



(Translation)

July 10, 2019

To Whom It May Concern:

Company Name:	H.I.S.Co., Ltd.
Name of Representative:	Hideo Sawada Chairman, Corporate Officer, and Group Chief Executive Officer (Code Number: 9603 (First Section of the Tokyo Stock Exchange))
Contact:	Shigeru Nakatani Director in charge of consolidated finance and accounting (TEL.: 03-6388-0707)

**Notice Concerning Commencement of Tender Offer for
UNIZO Holdings Company, Limited (Securities Code: 3258)**

H.I.S.Co., Ltd. (the “Tender Offeror”) hereby announces that, at the meeting of its board of directors held on July 10, 2019, the Tender Offeror passed a resolution to implement a tender offer for the shares, etc. of UNIZO Holdings Company, Limited (First Section of the Tokyo Stock Exchange, Inc. (the “TSE”); securities code: 3258; the “Target Company”) as described below (the “Tender Offer”):

1. Purpose of the Tender Offer

(1) Overview of the Tender Offer

The Tender Offeror owns 1,639,500 shares (shareholding ratio (Note): 4.79% (rounded to the third decimal place; hereinafter the same is applied in the calculation of the ratio unless otherwise stated) of Target Company’s common shares (the “Target Company’s Common Shares”) as of today. Since late September 2018, the Tender Offeror has acquired Target Company’s Common Shares on an intermittent basis through intra-market transactions (the acquisition price is from JPY 1,942 to JPY 2,409 per share), and in late April 2019, the Tender Offeror held 1,639,500 shares (shareholding ratio: 4.79%) as of today. Thereafter, the Tender Offeror has

not acquired any Target Company's Common Shares.

Today, the Tender Offeror decided to purchase more Target Company's common shares through the Tender Offer in order to build a close collaborative relationship with the Target Company and increase the profits of both the Target Company and the Tender Offeror by further strengthening its capital ties with the Target Company. The Tender Offeror highly rates the abundant know-how of the hotel business that the Target Company has gained through the management of its hotels (25 hotels in Japan as of July 9, 2019), and the Target Company's experience in the real estate business, mainly in the Tokyo metropolitan area of Japan based on its long business history. The Tender Offeror, while paying serious attention to the continuation and development of the Target Company's businesses after the Tender Offer, intends to increase the profits of the Target Company by (i) sending its customers in the travel business which is the main business of the Tender Offeror, to the hotels managed by the Target Company, (ii) promoting the Target Company's hotels through the Tender Offeror's sales channels, and (iii) providing opportunities to purchase hotels managed by third parties and information on sites suitable for opening new hotels by leveraging the Tender Offeror's overseas network, in order to enable the overseas expansion of the Target Company's hotel business. In addition, the Tender Offeror intends to increase its profits by leveraging the above-mentioned know-how and experience of the Target Company to improve the ability to develop and construct real estate (including hotels), and to maintain and manage existing real estate. Although the Tender Offeror is considering dispatching its directors to the Target Company, taking into consideration the shareholding ratio of the Target Company's Common Shares held by the Tender Offeror after the Tender Offer, the specific management policy and management structure will be determined through negotiations with the Target Company's management after the Tender Offer with the aim of further improving the corporate value of both parties, and thus there is no fact that has been determined so far.

It was difficult for the Tender Offeror to specifically determine a shareholding ratio that is perfect for building a close collaborative relationship with the Target Company and increasing the profits of both the Target Company and the Tender Offeror. Since the law requires that the maximum number of shares to be purchased in a tender offer, if any, should be specific, the Tender Offeror has decided to acquire approximately 40% of the Target Company's Common Shares in addition to the Target Company's Common Shares already held by the Tender Offeror (shareholding ratio: 4.79%), and set the maximum number of shares to be purchased

at the number of shares that is equal to 45.00%, after comprehensively taking into account the following points: (i) the Tender Offeror will ensure the independence of the Target Company's management, while taking advantage of the Target Company's brand, (ii) between mid-December 2018 and mid-April 2019, the Tender Offeror made several requests for interviews with the Target Company to discuss the possibility of a business tie-up, including capital tie-up, but the Tender Offeror did not respond to the request, the Tender Offeror considered that it was necessary to express its strong intention to form a business alliance with the Target Company, (iii) the Tender Offeror considered it necessary to acquire a number of the Target Company's Common Shares that will secure the Tender Offeror's rights to veto a special resolution under the Companies Act (Act No.86 of 2005, as amended; the "Companies Act") to start full-scale negotiations with the Target Company based on the fact that the Tender Offeror may influence the Target Company as a shareholder, and (iv) it is difficult for the Tender Offeror to determine at the moment whether it should make the Target Company its consolidated subsidiary, because the Tender Offeror has not completed an analysis and a due diligence on the detailed information about the Target Company's businesses. Under these circumstances, the Tender Offeror has set the maximum number of shares to be purchased at 13,759,700 shares (shareholding ratio: 40.21%), which is calculated by deducting the number of the Target Company's Common Shares held by the Tender Offeror as of today (1,639,500 shares) from the number of the Target Company's Common Shares (15,399,200 shares) which will make the Tender Offeror's shareholding ratio after the Tender Offer 45.00%. If the total number of shares, etc. tendered in the Tender Offer (the "Tendered Shares") exceeds the maximum number of shares to be purchased (13,759,700 shares), the Tender Offeror will not purchase all or part of the excess shares, and make the delivery or other settlement in connection with the purchase of shares, etc. on a pro rata basis as provided in Article 27-13, Paragraph 5 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act") and Article 32 of the Cabinet Office Ordinance on Disclosure of Takeover Bids of Shares Conducted by Non-Issuers (Order of the Ministry of Finance No. 38 of 1990, as amended; the "TOB Order"). Meanwhile, since no minimum number of shares to be purchased will be set for the Tender Offer in order to take into consideration the intention of the tendering shareholders to sell their shares, all of the Tendered Shares will be purchased if the total number of Tendered Shares is less than or equal to the maximum number of shares to be purchased (13,759,700 shares). (Note) "Shareholding ratio" means a ratio to the number of shares (34,220,300

shares), which is equal to the total number of the issued shares of the Target Company's Common Shares as of March 31, 2019 (34,220,700 shares) as stated in the Annual Securities Report filed by the Target Company on June 19, 2019 for its 42nd business year (from April 1, 2018 to March 31, 2019) (the "Target Company's Annual Securities Report for the 42nd Business Year") less the number of treasury shares (400 shares) held by the Target Company as of that day; hereinafter the same.

