Translation of the Japanese press release

JAFCO

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Notice Concerning the Introduction of the Company's Basic Policies for the Control of the Company Based on Specific Concerns that City Index Eleventh Co., Ltd. and Other Parties will Carry Out Large-scale Purchase Actions, etc. of the Company Shares and Response Policies to Large-scale Purchase Actions, etc. of the Company Shares

JAFCO Group Co., Ltd. (the "Company" or "JAFCO") has learned that Ms. Aya Nomura (Mr. Yoshiaki Murakami's biological child), Kabushiki Kaisha Minami-Aoyama Fudosan and City Index Eleventh Co., Ltd. ("City Index Eleventh"; and collectively with Ms. Aya Nomura and Kabushiki Kaisha Minami-Aoyama Fudosan, "City and Other Parties"), which are under the influence of Mr. Yoshiaki Murakami ("Mr. Murakami"), have been rapidly and in large quantities buying up the Company's common shares (the "Company Shares") in the stock market (the "Share Buying-up") since May 2022. According to the Large Shareholding Report pertaining to the Company Shares submitted by City Index Eleventh on August 9, 2022, City and Other Parties held 4,793,600 shares, which is 6.54% of the shareholding ratio (meaning the shareholding ratio stipulated in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same applies hereinafter.) of the Company Shares as of August 2, 2022. As described below, according to Mr. Murakami and others, City and Other Parties held nearly 15% of the Company Shares as of August 5, 2022.

The Company met with Ms. Aya Nomura and Mr. Hironao Fukushima ("Mr. Fukushima"), Representative Director of City Index Eleventh, on August 4, 2022, and with Mr. Murakami, Ms. Aya Nomura and Mr. Fukushima on August 5, 2022. At the meeting on August 5, Mr. Murakami and others informed us that City and Other Parties had acquired around nearly 15% of the Company Shares and that they indicated the possibility to continue to purchase more Company Shares (the "Additional Share Purchases") and acquire 51% of the Company Shares. In addition, they requested us to conduct a large scale share buyback that amounts to approximately 50 billion yen, which is the equivalent to approximately one-third of the Company's market capitalization and 40% of consolidated shareholders' equity, by procuring funds through such as liquidating the shares of Nomura Research Institute, Ltd. held by the Company. However, City and Other Parties commenced the Share Buying-up very recently since May 2022, and we did not learn of the Share Buying-up until August 5, 2022, and City and Other Parties have never held substantive discussions with the Company regarding the

Share Buying-up and the Additional Share Purchases, and almost no information has been shared with the Company regarding the terms and conditions of the Share Buying-up and the Additional Share Purchases. We have not received any substantive explanation of the terms and conditions of the Share Buying-up and the Additional Share Purchases, or of the management policy of the Company after the Additional Share Purchases.

As stated above, being provided only insufficient information regarding the purposes and conditions of the Share Buying-up that is currently conducted by City and Other Parties, the Company believes that it is undeniable that the purpose or results of the Share Buying-up could prevent maximization of the Company's corporate value and the shareholders' common interests, given factors including the court's finding of the previous investment activities of investors, including Mr. Murakami who has powerful influence on City and Other Parties, and the funds over which he exercises influence ("Murakami Funds") as stated in **Exhibit 1** (for example, in the Yokohama District Court decision rendered on May 20, 2019, the Court found that Mr. Murakami and Murakami Funds purchased a large number of shares in multiple listed companies from 2012 to 2019, placed their management under pressure, and earned resale gains by causing those listed companies or their affiliated companies to purchase at high prices all or a substantial part of the shares purchased (page 126 of the *Siryoban Shojihomu* No. 424)).

