

January 29, 2010

Qol Co., Ltd.
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Contact: Kiyonobu Fukumitsu,
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GROWELL HOLDINGS CO., LTD.
Representative: Ryusuke Takada, President and Representative Director
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Contact: Jyuichi Nakamura
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MEDIPAL HOLDINGS CORPORATION
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Code number: 7459 (1st Section, Tokyo Stock Exchange)
Contact: Kunie Yamazaki,
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**Notice of Formation of Business Alliance among Qol Co., Ltd.,
GROWELL HOLDINGS CO., LTD. and MEDIPAL HOLDINGS CORPORATION**

Qol Co., Ltd. (“Qol”), GROWELL HOLDINGS CO., LTD. (“GROWELL”) and MEDIPAL HOLDINGS CORPORATION (“MEDIPAL”) resolved at meetings of their respective Board of Directors held on January 29, 2010 to form a business alliance among the three companies, and have entered into a business alliance agreement. Details are as follows.

1. Reason for Business Alliance

Qol, in working to be the “pharmacy of choice” by advocating “putting patients first,” “legal compliance,” and “contribution to local communities,” cooperates with medical institutions to operate 240 face-to-face pharmacies throughout Japan. The company has set targets of ¥100 billion in net sales (including through business partners) and an ordinary income ratio of 5 percent or higher for the fiscal year ending March 31, 2012, the final year of its current medium-term management plan.

GROWELL’s corporate philosophy is to provide customers with fulfilling communities and healthy lives. By operating family pharmacies closely linked to communities, GROWELL works to build and promote a Group-wide optimization strategy in order to enhance and maximize corporate value through ceaseless efforts to grow and develop.

MEDIPAL aims to be a corporate group with growth potential by developing new wholesale functions to maximize customer satisfaction as the basic policy of its medium-term management plan for the three fiscal years ending March 31, 2011. MEDIPAL actively promotes reforms to evolve and expand businesses that respond to change by quickly and responsively catching changes in the market environment and in customer and consumer needs.

The three companies have decided that effectively using their respective management resources will lead to further enhancement of corporate value in areas such as using a mutual understanding of the direction of their businesses to combine dispensing pharmacies and drug stores in order to develop a new type of store distinguished by its high added value and specialization. Consequently, the companies have entered into the business alliance agreement.

2. Details of the Business Alliance

- (1) Development of a new type of store by combining pharmacies that exclusively handle insured pharmaceutical dispensing with drug stores
- (2) Shared use of pharmacist training (risk management, home-based training, over-the-counter training, etc.)
- (3) Mutual provision and development of private brand products
- (4) Support for development of medical malls
- (5) Enhancement of distribution efficiency for pharmaceutical supply
- (6) Other items as agreed on through occasional discussions among the three companies

The three companies plan to establish a Business Alliance Committee at a later date to consider and determine specific details of the business alliance.

3. Overview of the Companies

(1) Qol Co., Ltd.

- 1) Corporate name: Qol Co., Ltd.
 - 2) Head office: 17, Yotsuya 1-chome, Shinjuku-ku, Tokyo
 - 3) Representative: Masaru Nakamura, President and Representative Director
 - 4) Main businesses: Operation of pharmacies handling insured pharmaceutical dispensing, business related to preparation of medical and pharmaceutical information materials, and business related to pharmaceutical clinical testing
 - 5) Paid-in capital:* ¥814 million
 - 6) Date of establishment: October 13, 1992
 - 7) Fiscal year end: March 31
 - 8) Number of employees:* 1,568 (consolidated)
 - 9) Shares issued:* 125,184 shares
 - 10) Major shareholders and percentage of total shares held:*

Mediceo Paltac Holdings Co., Ltd.	31.88%
(Corporate name changed to MEDIPAL HOLDINGS CORPORATION on October 1, 2009)	
Mitsubishi Corporation	20.06%
Takashi Nakamura	6.32%
Akisato Iwata	5.78%
Masaru Nakamura	5.01%
- * As of September 30, 2009

(2) GROWELL HOLDINGS CO., LTD.

- 1) Corporate name: GROWELL HOLDINGS CO., LTD.
 - 2) Head office: 7-1, Kajicho 2-chome, Chiyoda-ku, Tokyo
 - 3) Representative: Ryusuke Takada, President and Representative Director
 - 4) Main businesses: Management of subsidiaries and group companies operating a chain of drugstores with pharmacies, etc.
 - 5) Paid-in capital:* ¥1.0 billion
 - 6) Date of establishment: September 1, 2008
 - 7) Fiscal year end: August 31
 - 8) Number of employees:* 2,371 (consolidated)
 - 9) Shares issued:* 14,065,198 shares
 - 10) Major shareholders and percentage of total shares held:*

AEON CO., LTD.	29.35%
Ryusuke Takada	6.79%
Asako Suzuki	5.15%
TSURUHA CO., LTD.	4.58%
Employees Shareholders' Association of GROWELL HOLDINGS CO., LTD.	4.09%
- * As of August 31, 2009

(3) MEDIPAL HOLDINGS CORPORATION

- 1) Corporate name: MEDIPAL HOLDINGS CORPORATION
2) Head office: 7-15, Yaesu 2-chome, Chuo-ku, Tokyo
3) Representative: Sadatake Kumakura, Representative Director, President and CEO
4) Main businesses: Supervision, management and support of the operating activities of affiliated companies in the prescription pharmaceutical wholesale business, the cosmetics, daily necessities and OTC business, the pharmaceutical wholesale business, and related business through the ownership of those companies' shares as a pure holding company, and business development of the MEDIPAL Group
- 5) Paid-in capital:* ¥22,398 million
6) Date of establishment: May 6, 1923
7) Fiscal year end: March 31
8) Number of employees:* 11,496 (consolidated)
9) Shares issued:* 244,524,496 shares
10) Major shareholders and percentage of total shares held:*
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|---|-------|
| Takeda Pharmaceutical Company Limited | 9.26% |
| State Street Bank and Trust Company | 5.35% |
| Employees Shareholders' Association of MP Group | 3.37% |
| Astellas Pharma Inc. | 3.03% |
| Japan Trustee Services Bank, Ltd. (trust account) | 2.93% |
- * As of September 30, 2009

4. Outlook

The effect of the business alliance on the consolidated results of each company is currently undetermined. MEDIPAL will promptly make an announcement in the event that any significant effect on the consolidated results of each company becomes apparent in the course of determining the specific details of the business alliance.

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