From mid-December 2018 until mid-April 2019, the Tender Offeror requested the Target Company several times to hold a meeting to discuss the possibility of business alliance, including capital alliance, but the Target Company never accepted such requests. Given the fact that no specific meeting for such discussions was held despite the several requests made by the Tender Offeror, the Tender Offeror considers that it would be difficult to have discussions with the Target Company even if the Tender Offeror makes further requests, and therefore has not had any discussion with the Target Company about the implementation of the Tender Offer prior to its commencement. Therefore, the Tender Offer had not confirmed whether the Target Company will support or not to the Tender Offer as of today.

The Tender Offer is not intended to delist the shares of the Target Company, and therefore, the Target Company's Common Shares will continue to be listed even after the consummation of the Tender Offer.

(2) Background of, and reason for, deciding the implementation of the Tender Offer

(i) Overview of the Tender Offeror

The Tender Offeror was established in December 1980, and its starting point is based on the belief that "We want more people to venture into the world. We want more people to see many things and meet many people." As seen from this motto, the Tender Offeror, who started out with the sale of economical overseas air tickets to change Japan's overseas travel industry, has brought about various changes in the travel market in pursuit of an unrestrictive travelling experience of its customers by supporting their freely envisioned travel from their viewpoint, which is in line with the travel spirit of the customers. At present, the Tender Offeror group (a corporate group consisting of the Tender Offeror, 186 subsidiaries and 20 affiliated companies (information as of April 2019)) has 276 domestic offices and 266 offices in 158 cities in 69 countries to support safe and comfortable travel for customers all over the world by establishing a system to plan and arrange various plans for overseas travel, domestic travel and travel to Japan, and travel

between countries organized by overseas affiliated companies. With regard to inbound travel business, the number of foreign tourists visiting Japan continues to increase (according to the data published by “Japan National Tourism Organization (JNTO)”, the number of foreign tourists who visited Japan was about 24 million in 2016, whereas such number reached about 31 million in 2018), and the market is expected to expand further as the government has set a target of 40 million visitors by 2020. In addition to the travel business, in recent years the Tender Offeror has diversified its business into theme park business, hotel business, real estate business and energy business.

(ii) Business of the Target Company group

According to the Target Company’s annual securities report, website and other materials, the trade name of the Target Company at the time of its establishment was Sun Hotel Co., Ltd. (established in May 1977), but this was due to the merger within the Target Company group (UNIZO Holdings Company group) in 2004, and therefore the predecessor of the Target Company is Daisho Fudosan Company, Limited, which was established on September 1, 1959 (substantial surviving company).

Daisho Fudosan Company, Limited was established in Chuo-ku, Tokyo on September 1, 1959 with a capital of ¥50 million, and has since been through repeated mergers and reorganizations, changing its trade name to UNIZO Holdings Company, Limited in July 2015. Among the two businesses currently engaged in (i.e. the real estate business and the hotel business), the hotel business has been conducted since the establishment of Sun Hotel Co., Ltd. in May 1977.

The shares of the Target Company were listed on the Second Section of the TSE in June 2009, and were designated for listing on the First Section of the TSE in February 2011.

The Target Company group currently consists of the Target Company and its 20 consolidated subsidiaries. The Target Company group operates the real estate business which holds, leases and manages office buildings and provides real estate brokerage services, and the hotel business which holds and operates business hotels.

(iii) Reason for implementing the Tender Offer

The Tender Offeror’s hotel business began with the opening of the first Watermark Hotel (the first Watermark Hotel was sold to a third party in October

2018) at the Gold Coast in Australia in November 1996, and the Tender Offeror is focusing on developing hotels centered on the two brands of resort hotel "Watermark Hotel," and "Henna Hotel," which is run by robots. Currently, the Tender Offeror operates 33 hotels in 4 countries: Japan, the United States of America (Guam), Indonesia and Taiwan. Aiming to expand to 100 hotels in the medium to long term, the Tender Offeror is examining and preparing to operate hotels in major cities in Japan and abroad where demand is high for tourism and business.

In addition to the hotel business, the Tender Offeror owns 8 rental properties (investment amount: approximately JPY 11.2 billion), and is developing the business with the aim of making the real estate business, which tends to lead to stable income, one of its core businesses from a mid to long term perspective.

The Tender Offeror always believes that the commencement of a new business or expansion of the size of the company through M&A is an important management option not only for the hotel business and the real estate business, but also for the entire business of the Tender Offeror, and has always wanted to utilize attractive investment opportunities, if any, and has actually utilized such opportunities.

Specifically, in April 2010, the Tender Offeror consolidated HUIS TEN BOSCH Co., Ltd., which operates Huis Ten Bosch, a theme park whose business conditions were deteriorating at that time, as a consolidated subsidiary, and realized its business revival with the cooperation of Nagasaki Prefecture, Sasebo City, and the business community of Kyushu. The theme park business is now the business pillar of the Tender Offeror's business segment after the travel business. In October 2005, as part of the regional business, which is one of the business segments of the Tender Offeror, the Tender Offeror made an indirect investment in Kyushu Industrial Transportation Holdings Co., Ltd. (acquired approximately 18.72% of its shares) through HIS-HS Kyushu Sanko Investment Limited Liability Partnership. In July 2012, the Tender Offeror made the company a consolidated subsidiary (acquired approximately 54.56% of its shares in total), and has been strengthening domestic travel and promoting travel to Japan (from March 1, 2019 to March 29, 2019, the Tender Offer implemented a tender offer for shares issued by Kyushu Industrial Transportation Holdings Co., Ltd., and acquired 91.58% shares in total). In May 2017, Green World Hotels Co., Ltd., one of the largest hotel chains in Taiwan, was added as a consolidated subsidiary, and its business performance has been stable since then. As described above, the Tender Offeror

has expanded and strengthened its business through M&A after examining attractive investment opportunities.

With regard to the hotel business and real estate business of the Tender Offeror, expansion of the scale by construction on its own account and expansion of the business by acquisition of real estate properties by way of direct transactions are also under consideration, and in order to accelerate the expansion of the hotel business and the real estate business, the Tender Offeror has been considering M&A targeting companies having different know-how from the Tender Offeror in these businesses, and the possibility of business alliance, including capital alliance, since 2014. In doing so, the Tender Offeror has focused on the possibility of investment opportunities that will greatly enhance the synergies with the Tender Offeror and prevent the Tender Offeror from incurring excessive risks.

