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(Securities Code: 7459)
June 2, 2016

To our shareholders:

Shuichi Watanabe
Representative Director, President and CEO
MEDIPAL HOLDINGS CORPORATION
2-7-15, Yaesu, Chuo-ku, Tokyo, Japan

Notice of Convocation of the 107th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 107th Ordinary General Meeting of Shareholders of MEDIPAL HOLDINGS CORPORATION (the "Company"). The meeting will be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights by either of the methods stated below. Please review the attached Reference Documents for the Ordinary General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Thursday, June 23, 2016 (Japan Standard Time).

Voting by mail

Please vote for or against the proposals using the enclosed Voting Form. Mail the Form to the Company sufficiently in advance so that it reaches us by 5:30 p.m. on Thursday, June 23, 2016 (Japan Standard Time).

Voting via the Internet, etc.

Please use the voting code and the password provided on the enclosed Voting Form to exercise your voting rights online at http://www.web54.net by computer. Please vote for or against the proposals by 5:30 p.m. on Thursday, June 23, 2016 (Japan Standard Time) in accordance with the instructions on the screen. You may also exercise your voting rights online using a mobile phone.

If you intend to vote via the Internet, please refer to "Procedures for Voting via the Internet, etc." on page 8.

1. **Date and time:** Friday, June 24, 2016 at 10:00 a.m.

2. **Place:** Iris Banquet Hall, 3F, Tokyo Bay Ariake Washington Hotel
3-7-11, Ariake, Koto-ku, Tokyo, Japan

3. **Agenda:**

Matters to be reported:
1. Business Report and Consolidated Financial Statements for the 107th Fiscal Term (from April 1, 2015 to March 31, 2016) and results of audits of the Consolidated Financial Statements by the Independent Auditors and the Audit & Supervisory Board
2. Financial Statements for the 107th Fiscal Term (from April 1, 2015 to March 31, 2016)

Matters to be resolved:

Proposal Election of Nine (9) Directors

4. **Matters related to exercise of voting rights:**

(1) Voting Forms that do not indicate a vote for or against a proposal will be counted as a vote for that proposal.

(2) Only the most recent of multiple Internet votes submitted by the same shareholder will be counted as valid.

(3) Only the Internet vote will be counted as valid for Internet and mail votes submitted by the same shareholder.

5. **Matters related to documents provided in this Notice and Reference Documents for the Ordinary General Meeting of Shareholders:**

(1) The attached English version of the Reference Documents for the Ordinary General Meeting of Shareholders contains only the content of pages 36 to 41 of the Japanese Reference Documents (English pages 3 to 7) and Procedures for Voting via the Internet, etc. (English page 8).

(2) Any change made to the Business Report, Consolidated Financial Statements, Financial Statements and Reference Documents for the Ordinary General Meeting of Shareholders will be posted on the Company's website (http://www.medipal.co.jp/) in Japanese only.

Request

Please present the enclosed Voting Form to the receptionist if you attend the meeting in person. Please help to protect the environment by bringing this Notice of Convocation with you to the meeting.

Notice

Company employees and officers will attend the meeting in business casual clothing, without neckties or the like (a style known in Japan as "Cool Biz"). We kindly request that shareholders do the same.

Reference Documents for the Ordinary General Meeting of Shareholders

Proposal Election of Nine (9) Directors

The term of office of all ten (10) directors – Sadatake Kumakura, Shuichi Watanabe, Toshihide Yoda, Yuji Sakon, Yasuhiro Choufuku, Takuro Hasegawa, Shinjiro Watanabe, Kohji Orime, Michiko Kawanobe, and Mitsuko Kagami – will expire at the conclusion of this Ordinary General Meeting of Shareholders.

The Company therefore proposes the election of nine (9) directors.

