

# Profile

The MEDICEO Group began operations on April 1, 2004 and took its current form on October 1, 2004, when the former KURAYA SANSEIDO Inc. spun off its pharmaceutical wholesale operations and changed its name to MEDICEO Holdings Co., Ltd. As the operating holding company at the Group's center, MEDICEO Holdings controls and supervises the management of its subsidiaries engaged in wholesale distribution of prescription pharmaceuticals, over-the-counter drugs, medical equipment, clinical reagents, and other pharmaceutical products, as well as related businesses. In addition, business alliances with other pharmaceutical wholesale companies give the MEDICEO Group a nationwide reach that enjoys both the benefits of scale and a framework for sales activities closely linked to each region it serves. In October 2005, a merger with PALTAC CORPORATION, a leading wholesaler of cosmetics and daily necessities, will create the Mediceo Paltac Group, a next-generation distributor that supports medical care, health and beauty.

## MANAGEMENT PHILOSOPHY

Contributing to people's health and the advancement of society through creation of value in distribution

## MANAGEMENT POLICY

1

Create a lively corporate culture that earns the trust of society

2

Conduct thorough compliance and management to raise shareholder value

3

Foster an honest, free and open-minded company atmosphere and develop highly creative personnel

We will work in unison as a group to establish the MEDICEO brand.

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## FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements regarding MEDICEO Holdings Co., Ltd.'s plans, outlook, strategies and results for the future. All forward-looking statements are based on judgements derived from information available about the Company at the time of publication.

Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's business; competitive pressures; related laws and regulations; product development programs; and changes in exchange rates.