In light of the above, the Company's Board of Directors reasonably determined that there is a specific concern that actions to purchase the Company Shares for the purpose of increasing the holding ratio of voting rights of City and Other Parties to 20% or more (Large-scale Purchase Actions, etc. (as defined in **III2(2)** below; the same applies hereinafter)) would be conducted through the Additional Share Purchases and assumed that other parties might contemplate Large-scale Purchase Actions, etc. under the circumstances for which there was a specific concern that City and Other Parties would conduct Large-scale Purchase Actions, etc. of the Company Shares. Therefore, the Company's Board of Directors has concluded that **the Large-scale Purchase Actions, etc. must be conducted in accordance with certain procedures that it establishes, which will contribute to maximizing the Company's corporate value or the shareholders' common interests, in order (i) to secure the information and time required for the Company shareholders to make appropriate decisions on the potential impact of any such Large-scale Purchase Actions, etc. on the Company's corporate value or the sources thereof and (ii) to enable the Company's Board of Directors to negotiate or discuss with the Large-scale Purchaser** (as defined in **III2(2)** below; the same applies hereinafter) **regarding the Large-scale Purchase Actions, etc. or the Company's management policy.**
As a result, the Company hereby announces that the Company's Board of Directors decided basic policies regarding how a person is to control the decisions of the Company's financial and business policies (Article 118, item (iii) of the Regulations for Enforcement of the Companies Act) in order to

secure and improve our corporate value and our shareholders' common interests , and has resolved to introduce response policies for (i) the Large-scale Purchase Actions, etc. by City and Other Parties for the Company Shares for which there is a specific concern and (ii) other Large-scale Purchase Actions, etc. that may be intended under the circumstances for which there is a specific concern that City and Other Parties will conduct the Large-scale Purchase Actions, etc. for the Company Shares (the "Response Policies") at the meeting of the Board of Directors held today. This is an effort to prevent the determination of financial and business policies of the Company from being controlled by an inappropriate person in light of the basic policies (Article 118, item (iii), (b).2 of the Regulation for Enforcement of the Companies Act). The Response Policies will be introduced primarily to respond to a specific concern about Large-scale Purchase Actions, etc., including the Share Buying-up that have already emerged, and differ from the proactive takeover defense measures that are introduced at normal times.

In addition to passing the resolution above, the Company's Board of Directors has established an Independent Committee and appointed four independent outside directors as the committee members in order to prevent its arbitrary decisions by the Board of Directors and to further enhance the fairness and objectiveness of the operation of the Response Policies. For the establishment of the Independent Committee and the appointment of the Independent Committee members, please see "Notice Concerning Establishment of Independent Committee and Appointment of Independent Committee Members" dated today.

Given that the introduction per se of the Response Policies is not based on shareholders' express decision such as a resolution of a shareholders meeting, countermeasures under the Response Policies (specifically, allotment of share options without contribution) will be triggered by fully respecting the Independent Committee's recommendations and only when (a) approved by a shareholders meeting ("Shareholders' Will Confirmation Meeting"), and the relevant Large-scale Purchaser does not withdraw its Large-scale Purchase Actions, etc. or (b) the Large-scale Purchaser does not observe the procedures set forth in **III 2(3)** below and attempts to conduct its Large-scale Purchase Actions, etc. before the Shareholders' Will Confirmation Meeting set forth in **III 2(3) (iv)** below is held.

The introduction of the Response Policies has been unanimously approved by all directors, including the Company's four independent outside directors who are also Board-Audit Committee members.

If there is any amendment to the Companies Act, the Financial Instruments and Exchange Act or other laws, any rule, cabinet order, cabinet office order or ministerial order, or any rule of the financial instruments exchange on which the Company Shares are listed (collectively, "Laws") (including a name change of any Law, and the enactment of any new Law to replace a former Law; hereinafter the

same), and any such amendment is enforced, the provisions of the Laws quoted in the Response Policies will be respectively replaced by the relevant provisions of the amended Laws that substantively replace those former Laws, unless separately determined by the Company's Board of Directors.

I Basic policies regarding how a person is to control the decisions of the Company's financial and business policies

As a listed company, the Company recognizes that if a share purchase proposal is made by specific persons that materially impact the Company's basic management policies, whether to accept it should ultimately be left to its shareholders' decision. Therefore, as stipulated in the Corporate Governance Policy of the Company, the Company does not introduce proactive anti-takeover measures that are introduced at normal times.