In conducting such review, the Tender Offeror rated the Target Company has abundant know-how on hotel business through the management of its hotels (25 hotels in Japan on July 9, 2019) for a period of 42 years. Around mid-June 2018, the Tender Offeror came to the conclusion that the Tender Offer would be beneficial also to the Target Company in the following ways: (i) the utilization rate and profitability of the hotels managed by the Target Company can be improved by sending customers of the travel business, the principal business of the Tender Offeror targeting the annually increasing number of foreign tourists to Japan, to the hotels managed by the Target Company, and by promoting the Target Company's hotels through the Tender Offeror's three channels of "face-to-face sales in stores" "online sales via the Internet" and "corporate sales to companies," and (ii) the Target Company will be able to operate its hotel business smoothly overseas, and the growth potential of the Target Company can be greatly enhanced by making use of the information network including the overseas bases and business partners of the Tender Offeror and by providing opportunities to participate in the sale of hotels managed by third parties or information on sites ideal for opening new hotels, although the hotels of the Target Company are operated only in Japan and have not been operated overseas. The Target Company has also formulated its fourth medium-term management plan (2019 – 2021), which it published on April 16, 2019, and is working to increase its corporate value, and the Tender Offeror believes that these advantages offered by the Tender Offeror will provide the Target Company with new opportunities for growth.

On the other hand, the Tender Offeror highly rates the Target Company's real estate business as well, which focuses on the Tokyo metropolitan area of Japan

based on its long business history, and in mid-June 2018, the Tender Offeror came to the conclusion that the active utilization of the Target Company's network of highly confidential potential sales information on real estate (including hotels) and the know-how of construction, maintenance and management of real estate (including hotels) will improve the ability to procure and construct real estate (including hotels) and to maintain and manage existing real estate, and would enable the Tender Offeror to further grow its hotel business and real estate business.

As seen above, the Tender Offeror came to the conclusion that the establishment of a cooperative relationship with the Target Company in various aspects, including sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing assistance by the Tender Offeror to the Target Company for operating its hotels overseas, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate, will contribute to the further growth of the hotel business and real estate business of the Tender Offeror, the improvement of the profitability of the Target Company, and the improvement of the corporate value of the Target Company. Therefore, in mid-September 2018, the Tender Offeror made an offer to the Target Company regarding discussions on a business alliance between the hotel business of the Tender Offeror and the hotel business of the Target Company (sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate) for the purpose of examining the possible collaboration, anticipating that it will be possible to enhance the corporate value of each other. However, there was no reply from the Target Company requesting to hold specific discussions, and no reason for such absence of reply was given, and therefore, no specific discussions took place.

After such offer, in order to show the strong intention of the Tender Offeror to collaborate with the Target Company, the Tender Offeror acquired 4.79% of the Target Company's Common Shares in the market from late September 2018 to late April 2019, and during that period, the Tender Offeror, as a shareholder, began to sound out the Target Company on a friendly basis again to conduct concrete discussions for the improvement of the Target Company's corporate value, including the consideration of business alliance and capital alliance in the real

estate business and the hotel business (business alliance such as sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate, as well as capital alliance such as acquisition of the Target Company's shares by the Tender Offeror) from mid-December 2018, and the Tender Offeror subsequently made several requests for discussion. However, the Target Company failed to give an answer to conduct concrete discussions even in mid-April 2019, and no specific meeting for such discussions was held.

Given the fact that no specific meeting for such discussions was held despite the several requests made by the Tender Offeror, the Tender Offeror considers that it would be difficult to have discussions with the Target Company even if the Tender Offeror makes further requests, and therefore, decided not to have discussions prior to the commencement of the Tender Offer about the implementation thereof, and instead, the Tender Offeror wishes to further strengthen its capital relationship with the Target Company in order to facilitate consultation with the Target Company on the possibility of collaboration for the purpose of improving the corporate value of both parties and the Tender Offeror has decided, at its board of directors' meeting held on July 10, 2019, to implement a tender offer for the Target Company's Common Shares.

(3) Management policy after the Tender Offer

The Tender Offeror is considering dispatching its directors to the Target Company taking into consideration the shareholding ratio of the Target Company's Common Shares held by the Tender Offeror after the Tender Offer and the thought of the Target Company's management to be shown in the meetings with the Target Company's management after the Tender Offer. No fact that has been considered and determined so far regarding to the actual number of directors who will be so dispatched by the Tender Offeror. The specific management policy and management structure after the Tender Offer will also be determined through negotiations with the Target Company's management after the Tender Offer with the aim of further improving the corporate value of both parties. There is no fact that has been determined so far accordingly. The Tender Offeror is scheduled to request discussion with the management of the Target Company in order to hold discussion with the management of the Target Company immediately after the completion of the Tender Offer.

Additionally, as described in “(2) Background of, and reason for, deciding the implementation of the Tender Offer” above, after the Tender Offer, the Tender Offeror wishes to develop a business alliance with the Target Company, including sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing assistance by the Tender Offeror to the Target Company for operating its hotels overseas, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate, and build a close collaborative relationship with the Target Company.

(4) Plans to acquire additional Target Company’s Common Shares

As stated in “(1) Overview of the Tender Offer” above, as of today, the Tender Offeror considers it desirable to purchase additional Target Company’s Common Shares until the Tender Offeror’s shareholding ratio becomes 45.00%. Therefore, it is not scheduled at this point that the Tender Offeror will purchase additional shares of the Target Company after the Tender Offer, if the number of shares tendered in the Tender Offer reaches the maximum number of shares to be purchased, and the Tender Offeror holds 45.00% of the shares.

On the other hand, if the number of shares tendered in the Tender Offer is less than the maximum number of shares to be purchased, and the shareholding ratio does not reach 45.00%, the Tender Offeror may purchase additional Target Company’s Common Shares through market transactions or other methods. However, this purchase has not been scheduled specifically.

(5) Possibility of delisting and reasons therefor

The Target Company’s Common Shares are listed on the First Section of the TSE as of today. The Tender Offer is not intended to delist the Target Company’s Common Shares, and the Target Company’s Common Shares will continue to be listed even after the Tender Offer. Since the Tender Offeror has set the maximum number of shares to be purchased (13,759,700 shares), the number of the Target Company’s Common Shares held by the Tender Offeror after the Tender Offer will be 15,399,200 shares (shareholding ratio: 45.00%) at the maximum. Therefore, the Target Company’s Common Shares will continue to be listed on the First Section of the TSE even after the Tender Offer.

