



February 10, 2009

**Mediceo Paltac Holdings Co., Ltd.**

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**Notice of Corporate Separations and Merger of  
Mediceo Paltac Group Companies in Reorganization of  
Animal Health Products Wholesale Business**

At a meeting held on February 10, 2009, the Board of Directors of Mediceo Paltac Holdings Co., Ltd. ("Mediceo Paltac") resolved to form a basic agreement among Mediceo Paltac and the four companies listed below regarding the reorganization of the Mediceo Paltac Group's animal health products wholesale business. The basic agreement was signed on the same day.

As the corporate separations and merger will be a reorganization of Mediceo Paltac and its wholly owned subsidiaries, disclosure of certain items and details is omitted.

The four Group companies involved in the restructuring are:

EVERLTH Co., Ltd. ("Everlth")	Wholly owned consolidated subsidiary of Mediceo Paltac
ATOL CO., LTD. ("Atol")	Wholly owned consolidated subsidiary of Mediceo Paltac
MARUZEN YAKUHIN CO., LTD. ("Maruzen Yakuhin")	Wholly owned subsidiary
EVERLTH AGROTECH Co., Ltd. ("Everlth Agrotech")	Wholly owned subsidiary of Everlth

**I. Purpose of the Corporate Separations and Merger**

In the Mediceo Paltac Group, Everlth is engaged in the prescription pharmaceutical wholesale business, Atol is engaged in the prescription pharmaceutical wholesale business and the animal health products wholesale business (including the feed and feed additives wholesale business), and Maruzen Yakuhin and Everlth Agrotech are engaged in the animal health products wholesale business.

As part of the reorganization of the Mediceo Paltac Group's businesses, the animal health products wholesale business will be concentrated at Maruzen Yakuhin. With this reorganization, the Mediceo Paltac Group aims to build a more dynamic business operating structure, strengthen sales functions and upgrade the internal control system to raise the operating efficiency of its animal health products

wholesale business. In addition, the Group will work to further improve customer service.

## **II. Overview of the Business Reorganization**

Everlth's animal health products wholesale business conducted by its subsidiary will be transferred to Mediceo Paltac via a corporate separation. With this separation, Everlth Agrotech will become a wholly owned subsidiary of Mediceo Paltac.

Simultaneously, Everlth Agrotech will be merged into Maruzen Yakuhin and dissolved.

In addition, Atol will transfer its animal health products wholesale business (including its feed and feed additives wholesale business) to Maruzen Yakuhin via a corporate separation.

## **III. Summary of the Corporate Separations and Merger**

### **1. Business Reorganization among Mediceo Paltac and the Four Group Companies Above**

February 10, 2009	Board of Directors meeting to approve the Basic Agreement
February 10, 2009	Signing of the Basic Agreement

### **2. Corporate Separation of Mediceo Paltac and Everlth**

#### **(1) Summary of the Corporate Separation**

##### **(a) Separation Schedule**

April 2009 (planned)	Board of Directors meeting to approve the separation agreement
April 2009 (planned)	Signing of the separation agreement
April 1, 2010 (planned)	Effective date of the separation

*Note: This corporate separation is a simple separation pursuant to Article 796-3 of the Corporation Law for Mediceo Paltac, and an informal separation pursuant to Article 784-1 of the Corporation Law for Everlth. Therefore, it will be carried out without obtaining the approval of the general meeting of shareholders of either company.*

##### **(b) Separation Method**

This corporate separation will be a separation by absorption, with Everlth as the separating company and Mediceo Paltac as the successor company.

## (2) Overview of Companies Party to the Separation

(As of September 30, 2008)

Corporate name	Mediceo Paltac Holdings Co., Ltd. (Consolidated) [Successor company] (note)	EVERLTH Co., Ltd. (Nonconsolidated) [Separating Company]
Principal business	Wholesale of pharmaceuticals, cosmetics and daily necessities	Wholesale of prescription pharmaceuticals
Date established	May 6, 1923	April 14, 1950
Head office	7-15, Yaesu 2-chome, Chuo-ku, Tokyo	3-1, Kanayama-cho, Naka-ku, Hiroshima-shi, Hiroshima
Representative	Sadatake Kumakura, President and CEO	Takashi Saito, President
Paid-in capital	¥22,398 million	¥1,510 million
Number of outstanding shares	244,524,496 shares	17,400,000 shares
Total net assets	¥300,830 million	¥37,618 million
Total assets	¥1,128,396 million	¥87,390 million
Fiscal year end	March 31	March 31
Major shareholders and percentage of total shares held	1. Takeda Pharmaceutical Company 9.26% 2. State Street Bank and Trust Company 8.48% 3. Astellas Pharma Inc. 3.03% 4. Employees Shareholders' Association 3.01% 5. Japan Trustee Services Bank, Ltd. (Trust account 4G) 2.75%	1. Mediceo Paltac Holdings Co., Ltd. 100.00%

Note: As previously announced in "Notice of a Shift to a Pure Holding Company System through Demerger" released January 30, 2009, Mediceo Paltac is scheduled to shift to a pure holding company structure effective October 1, 2009 (planned).