However, where a Large-scale Purchase Actions, etc. is conducted, it is difficult for the Company shareholders to appropriately assess the impact of the Large-scale Purchase Actions, etc. on the Company's corporate value and the shareholders' common interests, without the necessary and sufficient information being provided by the Large-scale Purchaser. Further, it is undeniable that some Large-scale Purchase Actions, etc., would damage the Company's medium- to long-term corporate value and the shareholders' common interests that the Company has maintained and enhanced, such as those that: (i) attempt to temporarily control the management and transfer the Company's tangible/intangible important management assets to the Large-scale Purchaser or its group companies; (ii) attempt to appropriate the Company's assets for repayment of the Large-scale Purchaser's debts; (iii) attempt to have the Company and/or its related parties acquire the Company Shares merely at a high price without intending to actually participate in the management (so-called greenmailer); (iv) attempt to obtain temporary high dividends by having the Company sell and dispose of its expensive assets; (v) may damage our good relationships with our stakeholders and damage the Company's medium- to long-term corporate value; (vi) do not provide time or information reasonably necessary for the Company's shareholders and Board of Directors to consider the content of purchases and acquisition proposals and for the Board of Directors to offer alternative proposals; and (vi) do not fully reflect our corporate value.

In light of the above, the Company believes that the Company's Board of Directors has a duty: (i) to have the Large-scale Purchaser provide the necessary and sufficient information for the Company shareholders to make decisions; (ii) to provide the results of evaluation and consideration by the Company's Board of Directors regarding the impact of the proposal by the Large-scale Purchaser on the Company's medium- to long-term corporate value and the shareholders' common interests, as a reference for the Company shareholders to consider the proposal; and (iii) (as the case may be) to negotiate or discuss the Large-scale Purchase Actions,

etc. or the Company's management policies with the Large-scale Purchaser, or to present the Board of Directors' alternative proposals for the management policies to the Company shareholders.

In terms of the basic policies above, the Company stipulates in the Corporate Governance Policy of the Company that, in the case of Large-scale Purchase Actions, etc. made to the Company, the Board of Directors will proposes appropriate countermeasures when it is deemed necessary to maintain and boost the Company's corporate value and the shareholders' common interests. In line with this policy, the Company's Board of Directors will require that the Large-scale Purchaser provide the necessary and sufficient information for the Company shareholders to appropriately determine whether to accept the Large-scale Purchase Actions, etc. in order to ensure maximization of the Company's medium- to long-term corporate value and the shareholders' common interests. The Board of Directors will also timely and properly disclose such information as provided to the Company or otherwise take measures to be deemed appropriate within the extent permissible under the Financial Instruments and Exchange Act, the Companies Act, and other laws and regulations, as well as the Articles of Incorporation of the Company.

While the Company's basic policies regarding how a person is to control the decisions of the Company's financial and business policies are as stated above, the Company's Board of Directors believes that any Large-scale Purchase Actions, etc. by a Large-scale Purchaser ultimately requires the Company shareholders agreeing to the Large-scale Purchase Actions, etc. by considering details of the purposes and conditions thereof and being provided in advance with sufficient time and information necessary to determine whether it is acceptable. As such, as long as the Large-scale Purchaser complies with the procedures established in the Response Policies, before triggering the countermeasures based on the Response Policies by the Board of Directors, the Company will hold a Shareholders' Will Confirmation Meeting as a venue for such consideration and determination by the Company's shareholders. Further, if the Company's shareholders express their will to support the Large-scale Purchase Actions, etc. at the Shareholders' Will Confirmation Meeting (such will is to be expressed through whether a proposal requesting approval for the Company taking the prescribed countermeasures against a Large-scale Purchase Actions, etc. is passed by the consent of a majority of the voting rights of the shareholders present at the Shareholders' Will Confirmation Meeting who are entitled to exercise voting rights), the Company's Board of Directors will not take any action to substantially prevent the Large-scale Purchase Actions, etc., as long as it is implemented pursuant to the terms and conditions disclosed at the Shareholders' Will Confirmation Meeting.

