

July 2, 2010

MEDIPAL HOLDINGS CORPORATION
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Notice of Results of Offer of Voluntary Early Retirement

MEDIPAL HOLDINGS CORPORATION (“MEDIPAL”) provides notice of the results of its offer of voluntary early retirement to employees of three prescription pharmaceutical wholesale companies, which are its wholly owned consolidated subsidiaries, as announced on May 14, 2010. Details follow below.

1. Number of Applicants

MEDIPAL offered early retirement to 750 employees, and 93 had applied by the end of the application period.

2. Effect on Business Results

As the total payment on a consolidated basis for additional retirement benefits for employees associated with the implementation of the early retirement program, an amount of approximately ¥9.7 billion was factored into the forecast of consolidated results for the year ending March 31, 2011, which was announced on May 14, 2010. However, the results of the offer are estimated at approximately ¥2.1 billion.

On the other hand, due to the decrease in the number of applicants, selling, general and administrative expenses, which include personnel expenses, are forecast to increase for the second half of the fiscal year ending March 31, 2011 and the full fiscal year.

A revised forecast of consolidated results is scheduled to be announced at the time of disclosure of the “Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2011” on July 30, 2010 (scheduled).

【Reference】 (Excerpted from May 14, 2010 announcement)

1. Summary of the Offer of Voluntary Early Retirement

- a. Maximum number of applicants: 750
- b. Eligibility: Employees (including employees on loan) age 50-59 with at least 10 years of continuous service as of March 31, 2011 (approximately 2,000 employees are eligible)
- c. Application period: June 1 – June 30, 2010
- d. Retirement date: September 30, 2010
- e. Other: MEDIPAL will pay employees retiring under this program additional retirement benefits and offer reemployment support, including outplacement and a career counseling service.

2. Prescription Pharmaceutical Wholesale Companies Subject to the Offer (Three Companies)

MEDICEO CORPORATION	(Head Office: Chuo-ku, Tokyo)
EVERLTH Co., Ltd.	(Head Office: Naka-ku, Hiroshima)
ATOL CO., LTD.	(Head Office: Hakata-ku, Fukuoka)

The employees of MEDIPAL consist entirely of employees seconded from wholly owned consolidated subsidiaries. Therefore, the employees eligible for this offer of early retirement include employees seconded to MEDIPAL from the three companies above.

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