

February 18, 2021

For Immediate Release

Company Name: TOKYO DOME CORPORATION
Representative: Tsutomu Nagaoka, President and COO
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**Notice Concerning Holding of an Extraordinary General Meeting of Shareholders
Concerning Share Consolidation, Abolition of Provisions Concerning Share Unit
Number, and Partial Amendments to the Articles of Incorporation**

TOKYO DOME CORPORATION (Headquarters: Bunkyo-ku, Tokyo; President and COO: Tsutomu Nagaoka; the “Company”) announced in the “Notice Concerning Decision regarding Record Date for Voting Rights in an Extraordinary General Meeting of Shareholders” dated January 20, 2021 disclosed by the Company that it planned to hold an extraordinary general meeting of shareholders in late March 2021 (the “EGM”) with the record date of February 10, 2021.

With regard to the EGM, the Company hereby announces that it has resolved at its board of directors meeting held today (the “Board of Directors Meeting”) to call the EGM and to submit at the EGM a proposal concerning share consolidation and a proposal concerning the abolition of provisions concerning share unit number and partial amendments to the articles of incorporation, as below.

The Company’s common stock (the “Company Stock”) will fall within the delisting criteria of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) through the process of the above procedures. Consequently, the Company Stock will be delisted on April 23, 2021 after being designated as a stock to be delisted from March 23, 2021 to April 22, 2021. Please note that the Company Stock will no longer be traded on the Tokyo Stock Exchange after the delisting.

I. Date, Time, and Venue to Hold the EGM

1. Date and Time: Tuesday, March 23, 2021 at 10:00 a.m. Japan time
2. Venue: Cynthia Banquet Room on the first basement level of TOKYO DOME HOTEL located at 1-3-61, Koraku, Bunkyo-ku, Tokyo, Japan

II. Proposed Agenda of the EGM

Proposals to be resolved:

Proposed Agenda No. 1: Share Consolidation

Proposed Agenda No. 2: Partial Amendments to the Articles of Incorporation

III. Share Consolidation

1. Purpose of and Reasons for Share Consolidation

As announced in the “” dated January 19, 2021 disclosed by the Company, Mitsui Fudosan Co., Ltd. (the “Tender ONotice of the Results of the Tender Offer for the Company Stock by Mitsui Fudosan Co., Ltd. and Changes in the Parent Company and the Largest Shareholder That Is One of the Major Shareholdersfferor”) conducted a tender offer for the Company Stock

(the “Tender Offer”) with a tender offer period of November 30, 2020 to January 18, 2021 (the “Tender Offer Period”), as part of the acquisition of all of the Company Stock (excluding the treasury shares owned by the Company) through a tender offer for the purpose of making the Company a wholly-owned subsidiary of the Tender Offeror (together with a series of procedures to make the Tender Offeror the sole shareholder of the Company (the “Procedures for Making the Company A Wholly-Owned Subsidiary”) as stated in “(5) Policy for Organizational Restructuring, Etc. After the Tender Offer (Matters Relating to So-Called “Two-Step Acquisition”)” of the “Notice Concerning Expressing an Opinion to Support the Tender Offer for the Company Stock by Mitsui Fudosan Co., Ltd. and Recommendation of the Tender Thereto, and Execution of the Capital and Business Alliance Agreement” dated November 27, 2020 disclosed by the Company (as amended by “(Amendments) Announcement Relating to Partial Amendments to ‘Notice Concerning Expressing an Opinion to Support the Tender Offer for the Company Stock by Mitsui Fudosan Co., Ltd. and Recommendation of the Tender Thereto, and Execution of the Capital and Business Alliance Agreement’” announced by the Company on November 30, 2020, and “(Amendments) Partial Amendments to ‘Notice Concerning Expressing an Opinion to Support the Tender Offer for the Company Stock by Mitsui Fudosan Co., Ltd. and Recommendation of the Tender Thereto, and Execution of the Capital and Business Alliance Agreement’” announced by the Company on December 16, 2020; the “Company’s Opinion Expressing Press Release”), the “Transaction”); and as a result, the Tender Offeror came to own 78,637,609 shares of the Company Stock (ownership percentage of voting rights (Note): 84.82%) on January 25, 2021, the commencement date of the settlement of the Tender Offer. The following statements that relate to the Tender Offeror are based on the “Notice Concerning Commencement of Tender Offer for the Common Stock of Tokyo Dome Corporation (Securities Code: 9681) and Execution of the Capital and Business Alliance Agreement” announced by the Tender Offeror on November 27, 2020 (as amended) and other information announced by the Tender Offeror, and the explanations provided by the Tender Offeror.

(Note) The “ownership percentage of voting rights” is calculated by using the number of voting rights (927,076 units) represented by 92,707,684 shares as a denominator, and is rounded off to the second decimal place (hereinafter the same in the calculation of the ownership percentage of voting rights). This number of shares (92,707,684 shares) is the number that results from subtracting the number of the treasury shares owned by the Company as of July 31, 2020 (3,149,736 shares) from the total number of issued shares of the Company as of the same date (95,857,420 shares) set forth in the 3rd Quarterly Report for the 111th Fiscal Year, as filed by the Company on December 10, 2020.

As announced in the Company’s Opinion Expressing Press Release, the Company, established on December 25, 1936, completed the construction of “Korakuen Stadium,” a stadium exclusive to professional baseball, in Suidobashi, Tokyo, in September 1937. The Company was listed on the respective First Section of the Tokyo Stock Exchange and Osaka Securities Exchange Co., Ltd. in May and July 1949, respectively (later delisted from the Osaka Securities Exchange Co., Ltd. in 2009). In 1988, the Company completed the construction of the “Tokyo Dome,” Japan’s first all-weather, multi-purpose stadium, which made the pastime of watching baseball games more enjoyable than ever, contributing to the evolution of the baseball industry. Also, in 1955, the Company opened “Korakuen Amusement Park,” or “Tokyo Dome City Attractions,” as it is known today, in Suidobashi, Tokyo, which, to this day, attracts customers of all ages, ranging from toddlers to seniors, with its various attractions, from thrilling roller coasters to kid-friendly rides. Further, by holding nearly 50 years of “Hero Shows” or a variety of other events that are not tied to any specific content, the Company attracts as many as 5,910,000 visitors in a single year (for the fiscal year ended January 2020) as a provider of an urban-style amusement park offering dreamlike experience and excitement. In addition to the foregoing, in 2000, the Company opened “Tokyo Dome Hotel” with 1,006 rooms in Tokyo, and the Company believes that “LaQua,” an integrative entertainment commercial facility centered around spas that opened in 2003, was the genesis

of the growing popularity of hot springs in central Tokyo. The Company named the area of its headquarters (i.e., Suidobashi, Tokyo) “Tokyo Dome City,” where it has intensively invested management resources to fully leverage its advantages, aiming to achieve a synergistic effect by consolidating various kinds of leisure activities in one spot.

On March 11, 2016, the Company formulated and announced the mid-term management plan “Innovation: Toward the Next Generation of Value Creation” (the “Innovation”) which covers the five-year period from the fiscal year ended January 2017 to the fiscal year ended January 2021, and the Company has worked to create new value for the Company Group for the next generation. As a result, the Company’s financial results have been solid through to the fiscal year ended January 2020, as partly shown by its achievement of one of its management goals of reducing its consolidated interest-bearing debt balance to 139 billion yen two fiscal years ahead of schedule and also by its achievement of the targeted consolidated ROE of 6% for four consecutive fiscal years, with the fiscal year ended January 2021 being the final year of the “Innovation.”

Since the end of 2019, the Company, while continuing to be aware of management issues such as “maintaining and expanding the profit level of the Tokyo Dome City business” and “research and development of new growth strategies, and growth of existing businesses other than the Tokyo Dome City business,” has been considering the resolution of these management issues, as well as a next mid-term management plan starting in the fiscal year ending January 2022. Then, on January 31, 2020, Oasis Management Company Ltd., which manages the Company’s shareholder Oasis Investments II Master Fund Ltd., (“Oasis”; according to the Amendment to the Large Shareholding Report dated January 31, 2020 filed by Oasis, Oasis owned 9,208,900 shares of the Company Stock as of January 24, 2020 (shareholding ratio: 9.61%)) announced a proposal for the Company’s business improvement (“Oasis Business Improvement Proposal”), entitled “A Better Tokyo Dome,” through a website operated by Oasis; further, the Company received from Oasis a legally non-binding letter dated January 30, 2020 (the “January 30 Oasis Letter”) stating that Oasis intended to purchase all of the Company Stock (excluding the treasury shares owned by the Company) at 1,300 yen per share (the “Oasis Purchase”) subject to various conditions, including completion of due diligence and securing of purchase funds.

In light of these circumstances, the Company has decided that, as it begins full-scale work on the formulation of a next mid-term management plan starting in the fiscal year ending January 2022, it is necessary to incorporate the knowledge of outside experts in order to further improve its corporate value; accordingly, in late January 2020, the Company appointed Nishimura & Asahi as its legal advisor and has received legal advice from Nishimura & Asahi from the perspective of ensuring the fairness of the Company’s decision-making process in considering various measures to improve its corporate value. In addition, in the middle of February 2020, it appointed GCA Corporation (“GCA”) as its financial advisor and has received advice from GCA on the formulation of alliance strategies and a mid-term management plan from the perspective of improving its corporate value.

Meanwhile, a new strain of coronavirus (“COVID-19”), the first infection of which in Japan was confirmed in January 2020, has spread rapidly (the “COVID-19 Pandemic”), which has had an enormous negative impact on the leisure service business, particularly at the Company’s “Tokyo Dome City.” Specifically, due to the COVID-19 Pandemic, events at the “Tokyo Dome” have been cancelled or postponed one after another since February 2020, and lodging and banquets at the “Tokyo Dome Hotel” and “ATAMI BAY RESORT KORAKUEN” have been cancelled one after another as well. Since March 2020, the “Tokyo Dome City Attractions” has been closed and other tenants have also shortened their operating hours or suspended their operations one after another; furthermore, on March 8, 2020, the postponement of the start of the professional baseball season was decided, resulting in a drop in the occupancy rate of the “Tokyo Dome” to approximately 40% of the previous year’s level. On April 7, 2020, a state of

emergency was declared for seven prefectures, including Tokyo, and even after the declaration was lifted on May 25, 2020, the number of visitors continued to be sluggish as they refrained from going out and adapted to the “new normal” behavioral patterns. Further, the Company has incurred increased costs due to taking COVID-19 prevention measures. Consequently, it has become clear that the Company will not be able to avoid a situation where its financial position will inevitably deteriorate considerably, with a significant deficit of the operating profit level of 13 billion yen in the fiscal year ended January 2021, as was the prospect as of September 10, 2020, being the day on which the Company announced its financial results for the second quarter of the fiscal year ended January 2021.