Therefore, the countermeasures based on the Response Policies (specifically, allotment of share options without contribution) will be triggered by fully respecting the Independent Committee's

recommendations only (a) if approval is obtained by the Shareholders' Will Confirmation Meeting and if the Large-scale Purchaser does not withdraw the Large-scale Purchase Actions, etc., or (b) if the Large-scale Purchaser does not comply with the procedures specified in **III 2(3)** below and seeks to conduct the Large-scale Purchase Actions, etc. (including additional acquisition of the Company Share Certificates (meaning the "share certificates, etc." stipulated in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies hereinafter.)).

II Special efforts contributing to realizing basic policies

1 Efforts to enhance the Company's corporate value and the shareholders' common interests

(1) The Company's Management Policy

Since the establishment, the Company has created various innovative products/ services with entrepreneurs. The Company's mission is to open a new era with its stakeholders by committing to creating new businesses needed in the society.

(2) Policy and Strategy for Achieving JAFCO's Mission

The Company aims to achieve its mission by making venture/ buyout investment through funds. To better clarify its commitment to entrepreneurs embarking on new businesses and fund investors mainly consisting of institutional investors, the Company has introduced the individual-oriented partnership model to add to its competitiveness underpinned by its organizational strength accumulated since inception.

This activity strongly matches with the concept of sustainable investment. Many start-up companies are established with a motive to solve social issues and contribute to the society. By supporting their growth through investment activity, we contribute to the emergence of companies that will cause large social impacts in the future.

In realizing its mission, the following strategies will also be implemented.

・Highly selective, intensive investment and management involvement

To create new businesses, the Company will narrow down investment targets and make bold investments in companies with high growth potential. It acquires influential stakes in its portfolio companies and accelerate their growth through deep management involvement.

・Sustain improvement in fund performance

To secure sufficient investment capital, it is vital to achieve sustainable improvement in fund performance and raise funds from outside investors. The Company also invests its own capital in funds and shares gains with fund investors. It will build high-quality portfolios through highly selective, intensive investment and management involvement to achieve sustainable improvement in fund performance.

・JAFCO as "Co-Founder"

During the startup phase of a portfolio company, the Company is required to be a "Co-Founder" rather than an investor. It aims to become an organization where each employee and the Company as a whole can play an active role as a "Co-Founder" by passing on and developing its spirit, expertise and experience that it has built up since establishment.

2 Strengthening of corporate governance

(1) Basic Views on Corporate Governance

The Company's basic views on corporate governance are as outlined below. With an eye to increasing corporate value over the medium to long term, the Company will make continuous efforts for its enhancement.

・Build respectful relationships with stakeholders
・Maintain transparency and fairness in decision making
・Establish an appropriate supervising structure
・Establish an operating structure that ensures effective and swift business execution

(2) Corporate Governance Structure

The Company has adopted the "company with Board-Audit Committee" structure for its corporate governance system. The Company has established the Board of Directors and the Board-Audit Committee, through which it makes important management decisions and audits/ supervises business execution by directors.