2. Overview of the Tender Offer

(1) Overview of the Target Company

(i) Name	UNIZO Holdings Company, Limited																							
(ii) Address	10-9, Hatchobori 2-chome, Chuo-ku, Tokyo																							
(iii) Title and name of representative	Tetsuji Kosaki, President and Director																							
(iv) Business content	Real estate business (building leasing business), hotel business																							
(v) Capital	JPY 32,062,880,000 (as of the end of March 2019)																							
(vi) Date of incorporation	September 1, 1959																							
(vii) Major shareholders and shareholding ratios (as of March 31, 2019)	<table border="1"> <tr> <td>H.I.S.Co., Ltd.</td> <td>4.52%</td> </tr> <tr> <td>The Kyoritsu Co., Ltd</td> <td>4.31%</td> </tr> <tr> <td>Nippon Steel Kowa Real Estate Co., Ltd.</td> <td>4.04%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (<i>shintaku guchi</i>)</td> <td>3.84%</td> </tr> <tr> <td>NITTO BOSEKI Co., Ltd.</td> <td>3.80%</td> </tr> <tr> <td>SUGA Co., Ltd.</td> <td>3.32%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (<i>shintaku guchi</i>)</td> <td>2.67%</td> </tr> <tr> <td>IBJ Leasing Company, Limited</td> <td>2.58%</td> </tr> <tr> <td>Toko Electrical Construction Co., Ltd.</td> <td>1.87%</td> </tr> <tr> <td>BARCLAYS BANK PLC A/C CLIENT SEGREGATED A/C PB CAYMAN CLIENTS</td> <td>1.72%</td> </tr> <tr> <td colspan="2">(Standing proxy: Barclays Securities Japan Ltd.)</td> </tr> </table>		H.I.S.Co., Ltd.	4.52%	The Kyoritsu Co., Ltd	4.31%	Nippon Steel Kowa Real Estate Co., Ltd.	4.04%	The Master Trust Bank of Japan, Ltd. (<i>shintaku guchi</i>)	3.84%	NITTO BOSEKI Co., Ltd.	3.80%	SUGA Co., Ltd.	3.32%	Japan Trustee Services Bank, Ltd. (<i>shintaku guchi</i>)	2.67%	IBJ Leasing Company, Limited	2.58%	Toko Electrical Construction Co., Ltd.	1.87%	BARCLAYS BANK PLC A/C CLIENT SEGREGATED A/C PB CAYMAN CLIENTS	1.72%	(Standing proxy: Barclays Securities Japan Ltd.)	
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(viii) Relationship between the listed company and the Target Company	<table border="1"> <tr> <td>Capital relationship</td> <td>The Tender Offeror holds 1,639,500 shares of the Target Company's Common Shares (shareholding ratio: 4.79%) as of today.</td> </tr> <tr> <td>Personnel relationship</td> <td>Not applicable.</td> </tr> <tr> <td>Business relationship</td> <td>Not applicable.</td> </tr> <tr> <td>Whether the two companies are related parties</td> <td>Not applicable.</td> </tr> </table>		Capital relationship	The Tender Offeror holds 1,639,500 shares of the Target Company's Common Shares (shareholding ratio: 4.79%) as of today.	Personnel relationship	Not applicable.	Business relationship	Not applicable.	Whether the two companies are related parties	Not applicable.														
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(Note) “Major shareholders and shareholding ratios (as of March 31, 2019)” is based on the “Major Shareholders” in the Target Company’s Annual Securities Report for the 42nd Business Year.

(2) Schedule, etc.

(i) Schedule

Board resolution date	July 10 , 2019 (Wednesday)
Date of public notice of commencement of tender offer	July 11 , 2019 (Thursday) Public notice will be made electronically, and such fact will be published in The Nikkei. (URL of the website on which the electronic public notice will be posted: http://disclosure.edinet-fsa.go.jp/)
Filing date of tender offer registration statement	July 11 , 2019 (Thursday)

(ii) Tender offer period set at the time of filing

From July 11, 2019 (Thursday) until August 23, 2019 (Friday) (30 business days)

(iii) Possibility of extending the tender offer period at the request of the Target Company

Not applicable.

(3) Tender offer price

JPY 3,100 per common share

(4) Basis for calculating the tender offer price

(i) Basis of calculation

In determining the purchase price per share of the Target Company's Common Shares for the Tender Offer (the "Tender Offer Price"), the Tender Offeror requested PLUTUS CONSULTING Co., Ltd. ("PLUTUS"), a third-party institution that is independent of the Tender Offeror and the Target Company, to calculate the value of the Target Company's Common Shares. PLUTUS calculated the value of the Target Company's Common Shares using the market price method and the discounted cash flow method (the "DCF Method"), and the Tender Offeror obtained a share valuation report (the "Share Valuation Report") from PLUTUS on July 9, 2019. The Tender Offeror has not obtained any opinion regarding the appropriateness of the Tender Offer Price (fairness opinion)

from PLUTUS.

The ranges of the per-share value of the Target Company's Common Shares, which was analyzed by each of the analysis methods mentioned above, are as follows:

Market price method: JPY 1,893 to JPY 2,002

DCF Method: JPY 2,428 to JPY 3,736

Under the market price method, with the base date being set for July 9, 2019, which is the business day immediately preceding the Tender Offeror's board resolution date related to the Tender Offer, PLUTUS analyzed that the pre-share value of the Target Company's Common Share ranged from JPY 1,893 to JPY 2,002, based on the closing price of the Target Company's Common Shares on the First Section of the TSE on the base date (JPY 1,990), the simple average closing price of the Target Company's Common Shares on the First Section of the TSE for the most recent one (1) month until July 9, 2019 (from June 10, 2019 to July 9, 2019) (JPY 1,894) (rounded off to JPY 1; hereinafter the same in the calculation of the simple average closing market price), the simple average closing price of the Target Company's Common Shares on the First Section of the TSE for the most recent three (3) months until that day (from April 10, 2019 to July 9, 2019) (JPY 1,893), and the simple average closing price of the Target Company's Common Shares on the First Section of the TSE for the most recent six (6) months until that day (from January 10, 2019 to July 9, 2019) (JPY 2,002).