While it proceeded with formulating a new mid-term management plan in the midst of these environmental changes caused by the COVID-19 Pandemic, it assumed that there were the following main management issues within the Company Group (meaning the Company and its affiliates (comprising the Company, its 11 consolidated subsidiaries, one affiliate company accounted for by the equity-method, and four non-consolidated subsidiaries (as of October 31, 2020)); the same below), from the mid-to-long term point of view.

i. Deterioration of the Tokyo Dome City facilities

58 years have passed since the Korakuen Hall Building was built, 47 years have passed since the Yellow Building was built, and 32 years have passed since the Tokyo Dome was built. Accordingly, the Company assumed that inconvenience and inefficiency had arisen in the customers’ ability to watch an event or go around the facilities in a way that suits the customers’ tastes and needs.

ii. Appearance of the synergetic effect between each facilities within the Tokyo Dome City

The Company assumed that it is necessary to further strengthen the attractiveness of going around the Tokyo Dome City by suggesting to customers how to enjoy themselves at not only one facility but at several facilities within the Tokyo Dome City, because currently the customers’ recognition of the attractiveness of going around the Tokyo Dome City cannot be said to be high and the synergetic effect between facilities is insufficient.

iii. Creation of the synergetic effect between the businesses of the Company Group

The Company assumed that it is necessary to suggest a new way for customers to enjoy themselves through coordination of the Tokyo Dome City and each of the other facilities, because the synergetic effect between the Tokyo Dome City business and facilities for other businesses, such as “ATAMI BAY RESORT KORAKUEN” for the Atami business, is insufficient.

iv. Further increase in transparency of the management structure (reinforcement of governance)

The Company assumed that there is still space to further reinforce governance by such means as reviewing the term of office of directors, for which there currently is no formal criteria.

v. Measures providing foresight into the prolonged effects of the COVID-19 Pandemic

The Company believed that, in addition to the measures for prevention of COVID-19 infections that have been taken so far, it is necessary to exercise additional measures that would enable it to maintain and improve its corporate value, even if the effects of the COVID-19 Pandemic continue for a long period of time.

The Company assumed, as a long-term goal, that it is necessary to redevelop the “Tokyo Dome

City” as a whole, in order to resolve the above management issues and improve the mid- to-long term corporate value of the Company. Specifically, as the site of “Tokyo Dome City” (except for some areas) is a special location that is subject to designation as a city planning park area, facilities such as “Tokyo Dome” and “Tokyo Dome Hotel” have been individually developed as a city planning project permitted by the Tokyo governor. However, the Company realizes that hereafter, not only through these individual developments, but also through the redevelopment of “Tokyo Dome City” as a whole, the Company will also have to prepare to realize “a new city development centering on sports and entertainment as a core” filled with joys and attractions utilizing the rare characteristic of the site located in the center of Tokyo. For the realization of such a long-term goal, which is the redevelopment of “Tokyo Dome City” as a whole, it thought that it is necessary to adopt a gradual approach of consideration predicting the time frame.

Accordingly, the Company intended to formulate its next mid-term management plan as follows: specifically, in the next mid-term management plan, the main purposes will be to draw up a long-term future concept for “Tokyo Dome City” and establish solid business and financial foundations for the realization thereof. Based on this, the financial aim will be to return profit levels to the operating profit level of approximately 9 billion yen by recovering from the crisis of the COVID-19 Pandemic and transforming its existing business model; and the Company will strongly drive forward in the recovery of the topline by shifting to the “Tokyo Dome City” which would adapt to the new era and the reduction in costs through improvement of productivity, through the basic concept of the following business strategies.

A) Shift to the Tokyo Dome City which would adapt to the new era (Smart Tokyo Dome City Concept)

First, the Company will increase customer awareness by branding the “Tokyo Dome City” as “one city.” For example, by such means as encouraging customers right after watching a baseball game at the “Tokyo Dome” to go around and visit “LaQua” by properly providing them with information regarding the degree of congestion, and discounts available, at restaurants and bathing facilities, or otherwise suggesting, by using each digital channel, ways to enjoy and occasions for use by combining each facility in the “Tokyo Dome City” in accordance with the various potential needs of each customer, the Company Group will organize a mechanism and structure to listen to the customers’ voice and enhance engagement with each customer.

Furthermore, the Company will resolve customers’ inconvenience and inefficiency within the “Tokyo Dome City.” Specifically, it will consider, among others, (i) expanding the coverage of the cashless system to vending machines and other facilities although the cashless system has been adopted almost everywhere in “Tokyo Dome City,” (ii) increasing customers’ convenience by driving forward non-contact IC and digitalization of tickets using biometric identification, (iii) increasing customers’ convenience through real-time visualization of detailed guides and congestion information and other information, and (iv) introducing mobile orders at food and beverage shops in “Tokyo Dome.”

Moreover, the Company will provide entertainment integrating reality and digital content. To realize this, it aims to (i) sequentially provide services integrating reality and digital content, such as a sports experience using VR, (ii) provide a platform for promoters to easily deliver the best digital content at each hall and event venue, and (iii) provide new entertainment that integrates and utilizes various data accumulated in the “Tokyo Dome City.”

Otherwise, the Company will consider building a relationship with neighborhood residents and legal entities to increase their frequency of use, through, among others, providing new services as well as developing contents that could also be enjoyed from outside of the “Tokyo Dome City” through collaboration with the facility of outside of the “Tokyo Dome City.”

B) Cost reduction by increasing productivity of the whole Company Group

In order to further ensure the recovery from the decrease of performance due to the recent COVID-19 Pandemic, the Company will thoroughly review inefficient business operations of all companies of the Company Group, and aim to fundamentally increase productivity. The Company will endeavor to increase productivity and reduce costs; specifically, it will (i) proceed with reviewing, on a priority basis, the efficiency of business operations, such as room management, in accommodations that were strongly affected by the COVID-19 Pandemic, (ii) review and integrate the procurement of equipment, supplies, and so on of all companies, (iii) fundamentally streamline indirect operations by using digital technology such as automating of expense reimbursement, and (iv) optimize and speed-up the management's PDCA cycle by integrating customer information and management-related information.

Under such circumstances, in order to improve the Company's mid-to-long-term corporate value by ensuring the implementation of the next mid-term management plan and eventually realizing the redevelopment of "Tokyo Dome City" as a whole while responding to significant changes in the environment surrounding the Company, the Company has reached a conclusion that, in addition to the continuation of its independent management structure, the Company should, even more positively than in the past, consider strategies for alliance with business strategy partners; accordingly, in early June 2020, the Company started approaching, on its own or through GCA, its several potential business strategy partners who are expected to generate certain business synergies with the Company from the perspective of real estate development, urban development co-creation, content supplementation, etc., in order to sound out their interest in entering a capital and business alliance with the Company. In the middle of June 2020, the Company began interviews and discussions with the potential business strategy partners, excluding the Tender Offeror, for the purpose of confirming whether or not they are interested in a capital and business alliance with the Company. In interviews and discussions with these potential business strategy partners, the Company explained its management issues above and its basic idea for business strategies and thereafter requested that each of the potential business strategy partners propose their ideas for a capital and business alliance if they are interested in a capital and business alliance with the Company; however, the Company did not specifically propose a capital and business alliance that is based on making the Company their wholly-owned subsidiary.

In addition, after the Company received the January 30 Oasis Letter on January 31, 2020, it consulted with The Yomiuri Shimbun Holdings ("The Yomiuri Shimbun Holdings"), its important customer, regarding a response to the letter; in late June 2020, the Company held interviews and discussions with the Tender Offeror on referral from The Yomiuri Shimbun Holdings and received an official expression of interest in implementing the Transaction; accordingly, the Company decided to treat the Tender Offeror as one of the potential business strategy partners.

The Oasis Business Improvement Proposal is based on the environment that existed before the COVID-19 Pandemic; accordingly, the Company has not been able to find any specific synergies achievable by the Oasis Business Improvement Proposal which may contribute to the improvement of the mid-to-long-term corporate value of the Company during the COVID-19 Pandemic. Further, after the Company received the January 30 Oasis Letter, the Company met Oasis in the middle of February and in the middle of July 2020; however, it received no proposal from Oasis for discussions with the Company or for a specific consideration with respect to the Oasis Purchase. The Company has sincerely engaged in dialogue in response to requests from Oasis; however, since the middle of June 2020, which is the last time the Company had an interview with Oasis, Oasis has not made any specific proposal regarding the Oasis Business Improvement Proposal or the Oasis Purchase and, therefore, there has not been progress in the Company's specific consideration of these matters.

Based on the results of initial approaches to several potential business strategy partners, the Company has decided to begin full-scale business strategy partner selection procedures in early July 2020; in proceeding with the procedures, the Company received advice from a financial point of view from its financial advisor GCA, and it also received legal advice from its legal advisor Nishimura & Asahi. Alongside the business strategy partner selection procedures, on July 20, 2020, it made the announcement entitled “Tokyo Dome’s new initiatives: In pursuit of a clean, safe and comfortable world-class stadium” which contained measures for prevention of COVID-19 infections. Specifically, the Company announced that it will, as corporate value improvement measures which will provide foresight into the age of living “with corona,” take the following measures along with its important customers, The Yomiuri Shimbun Holdings and Yomiuri Giants, in pursuit of making the “Tokyo Dome,” which is the home stadium of the Yomiuri Giants, a clean, safe and comfortable world-class stadium: it will strengthen the ventilation throughout the stadium, including around all infield and outfield audience seats, improve ventilation functions in the concourse lined with various concession stands, digitalize the entire stadium, expand the main vision on the main display of the centerfield screen (the scoreboard placed at the back edge of the baseball grounds), and promote cashless payment, among other measures.

In early August 2020, the Company, through GCA, provided several potential business strategy partners, including the Tender Offeror, with a notice containing a summary of the formal business strategy partner selection procedures and requesting that they submit an initial proposal. The notice requested that each potential business strategy partner provide, in the form of a proposal, specific details for a business alliance, the idea for the intended acquisition ratio, acquisition price, acquisition method of the Company Stock, and plans for treatment of the Company’s officers, employees and trading partners after entering the capital and business alliance, if they are interested in a capital and business alliance with the Company. As a result, the Company received an initial proposal for the Transaction from the Tender Offeror in early August 2020; furthermore, it also received initial proposals from some of the other potential business strategy partners. The Company carefully considered the initial proposals from these potential business strategy partners and, as a result, it received due diligence investigations from several potential business strategy partners, including the Tender Offeror, during the period from late August 2020 to early November 2020. Thereafter, although the Company proceeded with discussions with potential business strategy partners alongside, and simultaneously with, the due diligence investigations, it has not been able to reach an agreement with potential business strategy partners other than the Tender Offeror and did not receive a final proposal from them, and eventually the Company received notice from the other potential partners that they are declining to consider a partnership with the Company. The Company did not discover any reasons for the potential business strategy partners other than the Tender Offeror to eventually decline to consider a partnership with the Company.

In the circumstances as stated above, on October 7, 2020, the Company received from Oasis a notice requesting that an extraordinary general meeting of shareholders be called for the removal of the Company’s directors and stating that Oasis was finalizing a plan to implement a tender offer in order to acquire all of the Company Stock (excluding the treasury shares owned by the Company) simultaneously with requesting the extraordinary general meeting of shareholders (the “October 7 Oasis Letter”). However, unlike the January 30 Oasis Letter, the October 7 Oasis Letter did not contain an acquisition price, nor did it state the time, or the terms and conditions, of implementation of the tender offer (including the period of purchase, the purchase price, and whether or not there is a maximum or minimum number of share certificates, etc. to be purchased), or the policies to be adopted after the acquisition. After the Company received the October 7 Oasis Letter, on October 14, 2020, it provided Oasis with a notice stating that it will have direct dialogue with Oasis and giving them specific dates of late October 2020 to have the dialogue; however, the Company received no reply to that notice, and, instead, as is disclosed in the “Notice Concerning Shareholder’s Demand to Call an Extraordinary General Meeting of

Shareholders” dated October 19, 2020, it received from Oasis a demand to call an extraordinary general meeting of shareholders, the proposed agenda of which is the removal of its three directors (as announced in the “Notice Concerning the Result of the Resolution at the Extraordinary General Meeting of Shareholders” dated December 17, 2020 disclosed by the Company, each of the proposed agenda pertaining to the shareholder’s proposals made by Oasis has been rejected).