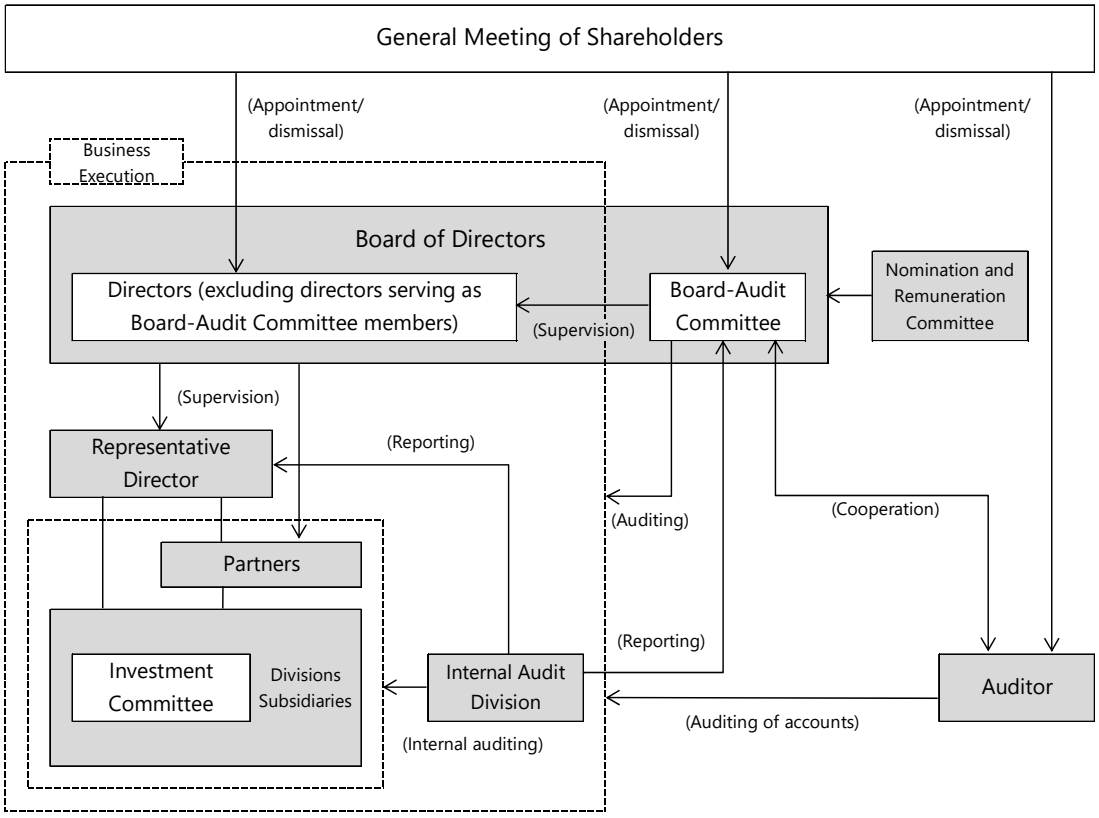
Independent directors supervise management from a neutral and objective standpoint. The selection is in accordance with the "Standards for Independence of Independent Directors" of the Company. The Board-Audit Committee audits the execution of duties by directors and prepares audit reports.

Further, the Company establishes the Nomination and Remuneration Committee, and to ensure transparency and objectivity of nomination and remuneration, important decisions regarding the nomination and remuneration of directors, corporate officers, and partners are deliberated by the Nomination and Remuneration Committee in advance. The Board of

Directors discusses and makes decisions on the nomination and remuneration based on the deliberations by the Committee. In addition, investment decisions of the Company are made by the Investment Committee comprising the president and partners, etc. to allow quick decision-making. directors serving as Board-Audit Committee members also participate in the Investment Committee on an as-needed basis.

