



April 30, 2009

Mediceo Paltac Holdings Co., Ltd.

Representative: Sadatake Kumakura, Representative Director, President and CEO

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**Notice of Merger of Subsidiary ATOL CO., LTD. and
Sub-Subsidiary ATOL Naha Yakuhin Co., Ltd.**

At a meeting held on April 30, 2009, the Board of Directors of Mediceo Paltac Holdings Co., Ltd. (“Mediceo Paltac”) resolved to merge its wholly owned consolidated subsidiary ATOL CO, LTD. (“Atol”) and its wholly owned consolidated subsidiary ATOL Naha Yakuhin Co., Ltd. (“Atol Naha Yakuhin”) on October 1, 2009, with Atol as the surviving company and Atol Naha Yakuhin as the dissolving company. Details are as follows.

1. Purpose of the Merger

Atol conducts business related to the wholesale of prescription pharmaceuticals, animal health products and feed and feed additives in the Kyushu region. Atol Naha Yakuhin conducts business related to the wholesale of pharmaceuticals and clinical reagents in Okinawa Prefecture.

Atol and Atol Naha Yakuhin have both been working to utilize their various management resources even more effectively and to promote overall efficiency in distribution. To promote these efforts more forcefully and contribute further to customers and society, the companies will merge on October 1, 2009, with Atol as the surviving company and Atol Naha Yakuhin as the dissolving company.

2. Overview of the Merger

(1) Merger Schedule

April 30, 2009	Board of Directors meeting to approve the Merger Agreement
April 30, 2009	Signing of the Merger Agreement
June 22, 2009	Ordinary general shareholders’ meeting (Atol)
October 1, 2009	Effective date of merger

Note: This merger qualifies as an informal merger pursuant to Article 784-1 of the Corporation Law for Atol Naha Yakuhin, and therefore will be carried out without obtaining the approval of the general meeting of shareholders.

(2) Merger Method

The merger will be a merger by absorption, with Atol the surviving company. Atol Naha Yakuhin will be dissolved upon the merger.

(3) Allocations Related to the Merger

No issue of new shares or capital increase will take place as a result of this merger, as Atol owns all of the outstanding shares of Atol Naha Yakuhin.

(4) Handling of Stock Options and Warrant Bonds of the Dissolving Company

Atol Naha Yakuhin has not issued any stock options or warrant bonds.

3. Overview of the Companies Party to the Merger

(As of September 30, 2008)

(1) Corporate name	ATOL CO., LTD. (Surviving company)	ATOL Naha Yakuhin Co., Ltd. (Dissolving company)
(2) Principal business	Wholesale of prescription pharmaceuticals	Wholesale of pharmaceuticals and clinical reagents
(3) Date of establishment	January 29, 1947	September 30, 1974
(4) Head office address	2-51, Hanmichibashi 2-chome, Hakata-ku, Fukuoka-shi, Fukuoka	82-1 Agarihama, Yonabaru-machi, Shimajiri-gun, Okinawa
(5) Representative	Osamu Watanabe, President	Katsumi Uehara, President
(6) Paid-in capital	¥3,965 million	¥62 million
(7) Number of outstanding shares	21,300,600 shares	25,000 shares
(8) Net assets	¥37,706 million	¥22 million
(9) Total assets	¥104,912 million	¥889 million
(10) Fiscal year end	March 31	March 31
(11) Major shareholders and percentage of total shares held:	Mediceo Paltac Holdings Co., Ltd. 100%	ATOL CO., LTD. 100% ^(Note)

Note: As of March 2, 2009

4. Post-Merger Situation

(1) Corporate name	ATOL CO., LTD.
(2) Principal business	Wholesale of prescription pharmaceuticals
(3) Head office address	2-51, Hanmichibashi 2-chome, Hakata-ku, Fukuoka-shi, Fukuoka
(4) Representative	Osamu Watanabe, President
(5) Paid-in capital	¥3,965 million
(6) Fiscal year end	March 31

(7) Outlook

This is a merger between a wholly owned subsidiary of Mediceo Paltac and a wholly owned subsidiary of that company (a sub-subsiary of Mediceo Paltac), and both companies are consolidated subsidiaries. Therefore, the merger will have no effect on consolidated business results.

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