Under the DCF Method, PLUTUS analyzed that the per-share value of the Target Company's Common Share ranged from JPY 2,428 to JPY 3,736 by analyzing the corporate value and share value of the Target Company, which are calculated by discounting the free cash flow that the Target Company is expected to generate in and after the business year ending March 2019 to the present value using a certain discount rate based on the business plan of the Target Company from the business year ending March 2020 to the business year ending March 2024 that was prepared by the Tender Offeror by utilizing the Tender Offeror's knowledge on the business of the Target Company and the Target Company group's fourth medium-term management plan (from the business year ending March 2020 to the business year ending March 2022) announced by the Target Company on April 2019, and taking into consideration various factors such as the Target Company's business performance trends until the most recent period and

information that is open to the public. The above-mentioned business plan is a plan that includes the synergies generated by the Tender Offer. Furthermore, the financial projections based on the business plan do not include any business year in which significant increases or decreases in profits are expected.

Based on the details and results of the calculation stated in the Share Valuation Report, the Tender Offeror came to the conclusion that it was appropriate to propose a market price for the Target Company's Common Shares with an appropriate premium, after comprehensively taking into consideration several factors such as the trends in the market price of the Target Company's Common Shares, examples of premiums granted in the cases of tender offers conducted in the past by persons other than issuers, prospects for tendering shares in the Tender Offer, and the fact that it would be highly necessary to propose a price which is satisfactory to the Target Company and its shareholders because the Tender Offeror has not obtained support from the Target Company's management in advance, and the Tender Offeror finally determined on July 10, 2019 that the Tender Offer Price would be JPY 3,100 per share.

The Tender Offer Price (JPY 3,100 per share) is a price calculated by adding (a) a premium of 55.78% to JPY 1,990, which is the closing price of the Target Company's Common Shares on the First Section of the TSE on July 9, 2019, which is the business day immediately preceding the announcement date of the Tender Offer, (b) a premium of 63.67% to JPY 1,894, which is the simple average closing price of the Target Company's Common Shares for the past one (1) month until July 9, 2019 (from June 10, 2019 to July 9, 2019), (c) a premium of 63.76% to JPY 1,893, which is the simple average closing price of the Target Company's Common Shares for the past three (3) months until that day (from April 10, 2019 to July 9, 2019), and (d) a premium of 54.85% to JPY 2,002, which is the simple average closing price of the Target Company's Common Shares for the past six (6) months until that day (from January 10, 2019 to July 9, 2019).

Since late September 2018, the Tender Offeror has been purchasing the Target Company's Common Shares at the then prevailing market price through market transactions. Such market transactions were competitive transactions on the First Section of the TSE, and unlike the Tender Offer, no premium has been added.

(ii) Background of calculation

As mentioned in "1. Purpose of the Tender Offer - (2) Background of, and

reason for, deciding the implementation of the Tender Offer”, the Tender Offeror came to the conclusion that the establishment of a cooperative relationship with the Target Company in various aspects, including sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing assistance by the Tender Offeror to the Target Company for operating its hotels overseas, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate, will contribute to the further growth of the hotel business and real estate business of the Tender Offeror, the improvement of the profitability of the Target Company, and the improvement of the corporate value of the Target Company. Therefore, in mid-September 2018, the Tender Offeror made an offer to the Target Company regarding discussions on a business alliance between the hotel business of the Tender Offeror and the hotel business of the Target Company for the purpose of examining the possible collaboration, anticipating that it will be possible to enhance the corporate value of each other. The business alliance proposed by the Tender Offeror included sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate. However, there was no reply from the Target Company to have specific discussions, and no reason for such absence of reply was given. Therefore no specific discussions took place.

After such offer, in order to show the strong intention of the Tender Offeror to collaborate with the Target Company, the Tender Offeror acquired 4.79% of the Target Company’s Common Shares in the market from late September 2018 to late April 2019, and during that period, the Tender Offeror, as a shareholder, began to sound out the Target Company on a friendly basis again to conduct concrete discussions for the improvement of the Target Company’s corporate value, including the consideration of business alliance and capital alliance in the real estate business and the hotel business (business alliance included sending tourists by the Tender Offeror to the hotels managed by the Target Company, providing information by the Target Company to the Tender Offeror about potential sales of real estate and sharing know-how of procurement, construction, maintenance and management of real estate, as well as capital alliance such as acquisition of the Target Company’s shares by the Tender Offeror) from mid-December 2018, and the Tender Offeror subsequently made several requests for discussion. However,

the Target Company failed to give an answer to conduct concrete discussions even in mid-April 2019, and no specific meeting for such discussions was held.

Given the fact that no specific meeting for such discussions was held despite the several requests made by the Tender Offeror, the Tender Offeror considers that it would be difficult to have discussions with the Target Company even if the Tender Offeror makes further requests, and instead, the Tender Offeror wishes to further strengthen its capital relationship with the Target Company in order to facilitate consultation with the Target Company on the possibility of collaboration for the purpose of improving the corporate value of both parties and the Tender Offeror has decided, at its board of directors' meeting held on July 10, 2019, to implement a tender offer for the Target Company's Common Shares and set the Tender Offer Price at JPY 3,100 for the reasons outlined below:

(a) Obtaining a share valuation report from a third-party institution

In determining the Tender Offer Price, the Tender Offeror requested PLUTUS, a third-party institution independent of the Tender Offeror and the Target Company, to calculate the value of the Target Company's Common Shares, and the Tender Offeror obtained the Share Valuation Report on July 9, 2019 from PLUTUS. PLUTUS is not a related party to the Tender Offeror and the Target Company, and does not have any material interest that should be stated in relation to the Tender Offer.

(b) Outline of the opinion

According to the Share Valuation Report, the analysis methods employed and the ranges of the per-share value of the Target Company's Common Share calculated based on such methods are as follows:

Market price method: JPY 1,893 to JPY 2,002

DCF Method: JPY 2,428 to JPY 3,736

(c) Background leading to the determination of the Tender Offer Price based on the opinion

In determining the Tender Offer Price, while considering the details and results of the calculation stated in the Share Valuation Report, the Tender Offeror comprehensively took into consideration

several factors such as the trends in the market price of the Target Company's Common Shares, examples of premiums granted in the cases of tender offers conducted in the past by persons other than issuers, prospects for tendering shares in the Tender Offer, and the fact that it would be highly necessary to propose a price which is satisfactory to the Target Company and its shareholders because the Tender Offeror has not obtained support from the Target Company's management in advance. As a result, the Tender Offeror finally determined that it was appropriate to propose a market price for the Target Company's Common Shares with an appropriate premium which may be respected to tender by more shareholders, after on July 10, 2019 that the Tender Offer Price would be JPY 3,100 per share.

