

November 13, 2020

To All Concerned

Company Name	Shimachu Co., Ltd
Representative	Takaaki Okano, President and Representative Director (Code: 8184; First Section of the Tokyo Stock Exchange)
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**Announcement of Amended Opinion Regarding Tender Offer for the
Company's Shares by DCM Holdings Co., Ltd.**

The following is a partial amendment of the “Announcement of Opinion Regarding Tender Offer for the Company's Shares by DCM Holdings Co., Ltd., and Execution of Management Integration Agreement with Shimachu Co., Ltd.” issued by the Company on October 2, 2020.

Shimachu Co., Ltd. (the “Company”) announced on October 2, 2020 that it had agreed to enter into a management integration (the “Management Integration”) with DCM Holdings Co., Ltd. (the “Tender Offeror”), and resolved at the meeting of its Board of Directors held on that day, to execute a Management Integration Agreement regarding the Management Integration (the “Management Integration Agreement”), as well as to express an opinion in support of a tender offer (the “Tender Offer”) for the common shares of the Company (the “Shares”) by the Tender Offeror as part of the Management Integration and to recommend the Company's shareholders to tender in the Tender Offer, as set forth below.

Subsequently, Nitori Holdings Co., Ltd. (“Nitori”) issued its “Notice Concerning Planned Commencement of Tender Offer for Shares Certificates of Shimachu Co., Ltd. (Securities Code: 8184)” on October 29, 2020, and the Company received a “Letter of Intent on Management Integration” from Nitori on the same date; after that, the Company examined the content of Nitori's disclosure and the documents received and consulted with the Tender Offeror and Nitori, and the board of directors and the Special Committee carefully considered the offer from the perspective of the Company's corporate value and the common interest of the shareholders.

As a result, as announced in “Announcement of Opinion Regarding Tender Offer for the Company's Shares by Nitori Holdings Co., Ltd., and Execution of Management Integration Agreement with Nitori Holdings Co., Ltd.” issued today, the Company resolved at its board of directors meeting held today, based on the content of the Special Committee's report, to express its

opinion to support Nitori's tender offer for the Shares (the "Tender Offer (Nitori)") and to recommend its shareholders to tender their shares in the Tender Offer (Nitori), and to execute a management integration agreement with Nitori.

With respect to the Tender Offer, having carefully considered at length, given the launch of the Tender Offer (Nitori), and based on the content of the Special Committee's report, the Company resolved at its board of directors meeting held today to withdraw its opinion in favor of the Tender Offer and its recommendation that its shareholders tender their shares in the Tender Offer, and to withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer.

As a result, the "Announcement of Opinion Regarding Tender Offer for the Company's Shares by DCM Holdings Co., Ltd., and Execution of Management Integration Agreement with Shimachu Co., Ltd." dated October 2, 2020 is hereby amended as follows. Changes are indicated by underlined text.

I. Position Statement for Tender Offer

3. Contents, Basis of and Reason for Opinions on Tender Offer, Etc.

(1) Contents of Opinions on Tender Offer

Original text:

The Company resolved at a meeting of the Board of Directors held today to express its support for the Tender Offer and to recommend the Company's shareholders to tender in the Tender Offer, based on the ground and reason set out in "(2) Basis and Reason for Opinions on Tender Offer" below.

Please note that the above-mentioned resolutions of the Board of Directors were made in such manner as is set out in "(V) Approval of All Directors" of "(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer" below.

Amended text:

The Company resolved at a meeting of the Board of Directors held today to express its support for the Tender Offer and to recommend the Company's shareholders to tender in the Tender Offer, based on the ground and reason set out in "(2) Basis and Reason for Opinions on Tender Offer" below.

Subsequently, the Company resolved at a meeting of the Board of Directors held on November 13, 2020 to withdraw its opinion in favor of the Tender Offer and its recommendation that its

shareholders tender their shares in the Tender Offer, and to withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer, based on the ground and reason set out in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” below.

Please note that the above-mentioned resolutions of the Board of Directors were made in such manner as is set out in “(V) Approval of All Directors” of “(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” below.

