

JAFCO Co., Ltd. (Ticker: 8595)
1-5-1 Otemachi, Chiyoda-ku
Tokyo 100-0004 Japan
<http://www.jafco.co.jp>

Contact: Investor Relations
Tel: 03-5223-7073
ir@jafco.co.jp

July 27, 2017

Announcement Regarding Application for Share Buyback by Nomura Research Institute, Ltd. and Expected Accrual of Extraordinary Income

JAFCO Co., Ltd. (the “Company”) has announced that it has decided to tender part of its holdings in Nomura Research Institute, Ltd. (NRI) under a share buyback by NRI. We hereby notify that the transaction will likely generate a gain on the sale of investment securities and accrue an extraordinary income as shown below:

1. Number of Shares to Apply

5,000,000 shares of out of 18,156,050 NRI common shares held by the Company (representing 27.5% of the shares held by the Company)

There is a possibility that the Company will not be able to sell all tendered shares depending on tenders by other shareholders.

2. Outline of Transaction

NRI will entrust the purchase of its treasury stock at the closing price of ¥4,345 on July 27, 2017 through off-auction own shares repurchase trading of the Tokyo Stock Exchange (ToSTNeT-3) at 8.45 a.m. on July 28, 2017.

3. Reason to Apply

The decision was made as part of the Company’s efforts to revise cross-holdings of shares between NRI and the Company in due consideration to the Company’s asset portfolio.

4. Outlook

In case the Company sells all tendered shares in NRI, the gain on sale of investment securities for ¥18,349 million will be recorded as extraordinary income for the second quarter of the fiscal year ending March 31, 2018.

We will announce promptly if there is a significant difference between the above amount and the actual accrual amount once the number of shares to be sold is fixed.