

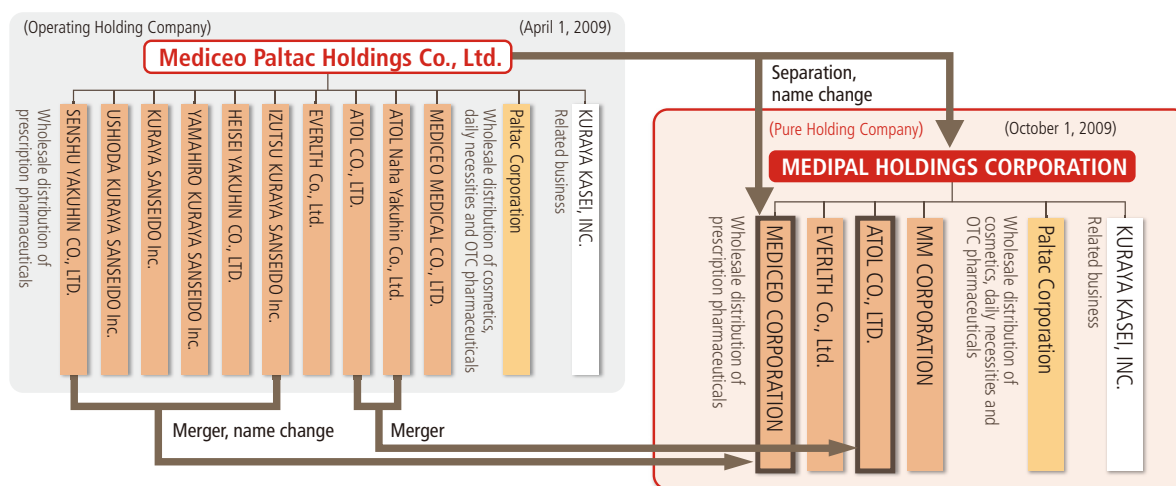
Highlights of the Fiscal Year Ended March 31, 2010

2009

Oct. New Group Structure Inaugurated

On October 1, Mediceo Paltac Holdings Co., Ltd. shifted to a pure holding company structure through a corporate separation and changed its corporate name to MEDIPAL HOLDINGS CORPORATION. In conjunction with the change, the Company transferred operating functions it had handled, including purchasing of prescription pharmaceuticals and other products, distribution and systems to its wholly owned subsidiary KURAYA SANSEIDO Inc., which merged with five other wholly owned MEDIPAL subsidiaries in the prescription pharmaceutical wholesale business and changed its corporate name to MEDICEO CORPORATION.

Shift to Pure Holding Company Structure



Oct. Pharmaceutical Distribution Business Started in China

MEDIPAL and Mitsubishi Corporation entered into a comprehensive alliance with Sinopharm Group Co., Ltd., China's largest pharmaceutical wholesaler. On October 27, the companies began a joint venture in the field of pharmaceutical distribution in China with an investment in Sinopharm Medicine Holding Beijing Huahong Co., Ltd., a subsidiary of Sinopharm Group.



President and CEO Sadatake Kumakura gives a speech at an event commemorating the establishment of Sinopharm Medicine Holding Beijing Huahong Co., Ltd.

Nov. KURAYA KASEI Transferred to MITANI SANGYO

In order to contribute to its future growth, MEDIPAL transferred all the shares of its wholly owned subsidiary KURAYA KASEI, INC. on November 30 to MITANI SANGYO CO., LTD., which handles chemical products and related businesses.

Nov. RDC Tohoku Completed

On November 18, Paltac Corporation completed construction of RDC Tohoku, a large-scale regional distribution center in Hanamaki, Iwate Prefecture.



2010

Jan.

Business Alliance Formed among Qol Co., Ltd., GROWELL HOLDINGS CO., LTD. and MEDIPAL

The three companies entered into a business alliance agreement on January 29 based on their decision that effectively using their respective management resources to combine dispensing pharmacies and drug stores in order to develop a new type of store will lead to further enhancement of corporate value.

Feb.

Business and Capital Alliance with Medical Ikkou

On February 17, MEDIPAL formed a business and capital alliance with Medical Ikkou Co., Ltd., which conducts the dispensing pharmacy business, mainly in Mie Prefecture. The alliance aims to contribute to the business development and earnings of both companies by exchanging and sharing their accumulated know-how, information and other aspects of business.

Mar.

Minami Osaka ALC Completed

On March 4, MEDICEO CORPORATION completed the Minami Osaka ALC in Yao, Osaka Prefecture, a state-of-the-art logistics center with the priority of reducing inefficiencies from the manufacturer to the final source of demand in order to realize overall optimization of distribution.



Mar.

Paltac Stock Listed on Tokyo and Osaka Exchanges



Kunio Mikita, President (currently Representative Director and Chairman) of Paltac Corporation, rings a bell to mark the listing of Paltac's stock on the Tokyo Stock Exchange.

On March 18, the stock of Paltac Corporation was listed on the first sections of the Tokyo Stock Exchange and the Osaka Securities Exchange.