The candidates for director are as follows:

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, and position and assignment in the Company
(Status of important concurrent occupations or positions outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">1</td><td>Shuichi Watanabe
(April 11, 1952)</td><td>Aug. 1979 Entered KURAYA Corporation
Dec. 1990 Director of KURAYA Corporation
Dec. 1994 Managing Director of KURAYA Corporation
Apr. 2000 Director of the Company
Apr. 2004 President and Chief Executive Officer of KURAYA SANSEIDO Spin-off Preparation Inc. (now MEDICEO CORPORATION)
Jun. 2007 Managing Director of the Company
Jun. 2008 Senior Managing Director of the Company
Apr. 2011 Representative Director, Executive Vice President of the Company
Apr. 2012 Representative Director, President and CEO of the Company (current position)
Apr. 2012 Representative Director, Chairman of MEDICEO CORPORATION (current position)</td><td>152,800</td></tr>
<tr><td colspan="3">Reasons for Proposal as Candidate
Mr. Shuichi Watanabe has led the management of the MEDIPAL Group as Representative Director, President and CEO of the Company, has appropriately run the Board of Directors as Chairman, and has appropriately overseen the operational execution of the Directors. Additionally, given his hard work to advance the 2017 MEDIPAL Medium-Term Vision formulated in May 2014, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.</td></tr>
<tr><td rowspan="2">2</td><td>Yasuhiro Choufuku
(December 8, 1954)</td><td>Apr. 1977 Entered the Company
Jul. 2004 Executive Officer of the Company
Jun. 2007 Director of the Company (current position)
Oct. 2009 Director of MEDICEO CORPORATION
Jun. 2010 Managing Director of MEDICEO CORPORATION
Apr. 2012 Representative Director, President and CEO of MEDICEO CORPORATION (current position)
Jun. 2012 In charge of Pharmaceutical Business of the Company (current position)</td><td>43,000</td></tr>
<tr><td colspan="3">Reasons for Proposal as Candidate
Mr. Yasuhiro Choufuku has deep insight in the Pharmaceutical Business, a core business of the MEDIPAL Group, has been involved in operational execution as Representative Director, President and CEO of our subsidiary MEDICEO CORPORATION, and because of his work in improving performance of the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, and position and assignment in the Company
(Status of important concurrent occupations or positions outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">3</td><td>Toshihide Yoda
(January 8, 1963)</td><td>Apr. 1985
May 1989
Jul. 1996
Dec. 2000
Oct. 2009
Oct. 2009

Jun. 2010
Apr. 2012

Apr. 2012</td><td>Entered Nippon Kangyo Kakumaru Securities Co., Ltd.
Entered UBS Securities Japan Co., Ltd.
Entered ING Baring Securities (Japan) Limited
Entered Lehman Brothers Japan Inc.
Entered Barclays Capital Japan Limited
Managing Director of Barclays Capital Japan Limited
Director of the Company
Managing Director of the Company (current position)
In charge of IR, General Manager, Business Development Division, and Manager, Business Development Department, Business Development Division of the Company (current position)</td><td>6,500</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Toshihide Yoda has utilized his insight developed as a pharmaceuticals sector analyst in the financial industry to the fullest extent, and because of his work to drive the creation of new businesses at the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.</td></tr>
<tr><td rowspan="2">4</td><td>Yuji Sakon
(May 8, 1953)</td><td>Apr. 1977
Jul. 2008

Apr. 2012
Jun. 2012
Oct. 2012

Jun. 2013</td><td>Entered the Company
Executive Officer of KURAYA SANSEIDO Inc. (now MEDICEO CORPORATION)
Executive Officer of the Company
Director of the Company (current position)
Chairman, CSR Committee of the Company (current position)
General Manager, Administration Division of the Company (current position)</td><td>14,300</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Yuji Sakon has thorough knowledge of the MEDIPAL Group's operations, and given how he has utilized his insight and extensive experience in management as the General Manager of the Administration Division of the Company in the supervision and administration of the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.</td></tr>
<tr><td rowspan="2">5</td><td>Takuro Hasegawa
(July 3, 1956)</td><td>Aug. 1987

