



June 22, 2020

For Immediate Release

Company Name: NICHIIIGAKKAN CO., LTD.
Representative: Nobusuke Mori, Representative Director and President
(Securities Code: 9792, First Section of the Tokyo Stock Exchange)
Inquiries: Mitsuo Kaise, Executive Division Director Corporate Governance Headquarters
Tel: 03-3291-3954

Partial Amendment of “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” [Amendment]

We hereby make an announcement as follows, because certain matters in the “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” released on May 8, 2020 have required partial amendment (such amendments hereinafter the “**Amendments**”).

The Amendments have arisen in conjunction with the extension by K.K. BCJ-44 (“**Tender Offeror**”) of the purchase etc. period of the tender offer for outstanding common shares and Stock Acquisition Rights(*) in the Company, as specified in the “Notice Concerning K.K. BCJ-44’s Amendment to Terms of Tender Offer for Shares etc. of NICHIIIGAKKAN CO., LTD. (Securities Code: 9792)” released today by the Company in accordance with a request by the Tender Offeror under Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act.

The amended areas are indicated by underlining.

(*) “Stock Acquisition Rights” collectively refers to the following stock acquisition rights.

- (1) Share options (ordinary type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 30, 2015 (exercise period from July 25, 2015 to July 24, 2045);
- (2) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 30, 2015 (exercise period from July 25, 2015 to July 24, 2045);
- (3) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 28, 2016 (exercise period from July 26, 2016 to July 25, 2046);
- (4) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 27, 2017 (exercise period from July 25, 2017 to July 24, 2047);
- (5) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 26, 2018 (exercise period from July 24, 2018 to July 23, 2048); and
- (6) Share options (stock compensation type) issued based on a resolution adopted at the meeting of the Board of Directors of the Company held on June 25, 2019 (exercise period from July 23, 2019 to July 22, 2049).

Amendments

3. Substance of and Grounds and Reasons for Opinion Relating to Tender Offer

(2) Grounds and Reasons for Opinion

(i) Overview of the Tender Offer

Pre-Amendment

<preceding text omitted>

If the Tender Offeror is unable to acquire all Shares (including Shares delivered as a result of the exercise of Stock Acquisition Rights but excluding treasury shares held by the Company and Meiwa-Owned Company Shares) and Stock Acquisition Rights through the Tender Offer, as indicated in “(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to So Called Two-Step Acquisition)” below, following establishment of the Tender Offer, the Tender Offeror plans to request that the Company implements procedures (the “Squeeze-Out Procedures”) in order to acquire all Shares (including Shares delivered as a result of the exercise of Stock Acquisition Rights but excluding treasury shares held by the Company and Meiwa-Owned Company Shares) and Stock Acquisition Rights and make the Company into a private company.

Post-Amendment

<preceding text omitted>

If the Tender Offeror is unable to acquire all Shares (including Shares delivered as a result of the exercise of Stock Acquisition Rights but excluding treasury shares held by the Company and Meiwa-Owned Company Shares) and Stock Acquisition Rights through the Tender Offer, as indicated in “(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to So Called Two-Step Acquisition)” below, following establishment of the Tender Offer, the Tender Offeror plans to request that the Company implements procedures (the “Squeeze-Out Procedures”) in order to acquire all Shares (including Shares delivered as a result of the exercise of Stock Acquisition Rights but excluding treasury shares held by the Company and Meiwa-Owned Company Shares) and Stock Acquisition Rights and make the Company into a private company.

Thereafter, in order to provide Company shareholders with an opportunity to make determinations in consideration of the fact that the market price of Shares had moved so as to surpass the Tender Offer Price, the Tender Offeror decided, on June 22, 2020, to extend the Tender Offer Period to July 9, 2020. As of June 22, 2020, the Tender Offeror has not discussed changing the Tender Offer Price or the Stock Acquisition Right Purchase Prices.

(5) Post-Tender Offer Reorganization and Other Policies (Matters Relating to So Called Two-Step Acquisition)

(ii) Consolidation of Shares

Pre-Amendment

If after establishment of the Tender Offer, the aggregate voting rights held by the Tender Offeror and Meiwa (special controlling shareholder wholly-owned subsidiary) is not at least 90% of the voting rights of all Company shareholders, promptly after completion of settlement of the Tender Offer, the Tender Offeror plans to request that the Company convene an extraordinary general shareholders meeting that includes on the agenda proposals to implement consolidation of the Shares (the “Share Consolidation”) pursuant to Article 180 of the Companies Act and partial amendment of the Articles of Incorporation to eliminate provisions concerning the number of shares constituting one unit, conditioned on the Share Consolidation coming into effect (the “Extraordinary General Shareholders Meeting”). The Tender Offeror believes that convening the Extraordinary General Shareholders Meeting at the earliest possible

time would be desirable from the perspective of enhancing the Company's corporate value and plans to make a request to announce designation of the record date such that a day (currently scheduled for mid-July, 2020) shortly after the day of commencement of settlement of the Tender Offer is the record date for the Extraordinary General Shareholders Meeting. In the case where the Company receives such a request from the Tender Offeror, the Company plans to comply with that request. The Tender Offeror and Meiwa plan to vote for the proposals described above at the Extraordinary General Shareholders Meeting.