(iii) Relationship with the appraiser

PLUTUS is not a related party to the Tender Offeror and the Target Company, and does not have any material interest that should be stated in relation to the Tender Offer.

(5) Number of shares, etc. to be purchased

Number of shares, etc. to be purchased	Minimum number of shares, etc. to be purchased	Maximum number of shares, etc. to be purchased
13,759,700 shares	- shares	13,759,700 shares

(Note 1) If the total number of Tendered Shares is equal to or less than the maximum number of shares, etc. to be purchased (13,759,700 shares), the Tender Offeror will purchase all the Tendered Shares. If the total number of Tendered Shares exceeds the maximum number of shares, etc. to be purchased (13,759,700 shares), the Tender Offeror will not purchase all or part of the excess shares, and will make the delivery or other settlement in connection with the purchase of shares, etc. on a pro rata basis as provided for in Article 27-13, Paragraph 5 of the Act and Article 32 of the TOB Order.

(Note 2) Shares of less than one unit of shares (100 shares) are also subject to the Tender Offer. If any shareholder exercises the statutory put option for his/her shares less than one unit in accordance with the Companies Act, the Target Company may repurchase such shares during the period for purchases, etc. under the Tender Offer (the "Tender Offer Period") in accordance with the

statutory procedures.

(6) Changes in the percentage of ownership of shares, etc. after purchase

Number of voting rights represented by shares, etc. held by the Tender Offeror before purchase	16,395	(Percentage of ownership of shares, etc. before purchase: 4.79%)
Number of voting rights represented by shares, etc. held by special related parties before purchase	0	(Percentage of ownership of shares, etc. before purchase: 0.00%)
Number of voting rights represented by shares, etc. held by the Tender Offeror after purchase	153,992	(Percentage of ownership of shares, etc. after purchase: 45.00%)
Number of voting rights represented by shares, etc. held by special related parties after purchase		(Percentage of ownership of shares, etc. after purchase: 0.00%)
Number of voting rights of all shareholders of the Target Company	342,124	

(Note 1) The “Number of voting rights represented by shares, etc. held by the Tender Offeror after purchase” is the sum of the number of voting rights (137,597 voting rights) represented by shares, etc. to be purchased under the Tender Offer (13,759,700 shares) and the “Number of voting rights represented by shares, etc. held by the Tender Offeror before purchase” (16,395 voting rights).

(Note 2) The “Number of voting rights of all shareholders of the Target Company” is the number of voting rights of all shareholders of the Target Company as of March 31, 2019 (with one unit being 100 shares) as stated in the Target Company’s Annual Securities Report for the 42nd Business Year. Please note, however, that since shares less than one unit are also subject to the Tender Offer, for the purpose of calculating the “Percentage of ownership of shares, etc. before purchase” and the “Percentage of ownership of shares, etc. after purchase,” the “Number of voting rights of all shareholders of the Target

Company” is set at 342,203 by adding the number of voting rights represented by shares less than one unit (i.e., 79, which is the number of voting rights represented by 7,900 shares less than one unit as of March 31, 2019 as stated in the Target Company’s Annual Securities Report for the 42nd Business Year).

(Note 3) The “Percentage of ownership of shares, etc. before purchase” and “Percentage of ownership of shares, etc. after purchase” are rounded to the third decimal place.

(7) Purchase price JPY 42,655 million

(Note) The purchase price above is the amount calculated by multiplying the number of shares, etc. to be purchased (13,759,700 shares) by the Tender Offer Price per share (JPY 3,100).

(8) Method of settlement

(i) Name of the financial instruments business operator, bank etc. in charge of settlement of purchase and address of its head office

H.S. Securities Co., Ltd. 27F, Sumitomo Fudosan Shinjuku Oak Tower,
8-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo

(ii) Date of commencement of settlement

August 30, 2019 (Friday)

(iii) Method of settlement

A notice of purchase through the Tender Offer will be mailed to the addresses or locations of persons wishing to tender their shares under the Tender Offer (“Tendering Shareholders”) (or the standing proxies in the case of shareholders that reside outside Japan (including corporate shareholders, etc.; “Non-Resident Shareholders”)) without delay after the expiry of the Tender Offer Period.

Payment for the shares will be made in cash. The sale proceeds from the shares, etc. purchased will be remitted by the Tender Offer Agent to the place designated by Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders), as instructed by the Tendering Shareholders (or the standing proxy in the case of the Non-Resident Shareholders), without delay on and after the date of commencement of settlement (the remittance fee may be charged).

(iv) Method of returning shares, etc.

If it is decided not to purchase all or part of the Tendered Shares under the conditions stated in “(i) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and details thereof” and “(ii) Conditions for withdrawal of the Tender Offer, details thereof and method of disclosure of withdrawal” of “(9) Other conditions and methods of the Tender Offer” below, the shares, etc. required to be returned will be returned by restoring the account of the relevant Tendering Shareholder which is opened in the name of such Tendering Shareholder with the Tender Offer Agent (the “Tendering Shareholder Account”) to the state immediately before the tendering, promptly on and after the second business day following the last day of the Tender Offer Period (or in the case of withdrawal of the Tender Offer, the date of such withdrawal) (any Tendering Shareholder who wishes to transfer the shares, etc. to an account of the Tendering Shareholder opened with another financial instruments business operator should contact the Tender Offeror’s head office or branch in Japan which accepted the application for tendering.).

(9) Other conditions and methods of the Tender Offer

(i) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and details thereof

If the total number of Tendered Shares is equal to or less than the maximum number of shares to be purchased (13,759,700 shares), the Tender Offeror will purchase all the Tendered Shares. If the total number of Tendered Shares exceeds the maximum number of shares to be purchased (13,759,700 shares), the Tender Offeror will not purchase all or part of the excess shares, and will make the delivery or other settlement in connection with the purchase of shares, etc. on a pro rata basis as provided for in Article 27-13, Paragraph 5 of the Act and Article 32 of the TOB Order.