Thereafter, on November 12, 2020, the Company received from the Tender Offeror and The Yomiuri Shimbun Holdings a proposal on various terms of the Transaction and the transfer to The Yomiuri Shimbun Holdings of 20% of the Company Stock then held by the Tender Offeror following the completion of making the Company a wholly-owned subsidiary (the “Share Transfer”) (the “Tender Offeror Proposals”), including (i) that the purchase price per Company Stock in the Tender Offer (the “Tender Offer Price”) will be 1,200 yen; and (ii) that after the implementation of the Transaction, 20% of the Company Stock will be transferred to The Yomiuri Shimbun Holdings, whereupon the Tender Offeror and The Yomiuri Shimbun Holdings will work on jointly improving the Company’s corporate value. Upon receiving the Tender Offeror Proposals, in order to consider its content, the Company received advice from a financial point of view from GCA as a financial advisor independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, Mizuho Bank, Ltd. (“Mizuho Bank” or the “Tendering Shareholder”), and Oasis, and it also received legal advice from Nishimura & Asahi as a legal advisor independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, and Oasis. Further, on November 10, 2020, the Company established a special committee, based partly on Nishimura & Asahi’s advice, in order to avoid conflicts of interest of directors and ensure that the Transaction will be conducted under terms that are fair to the Company’s shareholders, as the Company has had to consider the Tender Offeror Proposals in a situation where it received from Oasis the January 30 Oasis Letter and the October 7 Oasis Letter (collectively, the “Oasis Proposals”) demanding to call an extraordinary general meeting of shareholders, the proposed agenda of which is removal of its three directors. For details of the special committee, please refer to “(V) Special Committee Established, and the Special Committee’s Written Report Obtained, by the Company,” “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” below.

After the Company received from the Tender Offeror and The Yomiuri Shimbun Holdings on November 12, 2020 the Tender Offeror Proposals proposing, among other matters, that the Tender Offer Price will be 1,200 yen, it has continuously discussed and negotiated with the Tender Offeror the propriety of the Transaction, including the meaning and purpose of the Transaction and the management structure and business policy to be adopted after the Transaction, as well as the terms and conditions of the Transaction, including the Tender Offer Price. Specifically, the discussions and negotiations were made (i) under the structure which the Company adopted to discuss and negotiate the Transaction with the Tender Offeror; (ii) based on advice from GCA and Nishimura & Asahi, and on opinions of the special committee, and (iii) in a careful manner from the perspective of appropriate valuation of the Company’s corporate value, so that the valuation results might not be affected by market stock price conditions where the COVID-19 Pandemic has triggered volatile movements in the market price of the Company Stock since February 2020.

Specifically, after the Company received the Tender Offeror Proposals proposing, among other matters, that the Tender Offer Price will be 1,200 yen on November 12, 2020, the Company examined them based on the details of the reported results of the trial calculation of the share value of the Company Stock received from GCA, as well as based on advice from GCA and Nishimura & Asahi, and opinions of the special committee; then, on November 16, 2020, the Company requested that the Tender Offeror reconsider the Tender Offer Price and set the Tender Offer Price at 1,350 yen, stating that the Tender Offeror Proposals had not adequately reflected

the Company's corporate value for the following reasons: the details of the Oasis Purchase, where a proposal was made to purchase all of the Company Stock at 1,300 yen per share, had not been taken into consideration; and the Tender Offeror Proposals were below the level of premiums added to the most recent market stock price and the average market stock price during a certain period in recent similar cases (cases of making a company a wholly-owned subsidiary). The Company thereafter received from the Tender Offeror a revised proposal on November 18, 2020, which proposed that the Tender Offer Price will be 1,250 yen; accordingly, the Company examined the proposal based on advice from GCA and Nishimura & Asahi, and opinions of the special committee, and the Company requested again on November 20, 2020 that the Tender Offeror reconsider the Tender Offer Price and set the Tender Offer Price at 1,300 yen or higher, stating that the revised proposal still had not adequately reflected the Company's corporate value for the same reasons as those for which the Company requested that the Tender Offeror reconsider the Tender Offer Price on November 16, 2020. Following the negotiations stated above, on November 24, 2020, the Company received from the Tender Offeror its final proposal proposing, among other matters, that the Tender Offer Price will be 1,300 yen per share and, on November 26, 2020, sent a written notice to the Tender Offeror accepting such final proposal.

Given (i) the necessity to realize the improvement of the mid-to-long term corporate value of the Company by steadily implementing the next mid-term management plan and ultimately realizing the redevelopment of the "Tokyo Dome City" as a whole, while responding to significant changes in the environment surrounding the Company, (ii) the background of the procedures for selecting business strategy partners so far, and (iii) the details of the Tender Offeror Proposals, the Company carefully discussed and considered, among others, whether the Transaction contributes to improving the Company's corporate value and whether various conditions of the Transaction are appropriate; in doing so, the Company took into consideration details of the share valuation report of the Company Stock obtained from GCA as a financial advisor and legal advice on matters to note concerning the decision-making for the Transaction obtained from Nishimura & Asahi as a legal advisor, and respected the content of the Written Report obtained from the special committee to the utmost extent. Consequently, the Company considered that there is a concern that in the current situation where it conducts its business operations independently as a listed company, it has difficulty in taking sufficient measures in terms of flexibility and speed of decision-making and necessity of fundamental reform. This is because, even though the Company, as a listed company, has the advantage to be able to independently procure funds from the capital market, when implementing various measures of the next mid-term management plan to be formulated and ultimately realizing the redevelopment of the "Tokyo Dome City" as a whole, amid the environment surrounding the Company significantly changing as stated above, the Company may need to promptly make an upfront investment, which will not necessarily be directly linked to the maximization of the Company's profits in the short term, and make efforts which will temporarily increase costs; these actions will be needed in terms of the improvement of the mid-to-long term corporate value of the Company, but are assumed to be likely to harm the interests of the Company's general shareholders in the short-term. Therefore, accepting the Transaction, including making the Company a wholly-owned subsidiary, would enable the Company to dispel this concern, and, as stated in "(i) Background to, Purpose and Decision-Making Process of the Tender Offer," "(II) Background, Purpose and Decision-Making Process of the Tender Offeror's Decision to Implement the Tender Offer, and Management Policy After the Tender Offer," "(2) Basis and Reasons for the Opinion," "3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer" of the Company's Opinion Expressing Press Release, the Company strengthening a capital relationship with The Yomiuri Shimbun Holdings through the Share Transfer after the Transaction will further deepen the existing relationship between the owner of the Tokyo Dome and the owner of the Yomiuri Giants, its important customer, and enable the integrated operation of the baseball team and the stadium. In light of the above the Company determined that accepting the Tender Offeror Proposals, including the Transaction and the Share Transfer, would contribute to improving the Company's mid-to-long term corporate value, because, by doing so, the synergies below are expected for the Company Group.

- i. Concurrent promotion to facilitate measures for prevention of COVID-19 infections and improvement of customer satisfaction and profitability

The Company believes that in the current situation where the impact of the COVID-19 Pandemic continues, it is necessary to enhance its customers' convenience, safety, and comfortableness by taking all possible measures for prevention of COVID-19 infections, and, concurrently, improve profitability by increasing sales per customer.

Having a capital relationship with the Tender Offeror through the Transaction is expected to enable the Company to timely implement measures based on the measures for prevention of COVID-19 infections that the Tender Offeror has and will share with the Company in connection with the commercial facility business and hotel business, and, at the same time, facilitate the improvement of profitability through new marketing measures such as collaboration of tenants and events at the "Tokyo Dome City" with EC sites.

In addition, the Company believes that strengthening a capital relationship with The Yomiuri Shimbun Holdings, who is an important customer of the Company, through the Share Transfer is expected to enable the Company to realize the measures for prevention of COVID-19 infections that are based on "Tokyo Dome's new initiatives: In pursuit of a clean, safe and comfortable world-class stadium" announced on July 20, 2020, and, concurrently, promote measures to increase earnings through digitalization such as digital signage and mobile ordering systems, by sharing more information regarding baseball entertainment than ever before in collaboration with The Yomiuri Shimbun Holdings.

- ii. Increase in the ability to attract customers to the "Tokyo Dome City"

The Company believes that improvement to the attractiveness of traveling within the "Tokyo Dome City" and enhancement of interactions between each facility are issues to be addressed. The Company believes that utilizing the Tender Offeror's know-how of the commercial facility business and hotel business will enable the Company to, among others, invite more attractive tenants to the "Tokyo Dome City," guide customers using a common advertising strategy that combines commercial facilities of the Company and the Tender Offeror, and distribute information about crowded conditions in stores at the "Tokyo Dome City" using application signage. This, in addition to the strategy that the Company has formulated to date, will improve the attractiveness of traveling within the Tokyo Dome, and an increase in the ability to attract customers is expected.

- iii. Increase in profitability through collaboration with customer bases

The Tender Offeror and The Yomiuri Shimbun Holdings have a customer base as stated in "c. Effectiveness of Collaboration Among Customer Base of the Tender Offeror, the Company and The Yomiuri Shimbun Holdings," "(C) Background and Objectives of the Tender Offeror's Implementation of the Tender Offer," "(i) Background to, Purpose and Decision-Making Process of the Tender Offer," "(II) Background, Purpose and Decision-Making Process of the Tender Offeror's Decision to Implement the Tender Offer, and Management Policy After the Tender Offer," "(2) Basis and Reasons for the Opinion," "3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer" of the Company's Opinion Expressing Press Release. Through sales promotions that leverage those customer bases as well as the Company's customer base of 40 million visitors per year, the Company and the Tender Offeror will be able to attract customers to each other's facilities by encouraging the reciprocal use of commercial facilities and hotels of the Company and the Tender Offeror, which will contribute to improving the profitability of each company's facilities.

- iv. Promotion of cost reduction and increase of borrowing capacity during the COVID-19

Pandemic

The Company believes that company-wide cost reduction is required to ensure recovery from the decrease of performance due to the COVID-19 Pandemic. The Company believes that sharing the costs to procure such as supplies, and consumables, used within the Company Group, with the Tender Offeror, who has a business with approximately 1,905.6 billion yen of consolidated sales for the fiscal year ended March 2020, will enable suitable cost reduction.