<subsequent text omitted>

Post-Amendment

If after establishment of the Tender Offer, the aggregate voting rights held by the Tender Offeror and Meiwa (special controlling shareholder wholly-owned subsidiary) is not at least 90% of the voting rights of all Company shareholders, promptly after completion of settlement of the Tender Offer, the Tender Offeror plans to request that the Company convene an extraordinary general shareholders meeting that includes on the agenda proposals to implement consolidation of the Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act and partial amendment of the Articles of Incorporation to eliminate provisions concerning the number of shares constituting one unit, conditioned on the Share Consolidation coming into effect (the "Extraordinary General Shareholders Meeting"). The Tender Offeror believes that convening the Extraordinary General Shareholders Meeting at the earliest possible time would be desirable from the perspective of enhancing the Company's corporate value and plans to make a request to announce designation of the record date such that a day (currently scheduled for late-July, 2020) shortly after the day of commencement of settlement of the Tender Offer is the record date for the Extraordinary General Shareholders Meeting. In the case where the Company receives such a request from the Tender Offeror, the Company plans to comply with that request. The Tender Offeror and Meiwa plan to vote for the proposals described above at the Extraordinary General Shareholders Meeting.

<subsequent text omitted>

- (6) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Tender Offer
- (v) Securing Objective Conditions for Ensuring the Fairness of the Tender Offer

Pre-Amendment

Tender Offeror has not executed with the Company any agreement including a deal protection provision prohibiting contact by the Company with any Counterbidder regarding the Company Shares or any other agreement restricting contact by a Counterbidder with the Company. Further, Tender Offeror has set as the purchase etc. period ("Tender Offer Period") involved in the Tender Offer a period of 31 business days, which is longer than the statutory minimum of 20 business days. By setting a comparatively long period as the Tender Offer Period, Tender Offeror intends to ensure an appropriate Tender Offer Price by securing for the Company's shareholders and the Stock Acquisition Right Holders an appropriate opportunity for decision-making regarding tendering shares in the Tender Offer and securing an opportunity for persons other than Tender Offeror to make counteroffer etc. for the Company Shares.

<subsequent text omitted>

Post-Amendment

Tender Offeror has not executed with the Company any agreement including a deal protection provision prohibiting contact by the Company with any Counterbidder regarding the Company Shares or any other agreement restricting contact by a Counterbidder with the Company. Further, Tender Offeror has set as the purchase etc. period ("Tender Offer Period") involved in the Tender Offer a period of 44 business days, which is longer than the statutory minimum

of 20 business days. By setting a comparatively long period as the Tender Offer Period, Tender Offeror intends to ensure an appropriate Tender Offer Price by securing for the Company's shareholders and the Stock Acquisition Right Holders an appropriate opportunity for decision-making regarding tendering shares in the Tender Offer and securing an opportunity for persons other than Tender Offeror to make counteroffer etc. for the Company Shares.

<subsequent text omitted>

End

Reference: "Notice regarding Amendment to Terms of Tender Offer of Shares, Etc. of Nichiigakkan Co., Ltd. (Securities Code: 9792)" dated June 22, 2020 (attachment)

June 22, 2020

To whom it may concern

Company K.K. BCJ-44
Representative Yuji Sugimoto, Representative Director

**Notice regarding Amendment to Terms of Tender Offer of Shares, Etc. of
Nichiigakkan Co., Ltd. (Securities Code: 9792)**

K.K. BCJ-44 (the “**Offeror**”) hereby announces to amend the content of “Notice Regarding Commencement of a Tender Offer of Shares, Etc. of Nichiigakkan Co., Ltd. (Securities Code: 9792)” as follows, as today the Offeror has decided to extend the last day of the purchase period (the “**Purchase Period**”) of the tender offer (the “**Tender Offer**”) of the common shares (the “**Target Shares**”) which are listed on the First Section of the Tokyo Stock Exchange Inc., and the stock acquisition rights, of Nichiigakkan Co., Ltd. (the “**Target**”), which the Offeror commenced on May 11, 2020. The amendments are underlined.

1. Details of the Tender Offer

(3) Purchase Period

(Before Amendment)

From May 11, 2020 (Monday) to June 22, 2020 (Monday) (31 business days)

(After Amendment)

From May 11, 2020 (Monday) to July 9, 2020 (Thursday) (44 business days)

(7) Commencement Date of the Settlement

(Before Amendment)

June 29, 2020 (Monday)

(After Amendment)

July 16, 2020 (Thursday)

2. Overview of the Tender Offer

(Before Amendment)

[Omitted]

Further, according to the “Notice Regarding Implementation of the MBO and Recommendation of the Tender Offer” announced by the Target on May 8, 2020 (the “**Target Press Release**”), the Target expressed an opinion approving the Offeror and passed a resolution recommending all of the shareholders of the Target and all of the owners of the Stock Acquisition Rights (the “**Stock Acquisition Right Holders**”) to tender their shares and stock acquisition rights in the Tender Offer at the meeting of its board of directors held on May 8, 2020. For details, see the Target Press Release.

