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MEDIPAL HOLDINGS CORPORATION

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Notice of Revisions to Consolidated Interim Results Forecasts

MEDIPAL HOLDINGS CORPORATION (“MEDIPAL”) has taken recent performance trends into account in revising its forecasts of consolidated results for the fiscal year ending March 31, 2010, which was announced on July 31, 2009. Details follow below.

1. Revisions to the Consolidated Results Forecast for the Interim Period Ended September 30, 2009
(April 1– September 30, 2009) (Millions of yen, except where noted)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	1,263,000	6,600	10,700	1,800	7.60
Revised forecast (B)	1,270,000	9,200	13,500	3,100	13.09
Amount of change (B-A)	7,000	2,600	2,800	1,300	—
Percentage change (%)	0.6%	39.4%	26.2%	72.2%	—
Results for the interim period ended Sept. 30, 2008	1,232,172	10,695	18,516	10,508	43.86

2. Reasons for the Revisions

Changes have arisen in the results forecast for the interim period ended September 30, 2009 as a result of taking into account recent performance trends and other factors. MEDIPAL has therefore revised its forecast.

Main Factors behind the Revisions

In sales of prescription pharmaceuticals, demand has expanded for products related to new strains of influenza due to the spread of infections, and MEDIPAL aggressively promotes sales measures for lifestyle disease treatments and new products. In addition, prices were more stable than originally assumed due to MEDIPAL’s efforts to maintain rational selling prices and secure reasonable profits, while selling, general and administrative expenses were below earlier projections. Because of these factors, MEDIPAL expects both net sales and income to exceed its previous forecast.

In sales of cosmetics, daily necessities and over-the-counter pharmaceuticals, MEDIPAL took steps to increase productivity throughout the supply chain from production to consumption, and integrated sales operations for health care products with cosmetics and daily necessities to build a structure that better meets customer needs. In addition, MEDIPAL focused on the smooth supply of products useful in preventing new-influenza infections. As a result, both net sales and income are projected to exceed the amounts in the previous forecast.

The forecast for the full fiscal year is unchanged from the previously announced forecast as the effect of the National Health Insurance drug price revisions scheduled for April 2010 on the invoice prices of pharmaceutical manufacturers is uncertain at present.

*Note: The above forecasts are based on information available as of the date of this announcement.
Future events may cause actual results to differ from forecasts.*