In addition, the Company believes that the Tender Offeror will maintain a solid profit/loss status (expecting 120 billion yen of consolidated net income attributable to shareholders of the parent company for the fiscal year ending March 2021) and financial status even during the COVID-19 Pandemic. Accordingly, the Company believes that as it expects deterioration of its financial conditions due to the COVID-19 Pandemic at present, receipt of financial support by becoming a member of the Tender Offeror group will be a great synergy.

v. Smooth promotion of the redevelopment of the “Tokyo Dome City” as a whole and maximization of value

In order to completely resolve the Company’s management issues from the mid-to-long-term perspective and to maximize the value of the Company’s “Tokyo Dome City,” it is very important to promote the redevelopment of the “Tokyo Dome City” as a whole. As stated in “e. Utilization of Tender Offeror’s Experience and Know-How of City Development in Future Redevelopment of the “Tokyo Dome City,” “(C) Background and Objectives of the Tender Offeror’s Implementation of the Tender Offer,” “(i) Background to, Purpose and Decision-Making Process of the Tender Offer,” “(II) Background, Purpose and Decision-Making Process of the Tender Offeror’s Decision to Implement the Tender Offer, and Management Policy After the Tender Offer,” “(2) Basis and Reasons for the Opinion,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company’s Opinion Expressing Press Release, the Tender Offeror has an extensive track record in large-scale urban development, such as “Tokyo Midtown.” Accordingly, the Company believes that the Tender Offeror is the best partner to smoothly promote the redevelopment of the “Tokyo Dome City” and maximize the Company’s value in the future.

In addition, with respect to the Tender Offer Price (1,300 yen per Company Stock) in the final proposal pertaining to the Tender Offeror Proposals, as stated in “(II) Matters Relating to Method of Treatment of Fractions Less Than One Share (If Any), Amount Expected to Be Delivered to Shareholders after Such Treatment, and Reasonableness of Such Amount,” “(1) Basis and Reasons for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” below, the Company determined that the Tender Offer provides the Company’s shareholders with an opportunity to sell the Company Stock at a price with a reasonable premium and under reasonable terms and conditions.

While considering the Tender Offeror Proposals, it considered Oasis Proposals. As stated in “(V) Special Committee Established, and the Special Committee’s Written Report Obtained, by the Company,” “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” below, the Company’s board of directors established the special committee on November 10, 2020, and asked it to consider whether to accept the Tender Offeror Proposals and implement the Transaction, comparing them with the Oasis Proposals. With respect to the Oasis Proposals, a proposal for the Oasis Purchase in the January 30 Oasis Letter was made before the COVID-19 Pandemic, and the October 7 Oasis Letter did not specify any time or terms of implementation of the purchase, or any post-purchase policies, in the first place, and thus, the feasibility is doubtful as a whole. In addition, based on the previous communications with Oasis, there is a large discrepancy between the measures to

improve the corporate value and methods to proceed therewith intended by the Company and Oasis. Thus, the Company does not believe that Oasis's acquisition of the Company Stock will lead to improvement of the mid-to-long term corporate value, taking into account measures against the COVID-19 Pandemic which is expected to continue. Furthermore, given that the special committee provided an opinion dated November 26, 2020 to the effect that the special committee determined that the fairness and appropriateness of the transaction terms pertaining to the Transaction and the Share Transfer are ensured from the perspective of comparison with the Oasis Proposals, the Company ultimately determined that accepting the Tender Offeror Proposals, including the Transaction and the Share Transfer, is the policy that best contributes to the Company's corporate value.

For the reasons above, the Company resolved at its board of directors meeting held on November 27, 2020 that it will express an opinion to support the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer.

For details of the resolution of the board of directors of the Company above, please refer to “(VI) Unanimous Approval of All Non-Interested Directors of the Company and Unanimous Opinion of No Objection from Auditors,” “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” below.

Thereafter, as stated above, though the Tender Offer was completed, the Tender Offeror failed to acquire all of the Company Stock (excluding the treasury shares owned by the Company) through the Tender Offer and to acquire 90% or more of the voting rights of all shareholders of the Company. Accordingly, upon the Tender Offeror's request, the Company resolved at the Board of Directors Meeting to submit at the EGM a proposal to consolidate 18,540,575 shares of the Company Stock into one share in order to make the Tender Offeror the sole shareholder of the Company on condition that the shareholders' approval will be obtained at the EGM (the “Share Consolidation”).

As a result of the Share Consolidation, the number of the Company Stock owned by the shareholders other than the Tender Offeror will become fractions less than one share.

2. Summary of Share Consolidation

(1) Schedule of Share Consolidation

(I) Date of public notice on record date for EGM	January 27, 2021 (Wednesday)
(II) Record date for EGM	February 10, 2021 (Wednesday)
(III) Date of resolution by board of directors	February 18, 2021 (Thursday)
(IV) Date of EGM	March 23, 2021 (Tuesday) (planned)
(V) Designation date as delisted issue	March 23, 2021 (Tuesday) (planned)
(VI) Last trading date of Company Stock	April 22, 2021 (Thursday) (planned)
(VII) Delisting date of Company Stock	April 23, 2021 (Friday) (planned)
(VIII) Effective date of Share Consolidation	April 27, 2021 (Tuesday) (planned)

(2) Details of Share Consolidation

(I) Class of Shares to Be Consolidated

Common stock

(II) Consolidation Ratio

18,540,575 shares of Company Stock will be consolidated into one share.

(III) Total Number of Issued Shares to Be Decreased

92,702,870 shares

(Note) The Company adopted a resolution at the Board of Directors Meeting to cancel 3,154,545 treasury shares of the Company (all the treasury shares owned as of February 10, 2021) to be effective on April 26, 2021. Thus, “Total Number of Issued Shares to Be Decreased” is stated assuming the total number of issued shares after such cancellation.

(IV) Total Number of Issued Shares before Effective Date

92,702,875 shares

(Note) The Company adopted a resolution at the Board of Directors Meeting to cancel 3,154,545 treasury shares of the Company (all the treasury shares owned as of February 10, 2021) to be effective on April 26, 2021. Thus, “Total Number of Issued Shares before Effective Date” is stated assuming the total number of issued shares after such cancellation.

(V) Total Number of Issued Shares after Effective Date

5 shares

(VI) Total Number of Shares Issuable on Effective Date

20 shares

(VII) Method of Treatment of Fractions Less Than One Share (If Any) and Amount Expected to Be Delivered to Shareholders after Such Treatment

As stated in “1. Purpose of and Reasons for Share Consolidation” above, as a result of the Share Consolidation, the number of Company Stock owned by shareholders other than the Tender Offeror will be a fraction less than one share.

If the Share Consolidation produces any fraction less than one share, the Company will sell the number of Company Stock equivalent to the total sum of the fractions (in cases where the total sum includes a fraction of less than one, such fraction is rounded off pursuant to Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”)) pursuant to Article 235 of the Companies Act and other relevant laws and regulations, and deliver the proceeds of that sale to the shareholders in proportion to the fractions attributed to them. The Company intends to sell the Company Stock to the Tender Offeror in the number corresponding to the total sum of such fractions, with the court’s permission pursuant to Article 234, Paragraph 2 of the Companies Act applied *mutatis mutandis* by Article 235, Paragraph 2 thereof.

If the court’s permission stated above is obtained as planned, the Company intends to set the amount of such sale at a price whereby money in the amount obtained by multiplying the number of Company Stock owned by shareholders by 1,300 yen, the same amount as the Tender Offer Price, will be delivered to shareholders.

3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation

(1) Basis and Reasons for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment

(I) Matters to Be Noted So As Not to Prejudice Interests of the Company's Shareholders Other Than the Parent Company, etc. (If Any)

As of the date of announcement of the Tender Offer, the Tender Offeror owns no shares of the Company Stock, and the Tender Offer does not fall under a tender offer by a controlling shareholder. In addition, it is not anticipated that all or a part of the Company's management will invest directly or indirectly in the Tender Offeror, and the Transaction, including the Tender Offer, will not fall under a so-called management buyout transaction. Nevertheless, in consideration of the fact that (i) the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror and (ii) the Company has received the Oasis Proposals, the Tender Offeror and the Company took the measures stated in “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” below, with regard to the implementation of the Transaction in the interests of exercising caution to ensure the fairness of the Tender Offer including the appropriateness of the terms of the Transaction (including the fairness of the Tender Offer Price) and the fairness of procedures of the Transaction (for the Company, including a comparative review with the Oasis Proposals).

(II) Matters Relating to Method of Treatment of Fractions Less Than One Share (If Any), Amount Expected to Be Delivered to Shareholders after Such Treatment, and Reasonableness of Such Amount

As stated in “(VII) Method of Treatment of Fractions Less Than One Share (If Any) and Amount Expected to Be Delivered to Shareholders after Such Treatment,” “(2) Details of Share Consolidation” of “2. Summary of Share Consolidation” above, the amount of money expected to be delivered to shareholders after the treatment of fractions will be the amount obtained by multiplying the number of Company Stock owned by shareholders by 1,300 yen, the same amount as the Tender Offer Price.

With respect to the Tender Offer Price, (i) among the valuation results of the share value of the Company Stock by GCA described in “(I) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Organization,” “(3) Matters Regarding Calculation” of “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” in the Company's Opinion Expressing Press Release, the Tender Offer Price is above the maximum value of the valuation results under the market price analysis, and is within the range of the valuation results under the discounted cash flow analysis (the “DCF analysis”); (ii) the Tender Offer Price includes the following premiums: 44.93% (rounded off to the second decimal place; the same method was applied to the calculation of the premium rate and discount rate below) on the closing price of 897 yen for the Company Stock on the Tokyo Stock Exchange as of November 26, 2020, which is the business day immediately preceding the date of announcement of the Tender Offer (November 27, 2020); 45.74% on the simple average of the closing price of 892 yen for the past one-month period (rounded off to the nearest whole number; the same method was applied to the calculation of the simple average of the closing price below); 56.63% on the simple average of the closing price of 830 yen for the past three-month period; and 62.09% on the simple average of the closing price of 802 yen for the past six-month period; and it can be said that the Tender Offer Price is a price with a premium at a level that is reasonable when compared to the average premium levels in cases using a tender offer similar to the Transaction (cases of making a company a wholly-owned subsidiary) provided by GCA; (iii) as stated in “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” below, the Tender Offer Price is a price agreed on after the Company took measures to

ensure the fairness of the Tender Offer, received advice from GCA and Nishimura & Asahi, obtained an opinion from the special committee, and conducted repeated earnest deliberations and negotiations between the Company and the Tender Offeror as independent parties; (iv) as stated in “(V) Special Committee Established, and the Special Committee’s Written Report Obtained, by the Company” of “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below, the Written Report obtained from the special committee also determined that it can be considered that the fairness and appropriateness of the transaction terms pertaining to the Transaction and the Share Transfer are ensured including in comparison with Oasis Proposals. Based on the above the Company determined that the Tender Offer provides the Company’s shareholders with an opportunity to sell the Company Stock at a price with a reasonable premium and under reasonable terms and conditions.

In addition, the Company confirmed that since its adoption of a resolution at its board of directors meeting held on November 27, 2020 to express its support for the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer until the time of resolution at the Board of Directors Meeting which determined to convene the EGM, no material changes had occurred in the conditions serving as the basis for the calculation of the Tender Offer Price.

Based on the foregoing, the Company determines that the amount expected to be delivered to shareholders after the treatment of fractions resulting from the Share Consolidation is reasonable.

(III) Disposal of Important Property, Burden of Major Obligations, or Any Other Event Having a Material Impact on the Status of Company Property Occurred after the Last Day of the Most Recent Fiscal Year

(A) The Tender Offer

As stated in “1. Purpose of and Reasons for Share Consolidation” above, the Tender Offeror conducted the Tender Offer with the Tender Offer Period from November 30, 2020 until January 18, 2021 (31 business days). As a result of the Tender Offer, the Tender Offeror owns 78,637,609 shares of the Company Stock (ownership percentage of voting rights: 84.82%) as of January 25, 2021.