Nov. 1990
Apr. 1991

Oct. 1997
Oct. 2004
Jun. 2009
Apr. 2011

Oct. 2012</td><td>Entered Osuido Yakuhin Co., Ltd. (now EVERLTH Co., Ltd.)
Director of Osuido Yakuhin Co., Ltd.
Director of OAK Yakuhin Co., Ltd. (now EVERLTH Co., Ltd.)
Director of EVERLTH Co., Ltd.
Director of the Company (current position)
Director of EVERLTH Co., Ltd.
Representative Director, President and CEO of EVERLTH Co., Ltd. (current position)
In charge of Liaison of the Company (current position)</td><td>121,419</td></tr>
<tr><td colspan="4">Reasons for Proposal as Candidate
Mr. Takuro Hasegawa has worked to create connections with industry groups to which MEDIPAL Group belongs and been involved in operational execution as the Representative Director, President and CEO of our subsidiary EVERLTH Co., Ltd., and because of his work in improving performance of the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, and position and assignment in the Company (Status of important concurrent occupations or positions outside the Company)		Number of the Company's shares held
6	Shinjiro Watanabe (October 28, 1972)	Sep. 2008 Jun. 2009 Apr. 2013 Jun. 2013	Entered ATOL CO., LTD. Director of ATOL CO., LTD. President and Representative Director of ATOL CO., LTD. (current position) Director of the Company (current position)	8,000
	Reasons for Proposal as Candidate Mr. Shinjiro Watanabe has moved forward the MEDIPAL Group's IT Business and been involved in operational execution as the President and Representative Director of our subsidiary ATOL CO., LTD., and because of his work in improving performance of the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.			
7	<New candidate> Kunio Ninomiya (February 22, 1956)	Apr. 1978 Dec. 2004 Apr. 2008 Jun. 2010 Jun. 2012 Apr. 2014 Apr. 2015	Entered PALTAC CORPORATION Executive Officer, General Manager of Product Headquarters of PALTAC CORPORATION Managing Executive Officer, General Manager of Chugoku Branch Office of PALTAC CORPORATION Senior Managing Executive Officer, General Manager of Kinki Branch Office of PALTAC CORPORATION Director, Senior Managing Executive Officer, General Manager of General Affairs Headquarters of PALTAC CORPORATION Director, Vice President, Executive Officer, General Manager of West Japan Sales Headquarters, General Manager of Product Headquarters of PALTAC CORPORATION Director, Vice President, Executive Officer, Director of Sales Headquarters of PALTAC CORPORATION (current position)	–
	Reasons for Proposal as Candidate Mr. Kunio Ninomiya has extensive experience in the Cosmetics, Daily Necessities, and OTC Pharmaceutical Wholesale Business, one of the core businesses of the MEDIPAL Group, and has been involved in operational execution as Director, Vice President, Executive Officer of our subsidiary PALTAC CORPORATION, and because of his work in improving performance of the MEDIPAL Group, the Company believes that he will suitably perform his duties as Director and contribute to further increases in corporate value of the Company.			

No.	Name (Date of birth)	Career summary, and position and assignment in the Company (Status of important concurrent occupations or positions outside the Company)		Number of the Company's shares held
8	<Candidate for Outside Director> Michiko Kawanobe (March 31, 1946)	Apr. 1976 Mar. 1984 Apr. 1990 Apr. 1993 Dec. 1997 Sep. 1999 Feb. 2000 Dec. 2002 Oct. 2003 Jan. 2004 Apr. 2006 Oct. 2007 Oct. 2008 Jun. 2011	Public prosecutor of Tokyo District Public Prosecutors Office Assigned to Litigation Division of Tokyo Legal Affairs Bureau Counselor, Youth Affairs Administration of Ministry of Home Affairs (now Ministry of Internal Affairs and Communications) Professor of the Legal Training and Research Institute of Japan Chief, General Affairs Department of Chiba District Public Prosecutors Office Public prosecutor of Tokyo High Prosecutors Office Deputy Chief Prosecutor of Hiroshima District Public Prosecutors Office Chief, Trials Unit of Tokyo High Prosecutors Office Public prosecutor of Supreme Public Prosecutors Office Chief Prosecutor of Akita District Public Prosecutors Office Chief Prosecutor of Takamatsu District Public Prosecutors Office Registered as an attorney at law Professor of Chiba University Law School Outside Director of the Company (current position)	800

Reasons for Proposal as Candidate

The Company proposes that Ms. Michiko Kawanobe be elected an outside director because her opinions from a broad perspective based on her longstanding experience in the legal profession and deep insight in general legal affairs can be applied to supervision of the Company's future management. The Company therefore believes that she can suitably perform the duties as an outside director although she has never been involved in the management of a company.

Items Related to Independence

・The Company has appointed Ms. Kawanobe as an independent director as provided for in the regulations of the Tokyo Stock Exchange and notified the Exchange to that effect. If Ms. Kawanobe is re-elected, the Company will continue to have her as an independent director.

・Ms. Kawanobe is a lawyer at Kawanobe Law Office, which does not provide any services to or otherwise have a business relationship with the Company.

