

25th March, 2010

To Whom It May Concern:

Yoshiji KIMURA
Representative Director of the Board and
Chief Executive Officer
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**Issuance of the Unsecured Convertible Bonds with Stock Acquisition
Rights through Third Party Allotment**

[Translation for Information Purposes Only]

MEDINET Co., Ltd. (“MEDINET”) announced that its Board of Directors meeting, held on 25th March, 2010, resolved to issue its unsecured convertible bonds with stock acquisition rights through third party allotment to Tokio Marine & Nichido Fire Insurance Co., Ltd. (“Tokio Marine & Nichido”).

1. Offering Details

- (1) Issue date: 12th of April, 2010
- (2) Total number of the stock acquisition rights: 10
- (3) Issue Price of the Corporate Bond and the Stock Acquisition Rights:
 - Amount paid per Corporate Bond: JPY100,000,000
(JPY100 for each JPY100 of the Corporate Bonds)
 - Issue Price of the Stock Acquisition Rights: without compensation
- (4) Number of Residual Securities through the Issuance: 49,751 shares
- (5) Funds to be raised: JPY1, 000, 000,000
- (6) Conversion Price:

The convention price is set at JPY20, 100. The convention price will not be modified.
- (7) Method of Allocation:

The Corporate Bonds with Stock Acquisition Rights are allotted to Tokio Marine & Nichido through third party allotment.

2. Purpose and Reason of Fund Raising

MEDINET has focused its business activities on the expansion of the Immuno-Cell Therapy market in order to maximize earning of its core service, Immuno-Cell Therapy Total Support Service. MEDINET has carried out intensive marketing activities in order to provide appropriate and persuasive information to medical doctors and medical professionals as well as cancer patients and patients’ families, in addition to the development of new technologies and the acceleration of the clinical development for Immuno-Cell Therapy with higher expected efficacy. As a result, MEDINET has

experienced a significant increase in the number of cell processing by surge of patients, newly starting the Immuno-Cell Therapy in our Contracted Medical Institutions and Allied Medical Institutions. In the fiscal year ending September 2009, MEDINET laid out its goal for turning into black in its financial statement, and has achieved such goal of balance in surplus.

On the other hand, our market share of cancer treatment service is still small in Japan, and MEDINET will need to explore further potentials of the Immuno-Cell Therapy in the large segment of market for cancer treatment. In other words, the actualized market is too small to be matured; therefore, we expect further expansion of demand for the Immuno-Cell Therapy in cancer treatment. In order to increase such demands for the Immuno-Cell Therapy, MEDINET has been continuously striving for commercialization of novel and effective Immuno-Cell Therapy technology to the public by engaging in basic research and clinical development.

Therefore, MEDINET has decided to raise financing, which enables to explore potential market, for stabilization of its financial position and establishment of management system. MEDINET believes that such financing will lead to resulting improvement in its corporate value for shareholders and stakeholders. The raised funds are credited to as follows:

- (1) The development of new technologies for Immuno-Cell Therapy with higher Expected efficacy and improvement of efficiency
- (2) Marketing activities in order to provide appropriate and persuasive information to medical doctors and medical professionals as well as cancer patients and patients' families
- (3) The expansion or new construction of Cell Processing Center (CPC) in order to support expanding domestic market of Immuno-Cell Therapy

Tokio Marine & Nichido, the allotted party, is the leading company of casualty insurance companies in Japan with a high degree of confidence and financial stability. MEDINET had careful considerations of benefits in its corporate strategic direction as well as the drastic change in the financial market and in circumstances of the bio-venture market. As a result of such consideration, MEDINET decided to issue its unsecured convertible bonds with stock acquisition rights through third party allotment for Tokio Marine & Nichido.

3. Outline of Tokio Marine & Nichido

Representative:	Shuzo Sumi, President
Headquarters:	2-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
Foundation:	1 st August, 1879
Business Pipelines:	(1) Nonlife insurance (2) Supporting service related with nonlife insurance (3) Warranty of debt (4) Sales of Investment trustee (5) Commissioned business of Automobile liability insurance
URL:	http://www.tokiomarine-nichido.co.jp/en/index.html

* We translate overview of issuing unsecured convertible bonds with stock acquisition rights through third party allotment for information purpose only, so that detailed conditions of issuance for such unsecured convertible bonds are excluded from English Press Release.