If the total number of shares to be purchased from the Tendering Shareholders does not reach the maximum number of shares to be purchased as fractional shares less than one unit (100 shares) are rounded to the nearest whole unit in calculating the number of shares to be purchased from each Tendering Shareholder on a pro rata basis, the Tender Offeror will further purchase one unit of Tendered Shares from each Tendering Shareholder (or if such purchase of one additional unit of shares ends up exceeding the number of the Tendered Shares of

the Tendering Shareholder, up to the number of the Tendered Shares) in order based on the number of such fractional shares rounded down, from greatest to least, until the total number of shares purchased becomes equal to or more than the maximum number of shares to be purchased. In the event that the total number of shares to be purchased would exceed the maximum number of shares to be purchased if the Tender Offeror purchases one additional unit of shares in this manner from a number of Tendering Shareholders for whom the same number of fractional shares less than one unit was rounded down, the Tender Offeror will choose the Tendering Shareholder(s) among such Tendering Shareholders by drawing, from whom it will purchase one additional unit of shares within the maximum number of shares to be purchased.

If the total number of shares to be purchased from the Tendering Shareholders exceeds the maximum number of shares to be purchased as fractional shares less than one unit (100 shares) are rounded to the nearest whole unit in calculating the number of shares to be purchased from each Tendering Shareholder on a pro rata basis, the Tender Offeror will reduce the number of units of shares to be purchased from each Tendering Shareholders by one unit (or if the number of shares to be purchased calculated on a pro rata basis includes the number of any fractional shares less than one unit of shares, the number of such fractional shares) in order based on the number of such fractional shares rounded up, from greatest to least, to the extent the total number of shares to be purchased does not fall below the maximum number of shares to be purchased. In the event that the total number of shares to be purchased is less than the maximum number of shares to be purchased if the Tender Offeror reduces the number of units of shares to be purchased in this manner with respect to a number of Tendering Shareholders for whom the same number of fractional shares was rounded up, the Tender Offeror will choose the Tendering Shareholder(s) among such Tendering Shareholders by drawing, with respect to whom it will make such reduction to the extent the total number of shares to be purchased does not fall below the maximum number of shares.

- (ii) Conditions of withdrawal of the Tender Offer, details thereof and method of disclosure of the withdrawal

Upon the occurrence of any event listed in Article 14, Paragraph 1, Item 1 (a) through (i) and (l) through (s), Item 3 (a) through (h) and (j) and Article 14, Paragraph 2, Items 3 through 6 of the Order for Enforcement of the Financial

Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Enforcement Order”), the Tender Offeror may withdraw the Tender Offer. Please note that if (i) the organ which is responsible for making decisions on the execution of operations of the Target Company decides to pay a dividend from the surplus as of a record date which falls before the date of commencement of settlement for the Tender Offer (except for the case in which the amount of cash and other properties to be delivered to shareholders is expected to be less than the amount (JPY 7,521,900,000 (Note)) equal to 10 % of the carrying value of the net assets recognized in the non-consolidated balance sheet as of the end of the most recent business year of the Target Company), or (ii) the organ which is responsible for making decisions on the execution of operations of the Target Company decides to repurchase shares in the Target Company (except for the case in which the amount of cash and other properties delivered in exchange for acquiring such shares is expected to be less than the amount (JPY 7,521,900,000) equal to 10 % of the carrying value of the net assets recognized in the non-consolidated balance sheet as of the end of the most recent business year of the Target Company), the Tender Offeror may withdraw the Tender Offer considering such circumstances as those falling under the “matters equivalent to the matters set forth in (a) through (r)” set forth in Article 14, Paragraph 1, Item 1 (s) of the Enforcement Order. For the purpose of Article 14, Paragraph 1, Item 3 (j) of the Enforcement Order, the events equivalent to those set forth in (a) through (i) of the said item means (i) a case in which any statutory disclosure document that the Target Company has previously filed turns out to contain false information in respect of any material matters or lacks important information required to be provided in relation to material matters; and (ii) a case in which any of the events set forth in (a) through (g) of the said item occurs with respect to any of the Target Company’s material subsidiaries.

If the Tender Offeror intends to withdraw the Tender Offer, it will give public notice electronically, and then post a notice in The Nikkei that such public notice has been made. If it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in the manner provided for in Article 20 of the TOB Order and then give public notice immediately.

(Note) For your information, if there are no changes in the total number of the issued shares of the Target Company and the number of its treasury shares, the amount of dividend per share is JPY 220 (more specifically,

such amount is calculated by dividing (i) JPY 75,219,000,000, which is the amount equal to 10 % of the net assets (JPY 7,521,900,000) recognized in the non-consolidated balance sheet of the Target Company as of March 31, 2019 stated in the Target Company's Annual Securities Report for the 42nd Business Year by (ii) the number of shares (34,220,300 shares), which is equal to the total number of the issued common shares of the Target Company as of March 31, 2019 stated in the Target Company's Annual Securities Report for the 42nd Business Year (34,220,700 shares) less the number of treasury shares (400 shares) held by the target company as of the said date, with any fraction less than JPY 1 being rounded up.

(iii) Conditions of reduction of the purchase price, details thereof and method of disclosure of the reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company takes any action listed in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Tender Offeror may reduce the purchase price in accordance with the criteria provided for in Article 19, Paragraph 1 of the TOB Order. In the event that the Tender Offeror intends to reduce the purchase price, the Tender Offeror will give public notice electronically, and then post a notice in The Nikkei that such public notice has been made. If it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in the manner provided for in Article 20 of the TOB Order and then give public notice immediately. If the purchase price is reduced, the Tender Offeror will purchase Tendered Shares at such reduced price, even if such shares were tendered prior to the date of such public notice.

(iv) Matters concerning the right of Tendering Shareholders to cancel their agreements

Tendering Shareholders may cancel their agreements concerning the Tender Offer at any time during the Tender Offer Period. Any Tendering Shareholder who wishes to cancel their agreement should deliver or send the "Certificate of Tender Offer Application" which is issued to the Tendering Shareholder by Tender Offer Agent upon acceptance of the application and a "document stating that such Tendering Shareholder cancels the agreement concerning the Tender Offer" (the "Cancellation Notice") to the head office or a branch in Japan of the

person designated below no later than 16:00 of the last day of the Tender Offer Period. The cancellation of an agreement becomes effective when the Cancellation Notice is delivered to or reaches the person designated below. Please note that the Cancellation Notice, if sent by mail, must reach the person designated below no later than 16:00 of the last day of the Tender Offer Period. A copy of the Cancellation Notice is available at the head office of the person designated below. Any Tendering Shareholder who wishes to cancel their agreement should contact the person designated below.