(2) Basis and Reason for Opinions on Tender Offer

Original text:

- (II) Background, purpose and decision-making that led to the decision to conduct the Tender Offer

(Text omitted)

As set forth in “(I) Overview of Tender Offer” above, based on the result of the preliminary calculation which pointed out the possibility that in terms of shareholding ratio, approximately 25% of the Shares may be held by Japanese and overseas passive investment funds, in mid-August, 2020 the Tender Offeror notified the Company that it is considering, as one option, of setting the minimum number of shares to be purchased by the Tender Offer to be 19,477,700 shares (shareholding ratio: 50.00%) even though the purpose of the Tender Offer was to make the Company a wholly-owned subsidiary of the Tender Offeror, and in mid-September, formally proposed setting the minimum number of shares to be purchased by the Tender Offer to be 19,477,700 shares (shareholding ratio:50.00%). After receiving such proposal, as described in “(ii) Background of Consideration and Negotiation” of “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” below, the Company examined the reasonableness of the minimum number of shares to be purchased by the Tender Offer, and based upon such examination, consented the minimum number of shares to be purchased by the Tender Offer to be set at 19,477,700 shares (shareholding ratio:50.00%). Please note that nothing has been decided by the Company regarding the additional acquisition of the Shares by the Tender Offeror in the event that the agenda on the Share Consolidation is not approved at the Extraordinary Shareholder’s Meeting and the Shares continue to be listed on the First Section of the Tokyo Stock Exchange.

(Text omitted)

(IV) Decision-making Process Leading to the Company's Decision to Support Tender Offer and Reason Therefor

(Text omitted)

Please see “(V) Approval of All the Directors of the Company” of “(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” for details of the decision-making process of the board of directors.

Amended text:

(II) Background, purpose and decision-making that led to the decision to conduct the Tender Offer

(Text omitted)

As set forth in “(I) Overview of Tender Offer” above, based on the result of the preliminary calculation which pointed out the possibility that in terms of shareholding ratio, approximately 25% of the Shares may be held by Japanese and overseas passive investment funds, in mid-August, 2020 the Tender Offeror notified the Company that it is considering, as one option, of setting the minimum number of shares to be purchased by the Tender Offer to be 19,477,700 shares (shareholding ratio: 50.00%) even though the purpose of the Tender Offer was to make the Company a wholly-owned subsidiary of the Tender Offeror, and in mid-September, formally proposed setting the minimum number of shares to be purchased by the Tender Offer to be 19,477,700 shares (shareholding ratio:50.00%). After receiving such proposal, as described in “(ii) Background of Consideration and Negotiation” of “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” below, the Company examined the reasonableness of the minimum number of shares to be purchased by the Tender Offer, and based upon such examination, consented the minimum number of shares to be purchased by the Tender Offer to be set at 19,477,700 shares (shareholding ratio:50.00%). Please note that nothing has been decided by the Company regarding the additional acquisition of the Shares by the Tender Offeror in the event that the agenda on the Share Consolidation is not approved at the Extraordinary Shareholder's Meeting and the Shares continue to be listed on the First Section of the Tokyo Stock Exchange.

(Text omitted)

(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor

(Text omitted)

Please see “(V) Approval of All the Directors of the Company” of “(6) Measures to Ensure

Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” for details of the decision-making process of the board of directors.

(iv) Change of Opinion in Connection with the Transactions (Nitori)

Subsequently, Nitori issued an announcement of its intention to conduct the Tender Offer (Nitori) on October 29, 2020, and the Company received a written proposal for the Tender Offer (Nitori) from Nitori on the same date, and so the Company re-examined whether it was necessary to change the opinion of the board of directors with respect to the Transactions, from the perspective of the Company’s corporate value and the common interest of shareholders.

The Company and the Special Committee met with Nitori on November 1, November 4, and November 9, 2020 to discuss and negotiate the transactions for the purpose of making the Company its wholly-owned subsidiary through the Tender Offer and after a series of the procedures to be taken thereafter (the “Transactions (Nitori)”), and carefully considered the price and other terms of the Tender Offer (Nitori), the synergies arising from the Transactions (Nitori), and the business alliance with Nitori and other management policies after the Tender Offer (please see “Announcement of Opinion Regarding Tender Offer for the Company’s Shares by Nitori Holdings Co., Ltd., and Execution of Management Integration Agreement with Nitori Holdings Co., Ltd.” issued on November 13, 2020 with respect to those discussions and negotiations and the background to those considerations).