## 3. Merger of Maruzen Yakuhin and Everlth Agrotech

## (1) Summary of the Merger

## (a) Merger Schedule

April 2009 (planned)	Board of directors meeting to approve the Merger Agreement
April 2009 (planned)	Signing of the Merger Agreement
May 2009 (planned)	General shareholders' meeting to approve the Merger Agreement
April 1, 2010 (planned)	Effective date of merger

## (b) Merger Method

The merger will be a merger by absorption, with Maruzen Yakuhin as the surviving company. Everlth Agrotech will be dissolved upon the merger.

## (2) Overview of Companies Party to the Merger

(As of September 31, 2008)

Corporate name	MARUZEN YAKUHIN CO., LTD. (Nonconsolidated) [Surviving company]	EVERLTH AGROTECH Co., Ltd. (Nonconsolidated) [Dissolving company]
Principal business	Wholesale of animal health products	Wholesale of animal health products
Date established	July 9, 1956	July 19, 2000
Head office	2-13, Oomagari Kogyou Danchi 6-chome, Kitahiroshima-shi, Hokkaido	5-1, Omotecho 3-chome, Okayama-shi, Okayama
Representative	Hidetoshi Takashima, President	Shinsaku Fujiwara, President
Paid-in capital	¥44 million	¥200 million
Number of outstanding shares	89,150 shares	4,000 shares
Total net assets	¥1,985 million	(¥53 million)
Total assets	¥7,548 million	¥3,288 million
Fiscal year end	March 31	March 31
Major shareholders and percentage of total shares held	1. Mediceo Paltac Holdings Co., Ltd. 100.00%	1. EVERLTH CO., LTD. 100.00% (note)

Note: Everlth Agrotech shareholders will become Mediceo Paltac shareholders upon the corporate separation on April 1, 2010 (planned).

## 4. Summary of the Corporate Separation of Maruzen Yakuhin and Atol

## (1) Summary of the Corporate Separation

## (a) Separation Schedule

April 2009 (planned)	Board of directors meeting to approve the Separation Agreement
April 2009 (planned)	Signing of the Separation Agreement
May 2009 (planned)	General shareholders' meeting to approve the Separation Agreement
April 1, 2010 (planned)	Effective date of separation

## (b) Separation Method

This corporate separation will be a separation by absorption, with Atol as the separating company and Maruzen Yakuhin as the successor company.

## (2) Overview of Companies Party to the Separation

(As of September 30, 2008)

Corporate name	MARUZEN YAKUHIN CO., LTD. (Nonconsolidated) [Surviving company]	ATOL CO., LTD. (Nonconsolidated) [Separating company]
Principal business	Wholesale of animal health products	Wholesale of prescription pharmaceuticals
Date established	July 9, 1956	January 29, 1947
Head office	2-13, Oomagari Kogyou Danchi 6-chome, Kitahiroshima-shi, Hokkaido	2-51, Hanmichibashi 2-chome, Hakata-ku, Fukuoka-shi, Fukuoka
Representative	Hidetoshi Takashima, President	Osamu Watanabe, President
Paid-in capital	¥44 million	¥3,965 million
Number of outstanding shares	89,150 shares	21,300,600 shares
Total net assets	¥1,985 million	¥37,706 million
Total assets	¥7,548 million	¥104,912 million
Fiscal year end	March 31	March 31
Major shareholders and percentage of total shares held	Mediceo Paltac Holdings Co., Ltd. 100.00%	Mediceo Paltac Holdings Co., Ltd. 100.00%

#### IV. Business Results for the Previous Three Fiscal Terms

(Millions of yen)

Fiscal year ended	Mediceo Paltac (Consolidated) (Successor company)			Maruzen Yakuhin (Nonconsolidated) (Surviving company/Successor company)		
	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2006	March 31, 2007 (note)	March 31, 2008
Net sales	1,921,713	2,166,762	2,254,936	14,222	10,441	15,065
Operating income (loss)	20,608	27,776	27,950	488	(576)	344
Ordinary income (loss)	32,736	41,574	42,635	484	(564)	372
Net income (loss)	20,842	19,105	27,794	278	(385)	36
Net income per share (¥)	97.64	82.86	119.20			
Cash dividends per share (¥)	15.00	15.00	18.00			
Net assets per share (¥)	1,051.97	1,128.39	1,219.50			

Note: Maruzen Yakuhin changed its fiscal year in the period ended March 31, 2007. As a result, this fiscal term was a nine-month period from July 1, 2006 to March 31, 2007.

Fiscal year ended	Everlth (Nonconsolidated) (Separating company)			Everlth Agrotech (Nonconsolidated) (Dissolving company)		
	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2006	March 31, 2007	March 31, 2008
Net sales	153,096	148,642	145,965	9,064	9,402	9,761
Operating income	1,612	1,016	1,049	38	76	99
Ordinary income	2,393	1,859	1,621	52	92	113
Net income	1,196	417	1,003	46	86	101

Fiscal year ended	Atol (Nonconsolidated) (Separating company)		
	March 31, 2006	March 31, 2007	March 31, 2008
Net sales	186,030	187,558	194,192
Operating income	2,233	2,453	2,182
Ordinary income	2,753	2,886	2,707
Net income	985	1,231	1,715

#### V. Effect of Corporate Separations and Merger on Business Results of Mediceo Paltac

This business reorganization will have no effect on Mediceo Paltac's business results for the fiscal year ending March 31, 2009.

#### VI. Other

Mediceo Paltac will disclose further details of this business reorganization and its effect on business results for fiscal years beginning on or after the planned effective date of April 1, 2010, shortly after they are finalized.

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