Cancellation of a contract that has been accepted via the internet transaction account shall be made by sending the tender offer application form (<https://bb.hs-sec.co.jp/loginform/>) which you can find the internet transaction screen of the Tender Offer Agent. Follow the procedure shown on the screen in sending the tender offer application form which shall be made by 16:00 on the last day of the Tender Offer Period. Please note that with regard to the cancellation of a contract that has been applied for by a dealer, we do not accept the cancellation by sending the tender offer application form on the internet transaction screen.

Person authorized to receive the Cancellation Notice:

H.S. Securities Co., Ltd. 27F, Sumitomo Fudosan Shinjuku Oak Tower,
8-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo
(and nationwide branches of H.S. Securities Co., Ltd.)

(v) Method of disclosure when changing terms and conditions of purchase

The Tender Offeror may change terms and conditions of purchase during the Tender Offer Period, except where such change is prohibited by Article 27-6, Paragraph 1 of the Act or Article 13 of the Enforcement Order. If the Tender Offeror intends to change terms and conditions of purchase, the Tender Offeror will give public notice electronically of the details of such change and then post a notice in The Nikkei that such public notice has been made. If it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement in the manner provided for in Article 20 of the TOB Order and then give public notice immediately. If terms and

conditions of purchase are changed, the Tender Offeror will purchase Tendered Shares in accordance with the changed terms and conditions, even if such shares were tendered prior to the date of such public notice.

(vi) Method of disclosure if an amended registration statement is filed

If an amendment to the tender offer registration statement is filed with the Director-General of the Kanto Local Finance Bureau, the Tender Offeror will, except for the cases provided for in the proviso to Article 27-8, Paragraph 11 of the Act, immediately make a public announcement of the matters stated in the amended registration statement that are referred to in the public notice of commencement of the tender offer, in the manner provided for in Article 20 of the TOB Order. The Tender Offeror will also immediately amend the tender offer explanatory statement and deliver the amended tender offer explanatory statement to the Tendering Shareholders who have already received the tender offer explanatory statement. If the amendment is minor, the Tender Offeror will prepare a document stating the reasons for the amendment, matters amended and details of the amended information and deliver such document to the Tendering Shareholders.

(vii) Method of disclosure of results of the tender offer

The Tender Offeror will make a public announcement regarding the results of the Tender Offer, in the manner provided for in Article 9-4 of the Enforcement Order and Article 30-2 of the TOB Order, on the day following the last day of the Tender Offer Period.

(10) Date of public notice of commencement of the tender offer
July 11, 2019 (Thursday)

(11) Tender Offer Agent
H.S. Securities Co., Ltd. 27F, Sumitomo Fudosan Shinjuku Oak
Tower,
8-1, Nishi-Shinjuku 6-chome, Shinjuku-ku,
Tokyo

3. Policies, etc. after the tender offer and future prospects

For the policies, etc. after the Tender Offer and future prospects, please see “1.

Purpose of the Tender Offer - (3) Management policy after the Tender Offer” above.

4. Others

(1) Agreements between the Tender Offeror and the Target Company or its officers, and details thereof

Not applicable.

(2) Other information deemed necessary for investors to decide whether to tender their shares

Not applicable.

【No solicitation】

This press release has been prepared for the purpose of informing the public of the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell, or making an offer to purchase, any securities. If shareholders wish to make an offer to sell their shares in the Tender Offer, they should first carefully read the Tender Offer Explanatory Statement for this Tender Offer and offer their shares at their own discretion. This press release is not, and does not constitute a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities. Neither this press release (or a part thereof) nor its distribution shall be interpreted to be the basis of any agreement in relation to the Tender Offer, and this press release may not be relied on at the time of entering into any such agreement.

【Forward-looking statements】

This press release may contain forward-looking expressions such as “anticipated,” “expected,” “intended,” “scheduled,” “it is certain that,” or “assumed,” etc. with respect to the business of the Tender Offeror, the Target Company or other companies or their respective affiliates and the implementation of the Tender Offer. These expressions are based on the current business outlook of the Tender Offeror, the Target Company or other companies or their respective affiliates and other information available to the Tender Offeror as of the date of this press release, which may change depending on future conditions. Neither the Tender Offeror nor its affiliates guarantee that any outlook or forecast expressed or implied by such forward-looking expressions will result in an accurate outcome. Actual results may greatly differ from explicit or implied predictions due to known and unknown risks, uncertainty and other factors. None of the Tender Offeror or other companies or their respective affiliates assumes any obligation to update such forward-looking information to reflect actual performance or other situations, or any future events or changes in conditions.

【Restrictions in other countries】

The publishing, issuance, or distribution of this press release may be restricted by law in certain countries or regions. In such circumstances, please note and comply with any such restrictions. This press release is not, and does not constitute a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities, including any securities concerning this Tender Offer, and is being distributed merely for informational purposes.

【Disclosure standards and possible limitations to litigation】

Although the Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed in the Act, these procedures and standards may differ from the procedures and information disclosure standards in the United States. In particular, Sections 13(e) and 14(d) of the U.S. Securities Exchange Act of 1934 (as amended), and the rules prescribed thereunder, do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. All financial information contained in this press release is based on generally accepted accounting principles in Japan, not the U.S. accounting standards. Therefore, the financial information contained in this press release may not necessarily be comparable to the financial information prepared based on U.S. accounting standards. In addition, it may be difficult to enforce any right or claim arising under U.S. federal securities laws because the Tender Offeror and the Target Company are incorporated outside the United States and their directors may be non-U.S. residents. Shareholders may not be able to sue a company outside the United States and its directors in a non-U.S. court for violations of the U.S. securities laws. Furthermore, there is no guarantee that shareholders will be able to compel a company outside the United States or its subsidiaries and affiliated companies to subject themselves to the jurisdiction of a U.S. court.

【Applicable language to the Tender Offer】

Unless otherwise specified, all procedures relating to the Tender Offer will be conducted entirely in Japanese. While some or all of the documentation relating to the Tender Offer may be prepared in English, if there is any inconsistency between the English documentation and the Japanese documentation, the Japanese documentation will prevail.

【Possible purchase outside the Tender Offer by the financial advisor and its affiliates】

The financial advisor of the Tender Offeror and its affiliates may, in the ordinary course of their trading business, engage in the purchase or any trade leading to the purchase of the common shares of the Target Company for their own account or for their customers' accounts before commencement of, or during the period for purchases, etc. under, the Tender Offer ("Tender Offer Period") in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934 (as amended) and to the extent permitted under Japanese financial instruments transaction-related laws and regulations.