(B) Cancellation of Treasury Shares

The Company adopted a resolution at the Board of Directors Meeting to cancel 3,154,545 shares of treasury shares of the Company (all the treasury shares owned as of February 10, 2021) to be effective on April 26, 2021. Such cancellation of treasury shares is subject to approval of the proposal related to the Share Consolidation at the EGM as originally proposed, and the total number of issued shares of the Company after the cancellation will be 92,702,875 shares.

(2) Likelihood of Delisting

(I) Delisting

As stated in “1. Purpose of and Reasons for Share Consolidation” above, subject to approval of shareholders at the EGM, the Company intends to conduct the Share Consolidation and make the Tender Offeror its sole shareholder. As a result, the Company Stock will be delisted through prescribed procedures pursuant to the delisting criteria of the Tokyo Stock Exchange.

Regarding the schedule, the Company Stock will be designated as a stock to be delisted from March 23, 2021 until April 22, 2021 and then will be delisted on April 23, 2021. After the delisting, no Company Stock can be traded on the Tokyo Stock Exchange.

(II) Reasons for Purported Delisting

As stated in “1. Purpose of and Reasons for Share Consolidation” above, the Company considered that there is a concern that in the current situation where it conducts its business operations independently as a listed company, it has difficulty in taking sufficient measures in terms of flexibility and speed of decision-making and necessity of fundamental reform. This is because, even though the Company, as a listed company, has the advantage to be able to independently procure funds from the capital market, when implementing various measures of the next mid-term management plan to be formulated and ultimately realizing the redevelopment of the “Tokyo Dome City” as a whole, amid the environment surrounding the Company significantly changing as stated above, the Company may need to promptly make an upfront investment, which will not necessarily be directly linked to the maximization of the Company’s profits in the short term, and make efforts which will temporarily increase costs; these actions will be needed in terms of the improvement of the mid-to-long term corporate value of the Company, but are assumed to be likely to harm the interests of the Company’s general shareholders in the short-term. Therefore, accepting the Transaction, including making the Company a wholly-owned subsidiary, would enable the Company to dispel this concern, and, as stated in “1. Purpose of and Reasons for Share Consolidation” above, the Company strengthening a capital relationship with The Yomiuri Shimbun Holdings through the Share Transfer after the Transaction will further deepen the existing relationship between the owner of the Tokyo Dome and the owner of the Yomiuri Giants, its important customer, and enable the integrated operation of the baseball team and the stadium. In light of the above, the Company determined that accepting the Tender Offeror Proposals, including the Transaction and the Share Transfer, would contribute to improving the Company’s mid-to-long term corporate value, because, by doing so, the synergies stated in “1. Purpose of and Reasons for Share Consolidation” above are expected for the Company Group.

(III) Impact on Minority Shareholders and Company’s View Thereon

As stated in “(V) Special Committee Established, and the Special Committee’s Written Report Obtained, by the Company” of “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” below, the Company received a Written Report dated November 26, 2020 submitted by the special committee that the Transaction is not disadvantageous to general shareholders of the Company (including minority shareholders in the Procedures for Making the Company A Wholly-Owned Subsidiary).

(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest

In consideration of the fact that (i) the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror and (ii) the Company has received the Oasis Proposals from Oasis to conduct a tender offer for the common stock of the Company twice, on January 31 and October 7, 2020, in parallel with consideration by the Tender Offeror of the implementation of the Transaction, as stated in “1. Purpose of and Reasons for Share Consolidation” above, the Tender Offeror and the Company took the following measures with regard to the implementation of the Transaction in the interests of exercising caution to ensure the fairness of the Tender Offer including the appropriateness of the terms of the Transaction (including the fairness of the Tender Offer Price) and the fairness of procedures of the Transaction (for the Company, including a comparative review with the Oasis Proposals).

(I) Procurement by the Tender Offeror of a Share Valuation Report from an Independent Third-

Party Valuation Organization

According to the Tender Offeror, when determining the Tender Offer Price, the Tender Offeror requested PwC Advisory LLC (“PwC”), a financial advisor, to evaluate the share value of the Company Stock, and obtained the Tender Offeror’s Valuation Report from PwC as of November 27, 2020. It should be noted that PwC is not a related party of the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, the Company or Oasis and has no material interest in relation to the Tender Offer. In addition, according to the Tender Offeror, the Tender Offeror has not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from PwC.

For details, please refer to “(II) Procurement by the Tender Offeror of a Share Valuation Report from an Independent Third-Party Valuation Institution,” “(3) Matters Regarding Calculation,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company’s Opinion Expressing Press Release.

(II) Setting the Minimum Number of Shares to Be Purchased Above the Majority of Minorities

According to the Tender Offeror, the Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer at 61,805,100 shares (shareholding ratio: 66.67%), and if the total number of the share certificates, etc., tendered in the Tender Offer (“Tendered Share Certificates, Etc.”) is less than the minimum number of shares to be purchased (61,805,100 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. On the other hand, as stated in “(I) Overview of the Tender Offer,” “(2) Basis and Reasons for the Opinion,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company’s Opinion Expressing Press Release, the Tender Offeror has not set the maximum number of shares to be purchased because the Tender Offeror intends to acquire all of the Company’s shares (excluding treasury stock owned by the Company) in the Tender Offer, and if the total number of the Tendered Share Certificates, Etc. is equal to or greater than the minimum number of shares to be purchased (61,805,100 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc. According to the Tender Offeror, the minimum number of shares to be purchased (61,805,100 shares) is the number of shares (61,805,100 shares) obtained by multiplying one unit (100 shares) of the Company Stock by the number of voting rights (618,051 rights) that is equal to two-thirds or more of the voting rights (927,076 rights) of the number of shares (92,707,684 shares), which is the total number of issued shares as of July 31, 2020 set forth in the “2nd Quarterly Report for the 111th Fiscal Year” (the “Company Quarterly Report”), as filed by the Company on September 10, 2020, (95,857,420 shares) less the number of treasury shares held by the Company as of the same date set forth in the Company Quarterly Report (3,149,736 shares). As the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror has set this number to satisfy the requirements of a special resolution of the shareholders’ meeting provided in Article 309, Paragraph 2 of the Companies Act solely by itself when implementing the procedures for the Share Consolidation necessary to take the Company private, as stated in “(II) Share Consolidation,” “(5) Policy for Organizational Restructuring, Etc. After the Tender Offer (Matters Relating to So-Called “Two-Step Acquisition”),” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company’s Opinion Expressing Press Release. The minimum number of the shares to be purchased (61,805,100 shares) is more than the total number of shares (48,514,244 shares) of (i) the number of shares equivalent to a majority (44,193,442 shares, shareholding ratio: 47.67%) of the number of shares (88,368,882 shares), which is the total number of issued shares as of July 31, 2020 set forth in the Company Quarterly Report (95,857,420 shares) less the number of treasury shares held by the Company as of the same date set forth in the Company Quarterly Report (3,149,736 shares) and the total number of all of the Company Stock held by The Yomiuri Shimbun Holdings (together with the Company Stock held by the Tendering Shareholder, the “Prospective Tendered Shares”) (4,320,802 shares), in other words, a majority of the shares in the Company held by shareholders of the Company who

have no interest in relation to the Tender Offeror, which is the number of shares corresponding to the “majority of minorities,” plus (ii) the total number of the Prospective Tendered Shares (4,320,802 shares). Accordingly, the Tender Offer will not be successfully completed in the event that a majority of the shareholders of the Company, who do not have interest in the Tender Offeror, do not approve the Tender Offer, and thus the Tender Offeror believes that the Tender Offer respects the intention of the minority shareholders of the Company.

(III) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Organization

At the beginning of July, the Company elected GCA as a financial advisor and a third-party valuation organization independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, and Oasis, in order to ensure fairness in the decision-making process of the Tender Offeror Price presented by the Tender Offeror, and, thus, at the beginning of November 2020, requested that GCA evaluate the Company Stock, and received advice from a financial perspective, including advice regarding calculation of the value of the Company Stock and negotiation policy with the Tender Offeror. Concurrently, the Company obtained the Company Valuation Report from GCA as of November 26, 2020. GCA is neither a related party of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, nor Oasis, nor does it have a material interest in the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, or Oasis, in relation to the Transaction, including the Tender Offer. The Company has not obtained any written opinion regarding the fairness of the Tender Offer Price (i.e., a fairness opinion) from GCA.

For the outline of the Company Valuation Report, please see “(I) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Valuation Organization,” “(3) Matters Regarding Calculation,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company’s Opinion Expressing Press Release.

(IV) Advice to the Company from an Independent Legal Advisor

The Company selected Nishimura & Asahi as its legal advisor, which is independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder and Oasis, and subsequently, in late January, 2020, in order to ensure the fairness and propriety of the decision-making process by the Company’s board of directors, in relation to the Transaction, including the Tender Offer, the Company has received therefrom legal advice on measures that should be taken to ensure the fairness of the procedures in the Transaction, including the Tender Offer, and the decision-making method and process regarding the Transaction by the Company’s board of directors, and other matters to note concerning the decision-making for the Transaction, including the Tender Offer. Nishimura & Asahi is neither a related party of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, nor Oasis, nor does it have a material interest in the Transaction.

(V) Special Committee Established, and the Special Committee’s Written Report Obtained, by the Company

(i) Background of Establishment

Upon considering the implementation of the Transaction, the Company took into consideration, from the standpoint of enhancing its corporate value, that it is necessary to carefully consider whether to implement the Transaction, and the appropriateness and fairness of the transaction terms (including the structure), including when compared with the Oasis Proposals.

Accordingly, the Company established a special committee as a voluntary council to consider and determine the appropriateness of the transaction terms and the fairness of the procedures of the Transaction, by a resolution at its board of directors meeting held on November 10, 2020, in

order to eliminate any arbitrariness in the decision-making by the Company regarding the Transaction, and to ensure the fairness, transparency and objectivity of the decision-making process. The special committee is comprised of four members, namely, Mr. Yoshihisa Inoue (External Director of the Company), Ms. Emi Ishida (External Director of the Company, a certified public accountant and lawyer), Mr. Isao Takahashi (External Corporate Auditor of the Company), and Mr. Hidenori Aoki (External Corporate Auditor of the Company and lawyer), who have been familiar with the business of the Company, have knowledge and experience in each specialized area, and none of whom have interests in the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, or Oasis (In addition, Mr. Yoshihisa Inoue was elected as a chairman of the special committee by the members of the special committee. The chairman of the special committee has not changed since it was established). The compensation to be paid to the special committee members is fixed fees only, and it will be paid irrespective of whether the Transaction is successfully consummated and irrespective of the content of the report, and does not include contingent fees subject to the announcement of the Transaction or the successful consummation of the Transaction, or other matters.