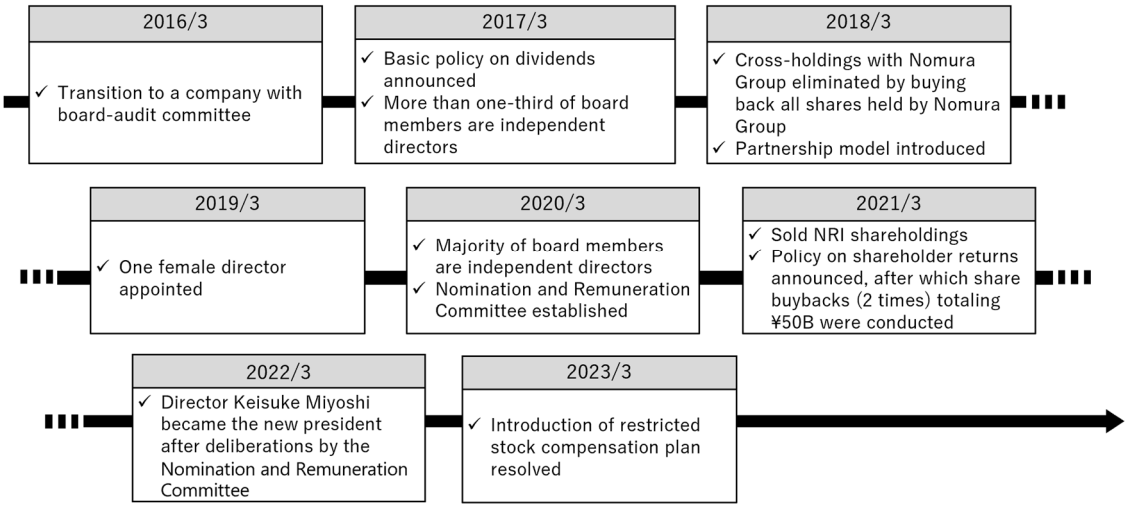
The Company focuses on private equity investment, a highly-professional business aimed at providing risk money. In light of nature and scale of the Company's business and the number of employees, the Board of Directors of the Company, consisting of a small group of members, makes an effort to ensure swift and appropriate decision making.
Under the above circumstances, the Company has adopted the current framework because it believes that the most effective governance structure is one that utilizes the roles of independent directors and the Board-Audit Committee (at least a majority of which are independent directors) to strengthen business execution auditing/ supervising functions and the corporate governance system, and further enhance corporate value.
In principle, a majority of the Board of Directors consist of independent directors to enhance the effectiveness of corporate governance.

<Corporate governance structure>



(3) Our efforts continue to enhance governance

For the Company, which operate in a risky business of venture and buyout investments, it is extremely important to enhance management governance and carry out fair and prompt decision-making. We have been upgrading governance in stages each year, focusing on "management independence," "ensuring good balance between shareholder returns and strong shareholders' equity," and "transition to a partnership model." Our efforts continue to enhance governance.



III Efforts to prevent the determination of financial and business policies of the Company from being controlled by an inappropriate person in light of the Basic Policies

1 The purposes of the Response Policies

The Response Policies will be introduced in accordance with **I.** "Basic policies regarding how a person is to control the decisions of the Company's financial and business policies" above, with the aim of maximizing the Company's medium- to long-term corporate value and the shareholders' common interests.

The Company's Board of Directors believes that the decision whether to accept the conduct of the Large-scale Purchase Actions, etc. must ultimately be made by the shareholders, from the viewpoint of maximizing the Company's medium- to long-term corporate value and the shareholders' common interests. The Company's Board of Directors also believes that, in order for the shareholders to properly decide whether to accept the conduct of the Large-scale Purchase Actions, etc., it is necessary to secure an opportunity to confirm their general will by holding a Shareholders' Will Confirmation Meeting in advance of the commencement of

the Large-scale Purchase Actions, etc.; and that, in order to allow confirmation of the will to be substantive based on deliberation, it is necessary, as a precondition therefor, to secure sufficient information from the Large-scale Purchaser and time to consider will be provided to the shareholders.

In light of the above, the Company's Board of Directors establishes the Response Policies as procedures to be taken if the Large-scale Purchase Actions, etc. are to be conducted, as described below. These Response Policies are the framework for requesting that the Large-scale Purchaser provide the necessary information and for securing the time required for the Company's shareholders to deliberate over the propriety of the conduct of the relevant Large-scale Purchase Actions, etc. based on the provided information, as a precondition to enable the shareholders to determine based on sufficient information, in advance of the conduct of the Large-scale Purchase Actions, etc., whether the Large-scale Purchase Actions, etc. will prevent the maximization of the Company's medium- to long-term corporate value and the shareholders' common interests. The above-mentioned procedures purport to provide the shareholders with the necessary and sufficient information and time to make a proper decision regarding whether to accept the conduct of the Large-scale Purchase Actions, etc., which the Board of Directors believes will contribute to the maximization of the Company's medium- to long-term corporate value and the shareholders' common interests.

