

October 11, 2016

To all persons concerned,

NPC Incorporated  
1-7-15 Higashi-ueno, Taito-ku  
Tokyo 110-0015, Japan

**Announcement on Discontinuation of Countermeasures to Large-scale Purchase of NPC Shares**  
**(Anti-takeover Measures)**

Based on the approval of the shareholders at the General Meeting of Shareholders held on November 29, 2007, NPC Incorporated (“the Company”) introduced the countermeasures to large-scale purchase of NPC shares (anti-takeover measures, hereinafter “the Plan”) and has partially revised and continued the Plan with the approval of shareholders every 3 years. Following the Board of Directors meeting held today, the Company hereby announces it has resolved not to continue the Plan as of its expiry. The Plan will be terminated at the closing of the General Meeting of Shareholders to be held in November, 2016.

Description

The Company has introduced and continued the Plan taking into consideration the importance of securing sufficient time and information for the shareholders to consider the appropriateness of a large-scale purchase of the NPC shares as well as chances of negotiation with the purchaser. The market and business environment surrounding the Company, however, has changed since the introduction of the Plan and the regulations against the large-scale purchase has taken effects under Financial Instruments and Exchange Act. Therefore, the aim of the Plan to secure information and time for shareholders to make appropriate decisions has been achieved to some extent. Thus, after careful consideration of the treatment of the Plan, the Company has concluded that the importance of the Plan has relatively declined and has resolved not to continue the Plan after its expiry.

The Company will endeavor to secure and improve corporate value and the common interests of the shareholders. When any large-scale purchase attempt is made after the Plan expires, the Company will request the purchaser to provide necessary and sufficient information for shareholders to appropriately decide, disclose opinions of the Board of Directors, strive to ensure adequate time for shareholders to consider the appropriateness of the purchase, and take any proper measures in compliance with all relevant laws.

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