The Company's board of directors inquired with the special committee about the (a) justification and reasonableness of the purpose of the Transaction (including whether the Transaction contributes to the enhancement of the Company's corporate value); (b) fairness of the procedures concerning the Transaction (including whether the interests of the shareholders of the Company are fully considered); (c) fairness and appropriateness of the transaction terms of the Transaction (including when compared with the Oasis Proposals); (d) whether it is appropriate for the Company's board of directors to express an opinion to support the Tender Offer and to recommend the Company's shareholders to tender in the Tender Offer; and (e) whether the implementation of the Transaction (including the Company's board of directors expressing an opinion to support the Tender Offer and recommending the Company's shareholders to tender in the Tender Offer) is disadvantageous to the general shareholders of the Company, in connection with the Transaction (the "Matters of Inquiry"), and requested that the special committee submit a report regarding these points to the Company. Also, the Company's board of directors resolved that it will make decisions concerning the Transaction while respecting the details of the special committee's decisions to the utmost extent, and that it would not agree to the Tender Offer if the special committee decides that implementation of the Tender Offer or transaction terms of the Transaction is not appropriate.

The board of directors of the Company resolved to grant to the special committee (i) the authority to designate the Company's third-party valuation organization, legal advisor, or other advisor (the "Advisors") and approve (including subsequent approval) such Advisors of the Company, in order to ensure appropriate decisions regarding the Transaction; (ii) the authority to elect Advisors to the special committee (if the special committee determines that the Company's Advisors are highly professional and have no issues concerning independence, so that the special committee can trust the Company's Advisors and seek professional advice from them, the special committee may seek professional advice from the Company's Advisors, and the Company will bear reasonable costs concerning professional advice from the Advisors of the special committee), in order to ensure appropriate decisions regarding the Transaction; (iii) the authority to request that directors or employees of the Company, and any other person who is found by the special committee to be necessary, attend a special committee meeting, and ask to explain necessary information, in order to ensure appropriate decisions regarding the Transaction; and (iv) the authority to get substantially involved in the process of negotiation of the transaction terms by confirming in advance the policy regarding the negotiation of the transaction terms of the Transaction, receiving reports on the status of the negotiation in a timely manner, and stating opinions and making instructions or requests on material aspects.

(ii) Background of the Consideration

The special committee held meetings during the period from November 16 to 25, 2020, 3 times

in total and approximately 5 hours in total. In addition, the special committee carefully discussed and considered the Matters of Inquiry by receiving reports and sharing information, deliberating, and making decisions, through e-mail or other means, during the period between each day of such meetings.

Specifically, on November 10, 2020, the special committee first selected Anderson Mori & Tomotsune as its independent legal advisor, after considering, among others, the independence, expertise, and performance of more than one legal advisor candidate. Anderson Mori & Tomotsune is neither a related party of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, or Oasis, nor does it have a material interest in the Transaction.

Moreover, the special committee confirmed, among others, the respective independence levels, expertise and performance of GCA as the third-party valuation organization and the financial advisor of the Company, and of Nishimura & Asahi as the legal advisor of the Company, and then approved the selection of them by the Company, and confirmed that the special committee may seek professional advice from these advisors as necessary.

The special committee then considered measures to be taken to ensure fairness of the procedures in the Transaction, taking into consideration legal advice from Anderson Mori & Tomotsune and opinions from Nishimura & Asahi.

The special committee requested the management members of the Company to attend meetings of the special committee several times, heard the view of the Company's management team and related information with respect to the Company's share value, synergy expected in relation to the Transaction, details of the Oasis Proposals and the background of receiving the Oasis Proposals, and other matters, such as the status of discussions with candidate enterprises for a business strategy partner including the Tender Offeror (the Company disclosed the specific names of those candidate enterprises to the special committee), significance of the Transaction, time and method of implementation of the Transaction, management policy, governance and business plan (including the background of developing such plan and conditions precedent) of the Company after the Transaction; concurrently, the special committee exchanged questions and answers with those management teams with respect to those matters. The special committee submitted a questionnaire to the Tender Offeror from the perspective of comparison with the Oasis Proposals and obtained the answers from the Tender Offeror.

The special committee requested that the Company provide related materials including the Tender Offeror Proposals and drafts or the like of agreements concerning the capital and business alliance agreement executed among the Company, the Tender Offeror, and The Yomiuri Shimbun Holdings (the "Capital and Business Alliance Agreement; for details of the Capital and Business Alliance Agreement, please refer to "(III) Capital and Business Alliance Agreement," "4. Matters Concerning Material Agreements Related to the Tender Offer" of the Company's Opinion Expressing Press Release), verified the content thereof, and exchanged questions and answers with respect to those matters.

The special committee received explanations from GCA, to whom the Company asked valuation of the value of the Company Stock, regarding the valuation method concerning the evaluation of the share value of the Company Stock implemented by GCA, conditions precedent, and details of the evaluation through each valuation method, and exchanged questions and answers with GCA with respect to those matters.

Since the Company received the Tender Offeror Proposals from the Tender Offeror and The Yomiuri Shimbun Holdings on November 12, 2020, which includes a proposal to set the Tender Offeror Price at 1,200 yen, the special committee has been discussing policies for responding to such proposals, after receiving timely reports from the Company on, among others, the

background of discussions/negotiations between the Company and the Tender Offeror regarding the Transaction and details thereof.

The special committee engaged in deliberation and consideration, taking into consideration advice from Anderson Mori & Tomotsune as its independent legal advisor, as well as opinions from GCA as the Company's financial advisor, and from Nishimura & Asahi as the Company's legal advisor. Thereafter, as stated in "1. Purpose of and Reasons for Share Consolidation" above, on November 16, 2020, the special committee had the Company request that the Tender Offeror reconsider the Tender Offer Price and set the Tender Offer Price at 1,350 yen, stating that the Tender Offeror Proposals had not adequately reflected the Company's corporate value for the following reasons: the details of the Oasis Purchase, where a proposal was made to purchase all of the Company Stock at 1,300 yen per share, had not been taken into consideration; and the Tender Offeror Proposals were below the level of premiums added to the most recent market stock price and the average market stock price during a certain period in recent similar cases (cases of making a company a wholly-owned subsidiary). The Company thereafter received from the Tender Offeror a revised proposal on November 18, 2020, which proposed that the Tender Offer Price will be 1,250 yen; accordingly, the special committee had the Company request again on November 20, 2020 that the Tender Offeror reconsider the Tender Offer Price and set the Tender Offer Price at 1,300 yen or higher, stating that the revised proposal still had not adequately reflected the Company's corporate value for the same reasons as those for which the Company requested that the Tender Offeror reconsider the Tender Offer Price on November 16, 2020, and thus substantially got involved in discussions/negotiations between the Company and the Tender Offeror. As a result, on November 24, 2020, the Company received the final proposals from the Tender Offeror, including a proposal to set the Tender Offer Price at 1,300 yen per share.

Further, the special committee received explanations from Nishimura & Asahi several times regarding the respective drafts of press releases concerning the Tender Offer and the written report to express their opinion, to be released or filed by the Company, and details of the drafts of the Tender Offer Registration Statement concerning the Tender Offer to be filed by the Tender Offeror, received advice from Anderson Mori & Tomotsune, and confirmed that sufficient information will be disclosed.

(iii) Details of the Special Committee's Decision

Based on the background stated above, as a result of carefully discussing and considering the Matters of Inquiry, taking into consideration legal advice from Anderson Mori & Tomotsune, the special committee submitted to the Company's board of directors a written report (the "Written Report") mainly to the following effect, as of November 26, 2020, with the unanimous consent of the members.

(A) Justification and reasonableness of the purpose of the Transaction and the Share Transfer (including whether the Transaction and the Share Transfer contributes to the enhancement of the Company's corporate value)

The Company Group set the managerial targets and established the management issues that need to be addressed in order to achieve the targets based on the Innovation, and was implementing action plans to resolve these issues. However, the Company Group was not able to avoid a situation where its financial position inevitably deteriorated considerably while under the influence of the COVID-19 Pandemic, due to, among others, cancellations and postponements of events, postponement of the start of the professional baseball season, cancellations of hotel reservations, decrease in visitors to the Tokyo Dome City, and increase in costs for measures for prevention of COVID-19 infections. According to interviews with the Company, the Company recognizes the following five management issues from the mid-to-long term perspective, taking into account the effects

of the COVID-19 Pandemic which are expected to continue for a long period of time: (1) deterioration of the “Tokyo Dome City” facilities; (2) appearance of a synergetic effect between each facility within the “Tokyo Dome City”; (3) creation of a synergetic effect between the businesses of the Company Group; (4) further increase in the transparency of the management structure (reinforcement of governance); and (5) measures providing foresight into the prolonged effects of the COVID-19 Pandemic. Furthermore, the Company recognizes the necessity of the redevelopment of the “Tokyo Dome City” as a whole as its long-term goal. Focusing on these management issues is reasonable in the light of the Company’s business environment, and taking measures in order to resolve these issues is considered to contribute to the improvement of the Company’s corporate value.

In addition, according to interviews with the Company, the Tender Offeror explained to the Company that the following synergies are expected from the Transaction and the Share Transfer: (i) improving customer satisfaction and profitability through, among others, integrated operation of the baseball team, stadium and the Tender Offeror; (ii) strengthening the competitiveness of the Company by leveraging the Tender Offeror’s know-how; (iii) effectiveness of integrating the customer bases of the Tender Offeror, the Company and The Yomiuri Shimbun Holdings; (iv) strengthening the Tender Offeror’s competitiveness in neighborhood creation by leveraging the Company’s know-how in sports and entertainment; and (v) leveraging the Tender Offeror’s experience and know-how in urban development in future redevelopment of the “Tokyo Dome City.” Furthermore, from the standpoint of the Company, the following synergies can be expected: (a) concurrent promotion to facilitate measures for prevention of COVID-19 infections and improvement of customer satisfaction and profitability; (b) increase in the ability to attract customers to the “Tokyo Dome City”; (c) increase in profitability through the integration of customer bases; (d) promotion of cost reduction and an increase of borrowing capacity during the COVID-19 Pandemic; and (e) smooth promotion of the redevelopment of the “Tokyo Dome City” as a whole and maximization of value. There is no conflict or discrepancy between the synergies expected by both companies, and these synergies are considered to be able to resolve: management issues (1) and (5) through the redevelopment of the Tokyo Dome City and management issues (2), (3), and (5) through the effective operation of the business by leveraging and integrating the respective know-how and customer base of the Tender Offeror, The Yomiuri Shimbun Holdings, and the Company, respectively (although the resolution of management issue (4) is not raised as a part of synergies from the Transaction and the Share Transfer, as the Tender Offeror and The Yomiuri Shimbun Holdings are well aware of the importance of governance, it may be considered that the Transaction and the Share Transfer will also contribute to the resolution of management issue (4)).

Next, according to interviews with the Company, in order to resolve the management issues above, it is necessary, while closely collaborating with business strategy partners, including mutually referring customers and sharing of various know-how, to promptly make upfront investments that are not necessarily directly linked to the maximization of the Company’s profits in the short term and implement activities that involve temporary costs increase. Accordingly, flexibility and speed of decision-making are emphasized for a fundamental reform, which the Transaction and the Share Transfer will be able to realize. Therefore, aiming for resolving the management issues through the Transaction and the Share Transfer, and not other methods, is considered to be reasonable.