Therefore, the Company's Board of Directors plans to request that the Large-scale Purchaser comply with the Response Policies; and if the Large-scale Purchaser fails to do so, to take certain countermeasures by fully respecting the Independent Committee's opinions, from the viewpoint of maximizing the Company's medium- to long-term corporate value and the shareholders' common interests.

In response to City and Other Parties purchasing nearly 15% of the Company Shares in the market in expectation of increasing the price through the Share Buying-up, the decision to introduce the Response Policies was made by the Company's Board of Directors, based on the determination that it is necessary to establish certain procedures to respond to the (i) the Large-scale Purchase Actions, etc. by City and Other Parties for the Company Shares for which there is a specific concern and (ii) other Large-scale Purchase Actions, etc. that may be intended under the circumstances for which there is a specific concern that City and Other Parties will conduct the Large-scale Purchase Actions, etc. for the Company Shares, from the viewpoint of maximizing the Company's medium- to long-term corporate value and the shareholders' common interests. In addition, the Response Policies entail a structure under which the decision regarding whether the Company should take prescribed countermeasures

against the Large-scale Purchase Actions, etc. conducted will be ultimately left to the will of the shareholders through a Shareholders' Will Confirmation Meeting, as long as the Large-scale Purchaser complies with the procedures established in the Response Policies. Accordingly, on condition that the time and information required to evaluate and examine details of the Large-scale Purchase Actions, etc. are sufficiently secured, the Company believes that it is fair to deem the following process as reasonable: if triggering the countermeasures is passed by the consent of a majority of the voting rights of the shareholders present at a Shareholders' Will Confirmation Meeting who are entitled to exercise voting rights after the Company's Board of Directors fulfills its accountability to them, then the relevant countermeasures may be deemed to be based on the reasonable will of the shareholders (for details of the structure to enhance reasonableness of the Response Policies, please refer to **5.** below.).

2 Substance of the Response Policies

(1) Outlines

(i) Procedures for the Response Policies

As stated above, the Company believes that the decision regarding whether to accept the conduct of a Large-scale Purchase Actions, etc. must ultimately be made by the shareholders. Accordingly, if the Company obtains approval at a Shareholders' Will Confirmation Meeting and the relevant Large-scale Purchase Actions, etc. is not withdrawn, the Company will trigger prescribed countermeasures by fully respecting the Independent Committee's opinions, in order to maximize the Company's medium- to long-term corporate value and the shareholders' common interests.

In addition, the Response Policies aim to request that the Large-scale Purchaser provide the necessary information to serve as the basis for the shareholders to make decisions, to secure the time required for the shareholders to deliberate over the propriety of the conduct of the Large-scale Purchase Actions, etc. based on the provided information, and then to confirm the shareholders' will concerning whether to accept the conduct of the Large-scale Purchase Actions, etc. through a Shareholders' Will Confirmation Meeting. Therefore, should those aims not be achieved, namely, if the Large-scale Purchaser does not comply with the procedures

specified in **(3)** below and seeks to conduct the Large-scale Purchase Actions, etc. (including additional acquisition of the Company Share Certificates), the Company's Board of Directors will trigger prescribed countermeasures by fully respecting the Independent Committee's opinions.

(ii) Establishment of Independent Committee

In relation to the operation of the Response Policies, in order to appropriately operate the Response Policies, to prevent arbitrary decisions by the Board of Directors, and to ensure objectiveness and reasonableness of its decisions, the Company has established the Independent Committee consisting of four independent outside directors of the Company (the biography of the each of the independent outside directors is as described in **Exhibit 2**). The Independent Committee will give the Board of Directors recommendations on the propriety of triggering countermeasures and other matters necessary to respond in accordance with the Response Policies. The Company's Board of Directors will determine the propriety of triggering countermeasures and other relevant matters by fully respecting the Independent Committee's recommendations.