On the other hand, given that the Tender Offer Price is significantly lower than the tender offer price in the Tender Offer (Nitori) of JPY5,500 yen per share, the Company and the Special Committee also confirmed with the Tender Offeror, on November 9, 2020, whether it planned to change the Tender Offer Price to at least JPY5,500 per share in line with the tender offer price in the Tender Offer (Nitori), and if so, what the specific new price would be, but the Tender Offeror did not indicate any plan to change the price or specific new price as of November 12, 2020.

On November 13, the Company received a report (the “Findings Report (2)”) from the Special Committee including the statements that the content of the Findings Report had changed, and the board of directors of the Company should change and withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer, and that the decision on the Tender Offer made by the board of directors of the Company (i.e., to change and withhold its opinion on the Tender Offer as stated above) is not detrimental to the general shareholders (meaning “minority shareholders” under Rule 441-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, and Rule 436-3 of the Enforcement Rules for those Regulations; the same applies hereinafter) of the Company (for more details of the Findings Report (2), please refer to “(I) Establishment of Independent Special Committee by

Company” of “(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” below).

Under the process described above, taking into account the legal advice received from Mori Hamada & Matsumoto and the advice from a financial perspective received from Nomura Securities, and in utmost respect of the judgment of the Special Committee presented in the Findings Report (2), the meeting of the board of directors of the Company held on November 13, 2020 carefully discussed and deliberated whether it was necessary to change the opinion of the board of directors with respect to the Tender Offer, and resolved to withdraw its opinion in favor of the Tender Offer and its recommendation that its shareholders tender their shares in the Tender Offer, and to withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer in light of the fact that the Transactions (Nitori) are more advantageous than the Transactions from the perspective of the interests of general shareholders because the Tender Offer Price is significantly lower than the tender offer price in the Tender Offer (Nitori) (JPY5,500 yen per share) and DCM did not indicate any plan to change the price to at least JPY5,500 yen per share or specific new price as of November 12, 2020, that in the medium- to long-term, the Transactions (Nitori) present greater opportunities for the Company’s development and have a higher likelihood of increasing the Company’s corporate value than the Transactions, and that the Tender Offer and the Tender Offer (Nitori) are mutually exclusive.

(3) Matters Concerning Valuation

(II) Share Valuation Report and Fairness Opinion Obtained by Special Committee from Independent Third-Party Valuation Organization

Original text:

(Preceding text omitted)

Please note that as set out in “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, on October 2, 2020, the board of directors of the Company obtained the Share Valuation Report (Plutus) and the Fairness Opinion at the time when it received the Findings Report from the Special Committee, and made a resolution mentioned in “(V) Approval of All Directors” of “(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” below, taking into account the contents thereof.

(Subsequent text omitted.)

Amended text:

(Preceding text omitted)

Please note that as set out in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, on October 2, 2020, the board of directors of the Company obtained the Share Valuation Report (Plutus) and the Fairness Opinion at the time when it received the Findings Report from the Special Committee, and made a resolution mentioned in “(V) Approval of All Directors” of “(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer” below, taking into account the contents thereof.

(Subsequent text omitted.)

(4) Prospect of and Reasons for Delisting

Original text:

The shares of the Company are listed on the First Section of the Tokyo Stock Exchange as of today. However, as the Tender Offeror has not set a maximum limit on the number of shares to be purchased in the Tender Offer, Shares may be delisted through prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange, depending on the results of the Tender Offer. Further, in the case where the Tender Offer is successfully completed, the Shares will be delisted through prescribed procedures in accordance with the delisting criteria even if the delisting criteria are not met at the time of the completion of the Tender Offer, because the Tender Offeror intends to hold all of the Shares (excluding treasury shares held by the Company) thereafter in accordance with the procedures set forth in applicable laws and regulations and as set out in “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Regarding the So-called ‘Two-Step Acquisition’)” below. After delisting, Shares may no longer be traded on the First Section of the Tokyo Stock Exchange. The reasons for the purpose of delisting and the impact on minority shareholders and the Company's stance on these matters are described in “(iii) Content of Decisions” of “(IV) Decision-making Process Leading to the Company's Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

(Subsequent text omitted.)