Moreover, according to interviews with the Company, the Company received from Oasis a proposal for improving the Company’s management, including implementing the Tender Offer by Oasis. However, the proposal suggested concentrating resources on the improvement of services at the Tokyo Dome City from the short-term perspective and did not necessarily specify strategies from the medium to long term perspective. The proposal

also seemed to not sufficiently understand restrictions on the development of a part of the “Tokyo Dome City” site under the City Planning Act and differences between stadium management business models overseas and in Japan. It has been ten months after Oasis’s initial proposal, and although Oasis held interviews with the Company in mid- February and mid-June 2020, it did not concretize the proposal at all. Furthermore, expectations of fund procurement and feasibility thereof in terms of regulations on foreign capital are uncertain. Given the above, it is unavoidable to say that the concreteness and feasibility, namely the seriousness, of the proposal are doubtful.

In addition, no special disadvantage to implementing the Transaction and the Share Transfer has been found.

In the light of the above, the purpose of the Transaction and the Share Transfer is justifiable and reasonable, and the Transaction and the Share Transfer is considered to contribute to improving the Company’s corporate value.

- (B) Fairness of the procedures concerning the Transaction and the Share Transfer (including whether the interests of the shareholders of the Company are fully considered)

The following matters have been raised with respect to this point:

- (1) The special committee, which is comprised of independent external directors and independent external auditors of the Company, has been established, and, considering the time of its establishment, and its authority, among others, the special committee has been found to be working effectively to ensure the fairness.
- (2) As it has been determined that there are no directors who have any special interest in the Tender Offer (taking into consideration the circumstances stated in (1) above, the directors with respect to whom the removal from their position of directors have been proposed by Oasis in an extraordinary general meeting of shareholders, and the director who was in the position of a director of the Tendering Shareholder have no interest which should be considered to harm the fairness of the procedures if not excluded from deliberations or vote of the Company’s board of directors meeting in relation to the Transaction), the board of directors of the Company intends to resolve to express an opinion to support the Tender Offer and recommend that shareholders tender their shares in the Tender Offer, by unanimous approval of the ten directors of the Company, and the four auditors of the Company intend to state a unanimous opinion that they have no objection to the above resolution; thus, there is no doubt regarding the fairness of the decision-making process of the Company.
- (3) The Company has obtained advice from attorneys of Nishimura & Asahi, a legal advisor independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, and Oasis.
- (4) The Company has obtained a share valuation report from GCA, a third party valuation organization independent of the Company, the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, and Oasis, as materials regarding share value of the Company Stock, and the Tender Offeror intends to obtain a share valuation report from PwC as a financial advisor, which is a third party valuation organization independent of the Tender Offeror, The Yomiuri Shimbun Holdings, the Tendering Shareholder, and the Company.
- (5) According to interviews with the Company, the Company discussed with business strategy partner candidates. In addition, the purchase period for the Tender Offer has been set at 31 business days, and the Company, the Tender Offeror, and The Yomiuri

Shimbun Holdings do not intend to reach any agreement which excessively restricts contact with proposing parties of opposing takeovers (although there is a break-up fee provision in the Capital and Business Alliance Agreement, the amount is not excessively expensive, and it can be said that such provision is not of a nature effectively forcing the shareholders of the Company to approve the Transaction and the Share Transfer and is within the scope of reasonable practice). Therefore, the market check is considered to be functioning appropriately.

- (6) “Majority of Minority” minimum is set and therefore, consent (tender) from a majority of general shareholders who have no interest in the Tender Offer will be necessary in order for the Tender Offer to be successfully completed.
- (7) The Tender Offer Filing Statement, the Written Report to Express Opinion, and the respective press releases of the Tender Offeror and the Company will disclose sufficient information regarding the process leading to the implementation of the Transaction and the Share Transfer and the background of the negotiation, including matters regarding the special committee. Thus, it has been found that materials that are important in decision-making, which contribute to decision-making regarding appropriateness, etc. of transaction terms, have been provided to shareholders of the Company.
- (8) If the Tender Offeror fails to acquire all shares of the Company Stock in the Tender Offer, it intends to promptly make a demand for a cash-out of all shares of the Company Stock or demand that the Company hold an extraordinary general meeting of shareholders, the proposed agenda of which includes a demand for implementation of a share consolidation, and it has been clarified that the cash to be delivered in such case as consideration will be calculated so that it will be equivalent to the Tender Offer Price multiplied by the number of shares of the Company Stock held by each shareholder. Thus, it has been found that attention has been paid to not give rise to coerciveness.

Based on the above, with respect to the Transaction and the Share Transfer, effective measures to ensure fairness have been adopted and operated, from the viewpoint of ensuring the same opportunities during the process of determining the transaction terms as those in transactions between independent parties, and ensuring that the general shareholders of the Company have had opportunities to make appropriate decisions based on sufficient information; accordingly, it has been found that the interests of shareholders of the Company have been fully considered through fair procedures.

- (C) Fairness and appropriateness of the transaction terms of the Transaction and the Share Transfer (including when compared with the Oasis Proposals)

First, regarding the negotiation of the Tender Offer Price, according to interviews with the Company, upon the request of the special committee based on deliberations and discussions thereat, and after negotiations with the Tender Offeror, the Company ultimately reached an agreement on the Tender Offer Price with the Tender Offeror after several price increases. Such a situation was also explained to the special committee in detail. Thus, the agreement on the Tender Offer Price is presumed to have been reached between the Company and the Tender Offeror as a result of negotiations based on objective and consistent discussions which correspond to those in transactions between independent parties. No circumstances were found which caused doubt about the transparency or fairness of the process leading to the agreement.

Next, regarding the business plan that was used as a basis for the share valuation report obtained by the Company, according to interviews with the Company, although the

business plan was prepared after the possibility of the Transaction and the Share Transfer being implemented had been specifically recognized, it was created in order to be incorporated into the next mid-term management plan irrespective of the Transaction and the Share Transfer and was based on the best estimate when considering the business environment surrounding the Company and the feasibility of the future business plan. According to interviews with the Company, no fact was discovered that the business plan was created or revised upon the instruction of, or considering the intention of, the Tender Offeror or The Yomiuri Shimbun Holdings, nor were any circumstances causing doubt about its reasonableness discovered.

Then, regarding the GCA valuation report obtained by the Company, the market share price analysis and DCF analysis that are generally used in this type of transactions were adopted in such valuation report and the corporate value of the Company was evaluated on the assumption of the Company being a going concern. According to interviews with GCA, no unreasonable points were found regarding the method and basis of the calculation thereof, and the special committee determined that it would be possible to rely on such valuation report when considering the share value of the Company Stock. In such valuation report, it was determined that (i) the Tender Offer Price is above the maximum value of the per-share value of the Company Stock calculated under the market share price analysis, and (ii) is near in the maximum range of the per-share value of the Company Stock calculated under the DCF analysis. Further, the Tender Offer Price (1,300 yen per share) includes 44.93 to 62.09% premiums on the closing price for the Company Stock on the Tokyo Stock Exchange up to November 26, 2020 (the average of the closing price on that day, as well as the closing prices for the past one-month, three-month and six-month periods). According to interviews with GCA, premiums for tender offers conducted after the COVID-19 Pandemic are generally at a level of 40% to 50% against the closing prices of shares in the market for a certain period in the past, and, thus, in the Tender Offer, when compared with them, a price with a premium at a level comparable to other projects is considered to have been secured. In addition, while the tender offer price proposed by Oasis as of January 30, 2020 was 1,300 yen per share, given that such proposal was made before the COVID-19 Pandemic, and that synergy in the Transaction and the Share Transfer would be more specific and feasible compared with the proposal, the Tender Offer Price that is the same as that proposed price is considered to be at a reasonable level compared with the Oasis Proposals.

Also from the viewpoint of the method of, and consideration for, the acquisition, since the Company's shareholders will receive the consideration in cash, the Transaction is favorable because the consideration is easy to understand, and the stability and objectivity of the value are high. Further, it has been disclosed that in the demand for a cash-out or share consolidation after the tender offer, it is planned that shareholders of the Company will be able to receive the consideration equivalent to the Tender Offer Price. In addition, according to interviews with the Company, The Yomiuri Shimbun Holdings will, based on its relationship with the Company, where the Yomiuri Giants, its affiliate, is the largest client of the Company, and the background that the Tender Offeror has played a central role in the consideration of the Transaction, accept assignment of part of the shares owned by the Tender Offeror after the Tender Offeror makes the Company a wholly-owned subsidiary. This is not considered to be unreasonable.

Given the foregoing, the fairness and appropriateness of the transaction terms of the Transaction and the Share Transfer as a whole (including when compared with the Oasis Proposals) is determined to have been ensured.

- (D) Whether it is appropriate for the Company's board of directors to express an opinion to support the Tender Offer and to recommend the Company's shareholders to tender in

the Tender Offer

Given that there seems to be no problem regarding (A) to (C) above, it has been determined to be appropriate for the Company's board of directors to express an opinion to support the Tender Offer and to recommend the Company's shareholders to tender in the Tender Offer;

- (E) Whether the implementation of the Transaction and the Share Transfer (including the Company's board of directors expressing an opinion to support the Tender Offer and recommending the Company's shareholders to tender in the Tender Offer) is disadvantageous to the general shareholders of the Company

Given that there seems to be no problem regarding (A) to (C) above, the implementation of the Transaction and the Share Transfer (including the Company's board of directors expressing an opinion to support the Tender Offer and recommending the Company's shareholders to tender in the Tender Offer) has been determined not to be disadvantageous to the general shareholders of the Company (including the minority shareholders in the procedure to make the Company wholly-owned subsidiary).

- (VI) Unanimous Approval of All Non-Interested Directors of the Company and Unanimous Opinion of No Objection from Auditors

The Company took into consideration details of the Company Valuation Report from GCA as a third-party valuation organization, and legal advice from Nishimura & Asahi, and carefully deliberated and considered various conditions of the Transaction, respecting the content of the Written Report obtained from the special committee to the utmost extent. As a result, as stated in "1. Purpose of and Reasons for Share Consolidation" above, at its board of directors meeting held on November 27, 2020, the Company determined that accepting the Tender Offeror proposal, including the Transaction and the Share Transfer, contributes to the improvement of the Company's mid-to-long term corporate value, and that the Tender Offer provides to its shareholders an opportunity to sell the Company Stock at a price which includes a reasonable premium and various reasonable conditions, and ten directors of the Company participated in the deliberations and the vote, and they unanimously resolved that the Company's opinion would be to express an opinion to support the Tender Offer and recommend its shareholders to tender in the Tender Offer. Also, all four corporate auditors of the Company attended the board of directors meeting above, and they all stated an opinion that they have no objection to make the resolution above.

As notified in the "Notice Concerning Shareholder's Demand to Call an Extraordinary General Meeting of Shareholders" disclosed by the Company as of October 19, 2020, of the Company's directors who attended the board of directors meeting above, Mr. Tsutomu Nagaoka, Mr. Tomofumi Akiyama, and Mr. Nobuhiro Mori were subject to a proposal for removal from their position of directors, in Proposed Agenda Nos. 1 thorough 3 for the extraordinary shareholders' meeting held on December 17, 2020 in response to the demand to call an extraordinary shareholders' meeting received on October 19, 2020 from Oasis Investments II Master Fund Ltd., the Company's shareholder. In light of the situation where the Company received the Oasis Proposals from Oasis, which operates Oasis Investments II Master Fund Ltd., as well as where the proposal for removal of the directors above have been made, the Company, as stated in "(V) Special Committee Established, and the Special Committee's Written Report Obtained, by the Company" above, established the special committee by a resolution of the board of directors meeting held on November 10, 2020, taking into consideration that it is necessary to carefully consider whether to implement the Transaction, and the appropriateness and fairness of the transaction terms (including the structure), including when compared with the Oasis Proposals. It engaged in discussions/negotiations with the Tender Offeror, while providing timely reports to the special committee regarding the background and details of discussions/negotiations on the

Transaction with the Tender Offeror, and obtaining opinions from the special committee; thus, the Company believes that the arbitrariness in the decision-making process of the Company in relation to the Transaction has been eliminated, and that the fairness, transparency, and objectivity of the decision-making process has been ensured. Therefore, the Company determined that, even in the situation where the Company received the Oasis Proposals from Oasis, which operates Oasis Investments II Master Fund Ltd., the above directors, with respect to whom the removal from their position of directors was proposed in the extraordinary shareholder meeting held on December 17, 2020, have no interest which should be considered to harm the fairness of the procedures if not excluded from deliberations or vote of the Company's board of directors meeting in relation to the Transaction.

