

May 9, 2017

To Whom It May Concern:

Company Name: SCREEN Holdings Co., Ltd.  
Representative: Eiji Kakiuchi, President  
(Code Number : 7735, First Section of Tokyo Stock Exchange)  
For Inquiries: Yoshihisa Ishikawa, Corporate Officer and  
General Manager of Corporate Planning Department  
Tel: +81-75-414-7192

**Notice Regarding the Discontinuance of Countermeasures Against  
Large-Scale Share Purchase (Takeover Defense Measures)**

SCREEN Holdings Co., Ltd. (the “Company”) has introduced and applied “Countermeasures Against Large-Scale Share Purchase” (the “Countermeasures”) continuously since the approval thereof at the 73<sup>rd</sup> ordinary shareholders’ meeting held on June 26, 2014.

The effective period of the Countermeasures expires at the conclusion of the 76<sup>th</sup> ordinary shareholders’ meeting scheduled for June 27<sup>th</sup> of this year (the “Shareholders’ Meeting”). The Company hereby gives notice that, at the Board of Directors meeting held today, it was decided to discontinue the Countermeasures.

Following the introduction and application of the Countermeasures on a continuous basis, the Company has shifted to the holding company system. At the same time, the Company has addressed objectives consisting of the reform of the profit structure, reinforcement of the financial structure, and expansion into new categories of business which are stated in the Company’s 3-year management plan to be achieved by the end of March 2017, entitled “Challenge 2016”. Specifically, by promoting the improvement of ROE (Return On Equity) and maximization of free cash flow and increase shareholder returns, the Company has made efforts to enhance the corporate value of the Company.

The Company continues to make efforts to increase the growth of the SCREEN Group and enhance its quality, thereby promoting the creation of sustainable profits as well as an increase in profits return to the Company’s shareholders. The Company believes that such continuous efforts will strengthen the trust in the Company placed by its shareholders and other stakeholders and, in the end, will lead to an increase in the Company’s corporate value and to securing common interests for the shareholders of the Company.

Based upon the circumstances described above, the Company has determined that the necessity for the application of the Countermeasures has comparatively declined and has thus decided to discontinue the Countermeasures at the conclusion of the Shareholders’ Meeting.

Nonetheless, even after the discontinuance of the Countermeasures, if any person attempts a large-scale purchase of the Company’s shares, the Company remains committed to demanding from such person information which is necessary and sufficient for the Company’s shareholders to make an appropriate decision as to whether or not the said large-scale share purchase should be approved, disclosing opinions of the Company’s Board of Directors or materials relating to the said large-scale share purchase, and taking appropriate measures to the extent permitted by the Financial Instruments and Exchange Act, Companies Act and other related laws and regulations as well as the Company’s Articles of Incorporation.

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