Amended text:

The shares of the Company are listed on the First Section of the Tokyo Stock Exchange as of

today. However, as the Tender Offeror has not set a maximum limit on the number of shares to be purchased in the Tender Offer, Shares may be delisted through prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange, depending on the results of the Tender Offer. Further, in the case where the Tender Offer is successfully completed, the Shares will be delisted through prescribed procedures in accordance with the delisting criteria even if the delisting criteria are not met at the time of the completion of the Tender Offer, because the Tender Offeror intends to hold all of the Shares (excluding treasury shares held by the Company) thereafter in accordance with the procedures set forth in applicable laws and regulations and as set out in “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Regarding the So-called ‘Two-Step Acquisition’)” below. After delisting, Shares may no longer be traded on the First Section of the Tokyo Stock Exchange. The reasons for the purpose of delisting and the impact on minority shareholders and the Company's stance on these matters are described in “(iii) Content of Decisions” of “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

(Subsequent text omitted.)

- (5) Policy for organizational restructuring, etc. after the Tender Offer (matters relating to two-step acquisition)

Original text:

(Preceding text omitted)

Please note that if the Tender Offeror makes a Demand of Sale of Shares, the Company intends to approve such Demand of Sale of Shares at the meeting of its board of directors. It is provided in the Companies Act that in the case where a Demand for Sale of Shares is made, the Shareholders Subject to Sale of Shares may file a petition with the court for a determination of the sale price for their Shares in accordance with Article 179-8 of the Companies Act and other applicable laws and regulations. Please note that if said petition is filed, the sale price of the Shares will be finally determined by the court.

(Subsequent text omitted.)

Amended text:

(Preceding text omitted)

Please note that the Company is still considering how it will respond if the Tender Offeror makes a Demand of Sale of Shares. It is provided in the Companies Act that in the case where a Demand

for Sale of Shares is made, the Shareholders Subject to Sale of Shares may file a petition with the court for a determination of the sale price for their Shares in accordance with Article 179-8 of the Companies Act and other applicable laws and regulations. Please note that if said petition is filed, the sale price of the Shares will be finally determined by the court.

(Subsequent text omitted.)

(6) Measures to Ensure Fairness of Tender Offer Price, Etc., Measures, Etc. to Avoid Conflict of Interest, and Measures to Ensure Fairness of Tender Offer

(I) Establishment of Independent Special Committee by the Company

Original text:

(i) Background to Establishment, Etc.

As set out in “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, the Company established a Special Committee by a resolution adopted at the meeting of its board of directors held on June 22, 2020.

(Text omitted)

After that, as set out in “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, the Company established a Special Committee by a resolution adopted at the meeting of its board of directors held on June 22, 2020, and consulted with the Special Committee on the Consulted Matters.

(Subsequent text omitted.)

Amended text:

(i) Background to Establishment, Etc.

As set out in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, the Company established a Special Committee by a resolution adopted at the meeting of its board of directors held on June 22, 2020.

(Text omitted)

After that, as set out in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above,

the Company established a Special Committee by a resolution adopted at the meeting of its board of directors held on June 22, 2020, and consulted with the Special Committee on the Consulted Matters.

(Text omitted)

(iv) Change of Determinations in Connection with the Transactions (Nitori)

In light of Nitori issuing an announcement of its intention to conduct the Tender Offer (Nitori) and the Company receiving a written proposal for the Tender Offer (Nitori) from Nitori as stated in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above, the Special Committee deliberated whether it was necessary to amend the content of the Findings Report.

First, the Special Committee received immediate reports on the discussions and negotiations between the management of the Company and Nitori since their receipt of the written proposal from Nitori on October 29, 2020, and conducted deliberations and considerations on such reports based on the advice from Nomura Securities as to the policy to be taken, the negotiation policy with the Tender Offeror, etc. and the legal advice received from Mori Hamada & Matsumoto. In addition, the Special Committee met with Nitori on November 4 and November 9, 2020 to negotiate the possibility of increasing the tender offer price in the Tender Offer (Nitori) and directly question Nitori about necessary matters, and discussed and negotiated the Tender Offer (Nitori) with Nitori.

The Special Committee then submitted the Findings Report (2) with respect to the Tender Offer (Nitori), the contents of which are outlined below, to the board of directors of the Company on November 13, 2020, with unanimous approval from all members, based on the advice received from Plutus from a financial standpoint and the legal advice received from Mori Hamada & Matsumoto.

