

November 12, 2009

MEDIPAL HOLDINGS CORPORATION
Representative: Sadatake Kumakura, Representative Director, President and CEO
Code number: 7459 (1st Section, Tokyo Stock Exchange)
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Notice of Transfer of Shares of Wholly Owned Consolidated Subsidiary

MEDIPAL HOLDINGS CORPORATION (“MEDIPAL”) resolved at a meeting of its Board of Directors held on November 12, 2009 to transfer the shares of wholly owned consolidated subsidiary KURAYA KASEI, INC. (“Kuraya Kasei”) to MITANI SANGYO CO., LTD. (“Mitani Sangyo”), and signed a share purchase and sale agreement. Details are as follows.

1. Reason for the Share Transfer

In the MEDIPAL Group, Kuraya Kasei conducts the business of supplying electronic components, industrial chemicals, food additives and other products to the semiconductor, information device, precision machinery, chemical and food processing industries, primarily in Nagano Prefecture.

MEDIPAL has been conducting a review of the growth strategy of Kuraya Kasei, and has reached an agreement on a transfer of the shares of Kuraya Kasei with Mitani Sangyo, which supplies high-quality, high-value-added services in a wide range of business areas, including chemical products, information systems, resin and electronics, air conditioning systems, building materials and fuels.

MEDIPAL made the decision to transfer all of the shares of Kuraya Kasei to Mitani Sangyo based on its judgment that this will significantly contribute to Kuraya Kasei’s future growth.

2. Overview of Subsidiary to be Transferred

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| (1) Corporate name: | KURAYA KASEI, INC. |
| (2) Head office address: | 2473, Amenomiya, Chikuma-shi, Nagano |
| (3) Representative: | Kazuyoshi Kishida, Representative Director, President |
| (4) Principal business: | Sale of industrial chemicals and food additives |
| (5) Paid-in capital: | ¥20 million (as of March 31, 2009) |
| (6) Date of establishment: | January 22, 1998 |
| (7) Fiscal year end: | March 31 |
| (8) Number of employees: | 25 (as of September 30, 2009) |
| (9) Number of outstanding shares: | 400 shares |
| (10) Major shareholder and percentage of total shares held: | MEDIPAL HOLDINGS CORPORATION 400 shares (100%) |

(11) Results for Three Most Recent Fiscal Years (Million yen)

Year ended March 31,	2007	2008	2009
Net sales	5,964	6,335	5,046
Operating income	63	75	16
Ordinary income	64	76	16
Net income	43	48	6
Total assets	2,800	2,893	2,050
Net assets	225	267	266

3. Overview of Acquiring Company (as of September 30, 2009)

- (1) Corporate name: MITANI SANGYO CO., LTD.
(2) Head office address: 1-5, Tamagawa-cho, Kanazawa-shi, Ishikawa
(3) Representative: Tatsuya Aiba, President & CEO
(4) Principal business: Business related to information systems, resin & electronics, chemical products, air conditioning systems, building materials and fuels, etc.
(5) Paid-in capital: ¥3,702 million
(6) Date of establishment: August 11, 1949
(7) Net assets: ¥19,450 million
(8) Total assets: ¥40,884 million
(9) Major shareholders and percentage of total shares held:
Mitsuru Mitani 20.2%
Mitani Co., Ltd. 10.8%
Mitani Scholarship Foundation 8.5%
Michiko Mitani 4.5%
Yugen Kaisha Hokuto Daikosha 3.9%
(10) Relationship with MEDIPAL: No relevant equity, human or business relationships

4. Number of Shares to be Transferred and Share Ownership before and after Transfer

- (1) Shares owned prior to transfer: 400 (100% of total)
(2) Number of shares transferred: 400
(3) Number of shares owned after transfer: 0 (0% of total)

5. Schedule of Transfer

- November 12, 2009 Board of directors meeting to approve share purchase and sale agreement
November 12, 2009 Signing of share purchase and sale agreement
November 30, 2009 (planned) Share transfer date

6. Outlook

This share transfer will have no material impact on MEDIPAL's consolidated business results for the fiscal year ending March 31, 2010. Therefore, there are no changes to the forecast of consolidated results for the fiscal year due to the share transfer.

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