(After Amendment)

[Omitted]

Further, according to the “Notice Regarding Implementation of the MBO and Recommendation of the Tender Offer” announced by the Target on May 8, 2020 (the “**Target Press Release**”), the Target expressed an opinion approving the Offeror and passed a resolution recommending all of the shareholders of the Target and all of the owners of the Stock Acquisition Rights (the “**Stock Acquisition Right Holders**”) to tender their shares and stock acquisition rights in the Tender Offer at the meeting of its board of directors held on May 8, 2020. For details, see the Target Press Release.

Thereafter, on June 22, 2020, the Offeror decided to extend the last day of the purchase period to July 9, 2020 in order to provide with the shareholders of the Target an opportunity for decision-making, considering the fact that the market price of the shares of the Target kept moving above the Tender Offer Price. As of the date of this Amendment, the Offeror doesn’t consider changing the Tender Offer Price or the Stock Acquisition Rights Purchase Prices.

4. Policy of Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)

(ii) Consolidation of Shares

(Before Amendment)

If the total number of voting rights owned by the Offeror and Meiwa (wholly-owned subsidiary corporation of a special controlling shareholder) after the completion of the Tender Offer is less than 90% of the voting rights of all shareholders of the Target, the Offeror will, promptly after the completion of the settlement of the Tender Offer and under the provisions of Article 180 of the Companies Act, make a request to the Target to hold an extraordinary shareholders meeting (the “**Extraordinary Shareholders Meeting**”) and to propose as agenda items at the Extraordinary Shareholders Meeting a consolidation of the Target Shares (the “**Share Consolidation**”) and a partial amendment to its Articles of Incorporation to abolish the provision on share units on the condition of the Share Consolidation taking effect.

The Offeror believes it would be preferable for the Extraordinary Shareholders Meeting to be held as soon as possible from the perspective of enhancement of the corporate value of the Target, so the Offeror will make a request to the Target to make an Announcement of Establishment of a Record Date so that the date promptly following the commencement date of the settlement of the Tender Offer (as of today, mid-July, 2020) will be the record date of the Extraordinary Shareholders Meeting. According to the Target Press Release, if the Target receives such a request from the Offeror, it will comply with that request. It is also expected that the Offeror and Meiwa will approve each of the above proposals at the Extraordinary Shareholders Meeting.

[Omitted]

(After Amendment)

If the total number of voting rights owned by the Offeror and Meiwa (wholly-owned subsidiary corporation of a special controlling shareholder) after the completion of the Tender Offer is less than 90% of the voting rights of all shareholders of the Target, the Offeror will, promptly after the completion of the settlement of the Tender Offer and under the provisions of Article 180 of the Companies Act, make a request to the Target to hold an extraordinary shareholders meeting (the “**Extraordinary Shareholders Meeting**”) and to propose as agenda items at the Extraordinary Shareholders Meeting a consolidation of the Target Shares (the “**Share Consolidation**”) and a partial amendment to its Articles of Incorporation to abolish the provision on share units on the condition of the Share Consolidation taking effect.

The Offeror believes it would be preferable for the Extraordinary Shareholders Meeting to be held as soon as possible from the perspective of enhancement of the corporate value of the Target, so the Offeror will make a request to the Target to make an Announcement of Establishment of a Record Date so that the date promptly following the commencement date of the settlement of the Tender Offer (as of today, late-July, 2020) will be the record date of the Extraordinary Shareholders Meeting. According to the Target Press Release, if the Target receives such a request from the Offeror, it will comply with that request. It is also expected that the Offeror and Meiwa will approve each of the above proposals at the Extraordinary Shareholders Meeting.

[Omitted]

-End-

Restrictions on Solicitation

This press release is intended for the announcement of the Tender Offer to the general public and is not intended to solicit sales of shares. If any shareholder desires to sell his or her shares, the shareholder should review the Tender Offer explanatory statement and accept the Tender Offer in his or her own discretion. This press release is not considered as an offer or solicitation of sales of securities or as a solicitation of a purchase offer, and does not constitute any such part. This press release (or any part thereof) or the fact of its distribution does not provide a basis of any kind of agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

Forward Looking Statements

This press release contains “forward looking statements” as defined in Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934. Due to known or unknown risks, uncertainties, or other factors, it is possible that actual results may differ materially from the projections expressly or implicitly indicated by such “forward looking statements”. Neither the Tender Offeror nor its affiliates guarantee that the projections expressly or implicitly indicated by such “forward looking statements” will be correct. The “forward looking statements” in this press release were prepared based on information available to the Tender Offeror as of the date of this press release, and neither the Tender Offeror nor its affiliates undertake any obligation to update or modify such statements to reflect events or circumstance that may arise after this release.