- i) We consider that the board of directors of the Company should resolve to support the Tender Offer (Nitori) and to recommend its shareholders to tender their shares in the Tender Offer (Nitori).
- ii) We consider that the decisions on the Transactions (Nitori), including the Tender Offer (Nitori), made by the board of directors of the Company (i.e., (i) decisions to express an opinion to support the Tender Offer (Nitori) and to recommend the shareholders of the Company to tender their shares in the Tender Offer (Nitori); and (ii) decisions concerning the procedures for making the Company a wholly owned subsidiary by means of demand for sale of shares, consolidation of shares, etc. to be made after the Tender Offer (Nitori), as part of the Transactions (Nitori)) are not detrimental to the general shareholders of the Company.

For the reasons for the above findings and other details regarding the Tender Offer (Nitori), please see “Announcement of Opinion Regarding Tender Offer for the Company’s Shares by Nitori Holdings Co., Ltd., and Execution of Management Integration Agreement with Nitori Holdings Co., Ltd.” issued on November 13, 2020.

On the other hand, in addition to conducting comparative deliberations of the Tender Offer as part of the process of examining the Tender Offer (Nitori), the Special Committee asked the Tender Offeror whether it planned to change the Tender Offer Price to at least JPY5,500 per share in line with the tender offer price in the Tender Offer (Nitori) (and, if so, what the specific new price would be), but the Tender Offeror did not indicate any plan to change the Tender Offer Price or specific new price as of November 12, 2020.

In light of those facts, the Special Committee submitted the Findings Report (2) containing its opinions to the effect that (i) the Transactions (Nitori) will contribute to the enhancement of the Company's corporate value and from the perspective of promoting the interests of the general shareholders of the Company, fair procedures have been implemented in the Transactions (Nitori) and the terms of the Transactions (Nitori) are appropriate; (ii) from the perspective of increasing corporate value, the Transactions (Nitori) and the Transactions are both expected to produce synergy effects that increase corporate value, but in the medium- to long-term, the Transactions (Nitori) present greater opportunities for the Company’s development and have a higher likelihood of increasing the Company’s corporate value; and (iii) from the perspective of the interests of the general shareholders, the Tender Offer Price is JPY4,200 per share, significantly lower than the tender offer price in the Tender Offer (Nitori) (JPY5,500 per share), and the Tender Offeror has not indicated any plan to increase the Tender Offer Price to at least JPY5,500 per share in line with the tender offer price in the Tender Offer (Nitori) or specific new price, so the Transactions (Nitori) are more advantageous than the Transactions; and therefore, (a) the board of directors of the Company should change and withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer, and (b) the decision by the board of directors of the Company to change and withhold its opinion on the Tender Offer is not detrimental to the general shareholders of the Company.

(V) Approval of All Directors

Original text:

The board of directors of the Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to the increase of corporate value of the Company, and whether the terms and conditions of the Transactions, including the Tender Offer Price, are reasonable, based on the legal advice received from Mori Hamada & Matsumoto and the

advice from a financial standpoint and the Share Valuation Report (Nomura) received from Nomura Securities, and the Share Valuation Report (Plutus) and the Fairness Opinion obtained through the Special Committee, and with maximum respect for the contents of the determinations by the Special Committee stated in the Findings Report, as described in “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

As a result, the Company determined that (i) the Transactions, including the Tender Offer, would contribute to the increase of corporate value of the Company; and (ii) the terms and conditions of the Transactions, including the Tender Offer Price, are reasonable so as to secure the interests to which the general shareholders of the Company are entitled and therefore, the Tender Offer would provide the general shareholder of the Company with a reasonable opportunity to sell Shares held by them at a price with an appropriate premium, and at the meeting of its board of directors held today, resolved to express its opinion to support the Tender Offer and to recommend its shareholders to tender their shares in the Tender Offer, with unanimous approval from all of the Directors of the Company, as described in “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

Please note that none of the directors of the Company are concurrently serving as officers or employees of the Tender Offeror Group, nor are from the Tender Offeror Group, and there is no conflict of interest between them and the Company. Moreover, in the Management Integration Agreement, it is provided that the Company may nominate two (2) directors of the Tender Offeror after the settlement for the Tender Offer; however, such candidates have not yet been determined.