Also, of the Company's directors who attended the board of directors meeting stated above, Mr. Nobuhiro Mori was in the position of a director of the Tendering Shareholder in the past. However, he resigned from the office of the officer of the Tendering Shareholder (former corporate name: Mizuho Corporate Bank, Ltd.) in April 2004, and, thereafter, he does not concurrently hold a position in the Tendering Shareholder, nor is he in any position to receive instructions therefrom. Further, as stated above, the Company believes that the arbitrariness in the decision-making of the Company in relation to the Transaction has been eliminated, and that the fairness, transparency, and objectivity of the decision-making process has been ensured, through actions such as establishing the special committee and obtaining opinions therefrom. The Company thus determined that Mr. Nobuhiro Mori, who was in the position of a director of the Tendering Shareholder, has no interest which should be considered harmful to the fairness of the procedures if not excluded from deliberations or vote of the Company's board of directors meeting in relation to the Transaction.

(VII) Measures to Ensure Opportunities for Purchase or Other Transactions from Parties Other Than the Tender Offeror

As stated in “(II) Background, Purpose and Decision-Making Process of the Tender Offeror's Decision to Implement the Tender Offer, and Management Policy After the Tender Offer,” “(2) Basis and Reasons for the Opinion,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company's Opinion Expressing Press Release, as measures to enhance its corporate value, the Company finally accepted the Tender Offeror Proposals, including the implementation of the Tender Offer, through comparison with and consideration of proposals made by business strategy partner candidates other than the Tender Offeror including the Oasis Proposals), and after discussions/negotiations with the Tender Offeror and Yomiuri Shimbun Holdings. It thus believes that there were sufficient opportunities for purchase or other transactions of the Company Shares by parties other than the Tender Offeror.

(VIII) Measures to Ensure Opportunities for the Company's Shareholders to Make Decisions Appropriately Whether to Tender in the Tender Offer

As stated in “(5) Policy for Organizational Restructuring, Etc. After the Tender Offer (Matters Relating to So-Called “Two-Step Acquisition”),” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Company's Opinion Expressing Press Release, (i) promptly after the completion of settlement for the Tender Offer, in accordance with the number of shares to be acquired as a result of the successful completion of the Tender Offer, the Tender Offeror intends to (a) make the Demand for Cash-Out of all Company Stock (excluding treasury shares owned by the Company); or (b) request that the Company hold a shareholder meeting that includes in its agenda a proposal to partially amend the Articles of Incorporation to abolish the unit share clause, subject to the Share Consolidation being effective, and therefore, the Tender Offeror will not employ any method that does not ensure opportunities for the shareholders of the Company to make a demand to purchase shares or a request to decide price; and (ii) the Tender Offeror has clarified that, upon making the Demand for Cash-Out or the Share Consolidation,

money to be delivered to shareholders of the Company as consideration is calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of shares of the Company Stock owned by each such shareholder (excluding the Tender Offeror and the Company); and therefore, the Tender Offeror ensures opportunities for shareholders of the Company to appropriately make decisions on whether to tender in the Tender Offer, thereby paying attention not to give rise to coerciveness.

In addition, according to the Tender Offeror, while the shortest period of purchase concerning the tender offer as stipulated in the relevant laws or regulations is 20 business days, the Tender Offeror set the Tender Offer Period as 31 business days. According to the Tender Offeror, by making the Tender Offer Period comparatively long, the Tender Offeror ensures opportunities for shareholders of the Company to make appropriate decisions whether to tender in the Tender Offer. Further, according to the Tender Offeror, promptly after the completion of the Tender Offer, the Tender Offeror will engage in procedures to make the Company its wholly-owned subsidiary as stated above, and the Company will immediately engage in necessary procedures if it receives the above demand and request from the Tender Offeror. Accordingly, in the Transaction, if the Tender Offer is successfully completed, it is scheduled that the Tender Offeror will make the Company its wholly-owned subsidiary as promptly as possible; in this sense as well, attention is paid to eliminate coerciveness.

4. Future Outlook

In relation to the implementation of the Share Consolidation, the Company Stock will be delisted as stated in “(I) Delisting,” “(2) Likelihood of Delisting” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” above.

5. Matters Regarding Transactions with a Controlling Shareholder

As of today, the Tender Offeror falls under the parent company of the Company; accordingly, transactions relating to the Share Consolidation fall under the category of transactions with a controlling shareholder.

(1) Conformity to the “Guideline of Measures for Protection of Minority Shareholders in Transactions with a Controlling Shareholder”

The “Guideline of Measures for Protection of Minority Shareholders in Transactions with a Controlling Shareholder” set forth in the Company’s corporate governance report disclosed on February 1, 2021 states that “When conducting transactions with its parent company, the Company confirms the appropriateness and economic rationality of their content, including whether the terms of the transactions are equivalent to those of general transactions, and the Company takes appropriate measures to ensure that decisions on the terms of the transactions with its parent company do not disadvantage minority shareholders.”

As stated in “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” above, the Company has undertaken measures to assure the fairness of the Transaction including the Tender Offer and to avoid conflicts of interest. The Company believes that these measures conform to the guideline above.

(2) Matters Regarding Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest

Please refer to “(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest” of “3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation” above.

(3) Overview of the Opinion Obtained from Persons Who have No Interests with the Controlling Shareholder Regarding the Fact that the Transaction is not Disadvantageous to Minority Shareholders

As of November 26, 2020, the Company obtained from the special committee a Written Report stating that the Transaction is not disadvantageous to the Company's general shareholders (including the minority shareholders in the Procedures for Making the Company A Wholly-Owned Subsidiary). For details, please refer to "(V) Special Committee Established, and the Special Committee's Written Report Obtained, by the Company," "(3) Measures to Ensure the Fairness of the Tender Offer and to Avoid Conflicts of Interest" of "3. Basis for Amount of Money Expected to Be Delivered to Shareholders by Fraction Treatment upon Share Consolidation" above.

IV. Abolition of Provisions Concerning Share Unit Number

1. Reasons for Abolition

The Company will abolish provisions of the articles of incorporation concerning share unit number because upon the Share Consolidation taking effect, the Company's total number of issued shares will be 5 shares and therefore it will cease to be necessary to specify the share unit number.

2. Scheduled Date of Abolition

April 27, 2021 (planned)

3. Conditions for Abolition

The abolition shall be subject to the Share Consolidation taking effect following the approval and adoption, as proposed, of a proposal concerning the Share Consolidation and a proposal concerning partial amendments to the articles of incorporation for the purpose of abolishing the provisions concerning share unit number (please refer to "V. Partial Amendments to the Articles of Incorporation" below).

V. Partial Amendments to the Articles of Incorporation

1. Purpose of Partial Amendments to the Articles of Incorporation

When the Share Consolidation takes effect following the approval and adoption, as proposed, of a proposal concerning the Share Consolidation, then in accordance with Article 182, Paragraph 2 of the Companies Act, the Company's total number of authorized shares will be reduced to 20 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 6 (Total Number of Authorized Shares) of the articles of incorporation will be amended.

When the Share Consolidation takes effect following the approval and adoption, as proposed, of a proposal concerning the Share Consolidation, then, the Company's total number of issued shares will be 5 shares, and it will cease to be necessary to specify the share unit number. Accordingly, subject to the Share Consolidation taking effect, in order to abolish the provisions concerning share unit number that currently makes 100 shares the share unit for the Company Stock, the entire text of Article 8 (Share Unit Number), Article 9 (Rights of Shareholders of Less Than One Share Unit), and Article 10 (Demand for Sale of Shares Less Than One Share Unit) of the articles of incorporation will be deleted, and in conjunction with these amendments, the article numbers will be shifted up.

When the Share Consolidation takes effect following the approval and adoption, as proposed, of a proposal concerning the Share Consolidation, then, the Tender Offeror will become the sole shareholder of the Company, and the provisions regarding the record date for the ordinary shareholders' meeting will cease to be necessary. Accordingly, subject to the Share Consolidation taking effect, the entire text of Article 13 (Record Date) of the articles of incorporation will be deleted, and in conjunction with the amendment, the article numbers will be shifted up.

2. Details of Amendment to the Articles of Incorporation

Details of amendment to the articles of incorporation are as follows

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 6 The total number of shares authorized to be issued by the Company shall be <u>one hundred ninety-eight million (198,000,000)</u> shares.	Article 6 The total number of shares authorized to be issued by the Company shall be <u>20</u> shares.
Article 7 (Provisions omitted)	Article 7 (as currently provided)
<u>Article 8</u> The share unit number of shares of the Company shall be <u>one hundred (100)</u> .	(Deleted)
<u>Article 9</u> A shareholder holding shares constituting less than one share unit of the Company may not exercise any rights except for the following rights: (1) The rights provided for in each item of <u>Article 189, Paragraph 2 of the Companies Act</u> ; (2) The rights to make a request pursuant to <u>Article 166, Paragraph 1 of the Companies Act</u> ; (3) The rights to receive the allotment of shares for subscription and stock acquisition rights for subscription in numbers corresponding to the number of shares held by the shareholder; and (4) The rights to make a request as provided for in the next article.	(Deleted)
<u>Article 10</u> A shareholder holding shares constituting less than one share unit of the Company may request the Company to sell the relevant number of shares which shall constitute one share unit if combined with the shares constituting less than one share unit already held by the shareholder.	(Deleted)

Current Articles of Incorporation	Proposed Amendments
Articles <u>11</u> to <u>12</u> (Provisions omitted)	Articles <u>8</u> to <u>9</u> (as currently provided)
<u>Article 13</u> <u>(1) The Company shall deem the shareholders holding voting rights whose names have been entered or recorded in the latest shareholders' registry as of January 31 of each year to be the shareholders who are entitled to exercise their rights at the ordinary shareholders' meeting for the relevant accounting period.</u> <u>(2) In addition to the preceding Paragraph and other cases otherwise provided for in the articles of incorporation, when necessary, the Company may, upon giving prior public notice, fix a date as a record date by resolution of the board of directors.</u>	(Deleted)
Articles <u>14</u> to <u>48</u> (Provisions omitted)	Articles <u>10</u> to <u>44</u> (as currently provided)

3. Schedule of Amendments to the Articles of Incorporation

April 27, 2021 (planned)

4. Conditions for Amendments to the Articles of Incorporation

These amendments to the articles of incorporation shall be subject to the Share Consolidation taking effect following the approval and adoption, as proposed, of a proposal regarding the Share Consolidation in the EGM.

End.