Term of office as Outside Director

5 years (from the close of this General Meeting of Shareholders)

Other Important Items

The Company has entered into an agreement with Ms. Kawanobe to limit her liability as provided for in Article 427, paragraph 1 of the Companies Act, and the amount of the liability limitation under said agreement is the minimum amount stipulated by laws and regulations. If Ms. Kawanobe is re-elected, the Company plans to continue the agreement.

No.	Name (Date of birth)	Career summary, and position and assignment in the Company (Status of important concurrent occupations or positions outside the Company)	Number of the Company's shares held
9	<Candidate for Outside Director> Mitsuko Kagami (May 18, 1958)	Apr. 1985 Assistant Judge of Tokyo District Court Apr. 1988 Assistant Judge of Akita District and Family Court Apr. 1991 Assistant Judge of Yokohama District Court Jan. 1995 Registered as an attorney at law Apr. 1998 Part-time Lecturer of Faculty of Law of Keio University Apr. 2000 Part-time Lecturer of Faculty of Law of Toin University of Yokohama Apr. 2004 Professor of Keio University Law School Apr. 2007 Part-time Lecturer of Keio University Law School Jun. 2014 Outside Director of the Company (current position) Jun. 2015 Outside Director of Sotetsu Holdings Inc. (current position)	-

Reasons for Proposal as Candidate

The Company proposes that Ms. Mitsuko Kagami be elected an outside director because her opinions from a broad perspective based on her extensive experience as a practicing attorney at law and her specialized knowledge in corporate legal affairs can be applied to supervision of the Company's future management. The Company therefore believes that she can suitably perform the duties as an outside director although she has never been involved in the management of a company.

Items Related to Independence

・The Company has appointed Ms. Kagami as an independent director as provided for in the regulations of the Tokyo Stock Exchange and notified the Exchange to that effect. If Ms. Kagami is re-elected, the Company will continue to have her as an independent director.

・Ms. Kagami is a lawyer at Kagami Law Office, which does not provide any services to or otherwise have a business relationship with the Company.

Term of office as Outside Director

2 years (from the close of this General Meeting of Shareholders)

Other Important Items

The Company has entered into an agreement with Ms. Kagami to limit her liability as provided for in Article 427, paragraph 1 of the Companies Act, and the amount of the liability limitation under said agreement is the minimum amount stipulated by laws and regulations. If Ms. Kagami is re-elected, the Company plans to continue the agreement.

Notes: 1. There is no special interest between any of the candidates and the Company.
2. "Number of the Company's shares held" does not include shares held by director candidates through the Directors' Shareholders Association.

Procedures for Voting via the Internet, etc.

If you prefer to vote via the Internet, etc., please accept the following conditions before exercising your votes.

1. Shareholders voting via the Internet must use the voting website designated by the Company (shown below). The website can also be accessed by mobile phone.
   Website URL for Internet voting: http://www.web54.net
2. If you vote via the Internet, please enter the voting code and the password indicated on the enclosed Voting Form and follow the instructions on the screen to vote for or against the proposals.
3. If you intend to vote via the Internet, you must do so before 5:30 p.m. (the close of business of the Company), on Thursday, June 23, 2016 (Japan Standard Time).
4. Only the Internet vote will be counted as valid for Internet and mail votes submitted by the same shareholder.
5. Only the most recent of multiple votes via the Internet or by both computer and mobile phone submitted by the same shareholder will be counted as valid.
6. Connection fees payable to Internet providers and communication expenses payable to telecommunication carriers (telephone charges, etc.) when accessing the website for Internet voting will be borne by the shareholder.

Inquiries about Voting via the Internet

Please contact Sumitomo Mitsui Trust Bank with questions about voting via the Internet:

Shareholder registry administrator:	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department
Inquiries about voting via the Internet:	(Toll free) 0120-652-031 (accessible from 9:00 a.m. to 9:00 p.m. within Japan)
Inquiries concerning other matters:	(Toll free) 0120-782-031 (accessible from 9:00 a.m. to 5:00 p.m. on weekdays within Japan)

Electronic Voting Platform

In addition to the above-mentioned method of voting via the Internet, any trust bank managing institutional investors' shares of Company stock or other nominal shareholders (including standing proxies) may, subject to prior request, vote at the Ordinary General Meeting of Shareholders using the platform designed for electromagnetic voting operated by ICJ, Inc., a joint venture company incorporated by Tokyo Stock Exchange, Inc. and other entities.