junichi Moroo
Chairman

Achieving recognition for the Moroo brand among customers and the community

Against the background of today's world of change, people's values are expected to diversify even further. As a result, the tendency for people to select services that meet individual needs will be even stronger in all areas of business. With this in mind, Moroo engages in management with focus on improving employee skills and on-site capabilities for high customer satisfaction and evaluation by identifying consumer issues and practicing proposal-type sales. Achieving recognition for such activities among customers and the local community is a key goal of the Moroo brand. We welcome customer feedback and look forward to serving you.



Hitoshi Moroo
President

Promotion of commercial diversification

Sales of medical, prescription and nursing systems and related guidance

MEDI SOFT



Sales of computers for medical use and related guidance
Comprehensive services ranging from pre-introduction support to after-sales care are provided.

Urara-no-sato – a small-scale multifunctional care facility

Aurora Care Net



Operation of day-service centers and group homes
Support is provided for senior citizens to live independently based on their own will.

Outstanding benefits and active social contribution enhancing Moroo's appeal

Energy for tomorrow is generated during leisure time away from work.



Waiwai-so recreation facility in Niseko



Tokyo BUC



Tennis court



Complimentary tickets for sports events and concerts



Introduction of low-pollution cars



Community cleaning activity

Full-of-flowers campaign

Living well in an aging society

Fureai-no-wa (circle of interaction)



Welfare device sales/rental business
Efforts are made to improve service quality by providing tailored products that meet individual customers' needs.

Family pharmacies working with the community

Clione



A dispensing pharmacy group with 22 branches in Hokkaido
Clione provides drug advice to support local health.

Positioning as a preferred medical group

Sun-kur



A dispensing pharmacy group with 16 branches in Hokkaido and 3 in Honshu
Sun-kur pharmacists are trusted for their customer-centric approach.

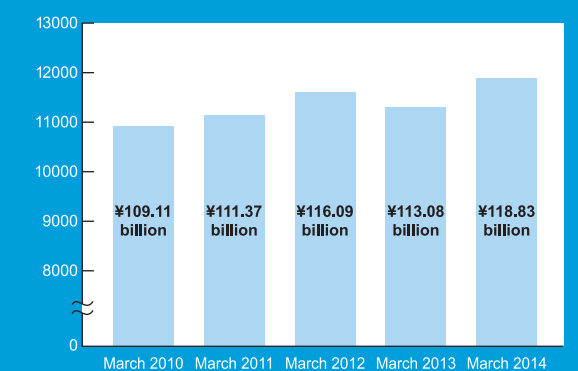
Company profile

Incorporation: 1949
Capital: ¥800 million
Establishment: 1917
Annual sales: ¥118.8 billion (FY 2013)
Representatives: Junichi Moroo, Chairman
Hitoshi Moroo, President
No. of employees: 566 (as of the end of March 2014)
Location
Head office: 1-50, Kita 3-jo Nishi 15-chome, Chuo-ku, Sapporo
Branches: Sapporo, Eniwa, Asahikawa, Nayoro, Takikawa, Kushiro, Muroran, Hakodate, Tomakomai, Iwamizawa, Kitami, Obihiro, Otaru, Wakkanai, Rumoi, Oyachi Business Promotion Center, Sapporo Business Promotion Center, Hassamu Distribution Center

Main business activities

- Wholesale of pharmaceutical products, test reagents, health food and OA equipment
- Development/sales of computer systems and software
- Rental and sales of welfare equipment

Historical sales



Corporate history



1917
Establishment of Moroo Pharmacy



1967
50th anniversary, establishment of Sapporo Head Office, introduction of computers



1977
60th anniversary, change of company name to Moroo Co., Ltd.



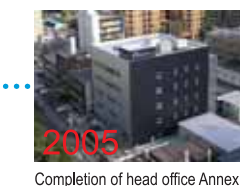
1988
Introduction of CI (Corporate Identity) program



1990
Launch of C-2 (Cosmic 2000) program



2002
Opening of call center



2005
Completion of head office Annex 1



2007
90th anniversary



2012
Opening of Hassamu Distribution Center