Amended text:

The board of directors of the Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to the increase of corporate value of the Company, and whether the terms and conditions of the Transactions, including the Tender Offer Price, are reasonable, based on the legal advice received from Mori Hamada & Matsumoto and the advice from a financial standpoint and the Share Valuation Report (Nomura) received from Nomura Securities, and the Share Valuation Report (Plutus) and the Fairness Opinion obtained through the Special Committee, and with maximum respect for the contents of the determinations by the Special Committee stated in the Findings Report, as described in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

As a result, the Company determined that (i) the Transactions, including the Tender Offer, would contribute to the increase of corporate value of the Company; and (ii) the terms and conditions of

the Transactions, including the Tender Offer Price, are reasonable so as to secure the interests to which the general shareholders of the Company are entitled and therefore, the Tender Offer would provide the general shareholder of the Company with a reasonable opportunity to sell Shares held by them at a price with an appropriate premium, and at the meeting of its board of directors held today, resolved to express its opinion to support the Tender Offer and to recommend its shareholders to tender their shares in the Tender Offer, with unanimous approval from all of the Directors of the Company, as described in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” above.

Please note that none of the directors of the Company are concurrently serving as officers or employees of the Tender Offeror Group, nor are from the Tender Offeror Group, and there is no conflict of interest between them and the Company. Moreover, in the Management Integration Agreement, it is provided that the Company may nominate two (2) directors of the Tender Offeror after the settlement for the Tender Offer; however, such candidates have not yet been determined.

Subsequently, the Company resolved at a meeting of the Board of Directors held on November 13, 2020 to withdraw its opinion in favor of the Tender Offer and its recommendation that its shareholders tender their shares in the Tender Offer, and to withhold its opinion in favor of or against the Tender Offer and its recommendation that its shareholders tender or not tender their shares in the Tender Offer, with unanimous approval from all of the Directors of the Company, as stated in “(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer” below.

9. Future Outlook

Original text:

Please refer to “(II) Background, Purpose and Decision-making Process Leading to Tender Offeror’s Decision to Conduct Tender Offer”, “(III) Management Policy after Tender Offer” and “(IV) Decision-making Process Leading to the Company’s Decision to Support Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer”, “(4) Prospect of and Reasons for Delisting”, and “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Regarding the So-called ‘Two-Step Acquisition’)” above.

Amended text:

Please refer to “(II) Background, Purpose and Decision-making Process Leading to Tender Offeror’s Decision to Conduct Tender Offer”, “(III) Management Policy after Tender Offer” and

“(IV) Decision-making Process of the Company With Respect to the Tender Offer and Reason Therefor” of “(2) Basis and Reason for Opinions on Tender Offer”, “(4) Prospect of and Reasons for Delisting”, and “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Regarding the So-called ‘Two-Step Acquisition’)” above.

II. Execution of Management Integration Agreement

2. Contents, Etc. of Management Integration Agreement

Original text:

The Management Integration will be implemented through the Transactions including the Tender Offer. As for the contents of the Management Integration Agreement and the management policies, etc. of the Tender Offeror and the Company after the Management Integration, please refer to “(III) Management Policies after Tender Offer” of “(2) Basis and Reason for Opinions on Tender Offer” of “3.Contents, Basis of and Reason for Opinions on Tender Offer, Etc.” of “I. Position Statement for Tender Offer”, as well as “4.Matters Related to Important Agreements Concerning Application by the Company’s Shareholders to Tender Offer, Etc.” above.

Amended text:

The Management Integration will be implemented through the Transactions including the Tender Offer. As for the contents of the Management Integration Agreement and the management policies, etc. of the Tender Offeror and the Company after the Management Integration, please refer to “(III) Management Policies after Tender Offer” of “(2) Basis and Reason for Opinions on Tender Offer” of “3.Contents, Basis of and Reason for Opinions on Tender Offer, Etc.” of “I. Position Statement for Tender Offer”, as well as “4.Matters Related to Important Agreements Concerning Application by the Company’s Shareholders to Tender Offer, Etc.” above.

Please note that if the Tender Offer is withdrawn pursuant to the Financial Instruments and Exchange Act and other applicable laws and ordinances, or if the total number of Tendered Share Certificates, etc. in the Tender Offer does not meet the minimum number of shares to be purchased, the Management Integration Agreement will automatically be terminated.

End