In addition, the Independent Committee may, among other things, obtain advice from external experts (such as financial advisers, lawyers, certified public accountants, and tax accountants) independent from the Company's Board of Directors and the Independent Committee, as necessary. All the expenses incurred to obtain such advice will be borne by the Company to a reasonable extent.

In principle, resolutions of the Independent Committee will be passed by a majority vote of the committee members present at a meeting of the committee where all the incumbent committee members are present. However, if any member of the Independent Committee is unable to attend the committee meeting or any other exception applies, resolutions will be passed by a majority vote of the committee members present at the meeting where the majority of the committee members are present.

(iii) Use of allotment of share options without contribution as a countermeasure

If the countermeasures stated in (i) above are triggered, the Company will allot all of its shareholders share options with a discriminative exercise condition to the effect that Ineligible Persons (as defined in **3(1)(v)(a)** below; hereinafter the same applies) are not entitled to exercise rights and other conditions, and an acquisition clause to the effect that, while share options owned by shareholders other than Ineligible Persons will be acquired in exchange for the Company Shares, share options owned by Ineligible Persons will be acquired in exchange for other share options with a certain exercise condition and acquisition clause, and other clauses (the "Share Options") by way of allotment of share options without contribution (Article 277 et seq. of the Companies Act) (for details, please refer to **3.** below).

(iv) The Company's acquisition of the Share Options

If the Share Options are allotted without contribution in accordance with the Response Policies, and Company Shares are delivered to the shareholders other than Ineligible Persons in exchange for the Company's acquisition of the Share Options, the ratio of Company Shares held by Ineligible Persons will be diluted to a certain extent.

(2) Large-scale Purchase Actions, etc. subject to the Response Policies

In the Response Policies, the term "Large-scale Purchase Actions, etc." refers to the actions reasonably deemed to fall under the following actions (except for those conducted with prior consent of the Company's Board of Directors):

(i) a purchase (including but not limited to the commencement of a tender offer; hereinafter the same applies) of the Company Share Certificates with the aim of making the holding ratio of voting rights (Note 2) of the specific shareholders' group (Note 1) 20% or greater;

(ii) a purchase of the Company Share Certificates after which the holding ratio of voting rights of the specific shareholders' group would be 20% or greater; or

(iii) irrespective of whether each action provided in (i) or (ii) above is conducted, any action conducted by the Company's specific shareholders' group with

another shareholder of the Company (including cases where the relevant action is conducted with multiple other shareholders of the Company; hereinafter the same applies in this (iii)) that falls under either of the following items: (a) agreements or other actions after which the relevant shareholder would fall into the category of a joint holder of the specific shareholders' group; or (b) any actions to establish a relationship between the specific shareholders' group and the relevant shareholder where either one substantially controls the other or where they act jointly or cooperatively (Note 3) (Note 4) (limited to cases where the total holding ratio of share certificates, etc. of the specific shareholders and the relevant shareholder would be 20% or greater with respect to the Company Share Certificates issued by the Company).

As stated above, the term "Large-scale Purchaser" refers to a person who conducts or seeks to conduct the Large-scale Purchase Actions, etc. alone or jointly or cooperatively with another person.

(Note 1) The term "specific shareholders' group" refers to (i) a "holder" (as provided in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act, including a person who is included in the definition of a holder pursuant to paragraph (3) of the same Article) and a "joint holder" (as provided in Article 27-23, paragraph (5) of the same Act, including a person who is deemed to be a joint holder pursuant to paragraph (6) of the same Article; hereinafter the same applies) of "share certificates, etc." (as provided in Article 27-23, paragraph (1) of the same Act in this (i)) of the Company, (ii) a person who conducts a "purchase, etc." (as provided in Article 27-2, paragraph (1) of the same Act, including a purchase, etc. conducted on a financial instruments exchange market) of "share certificates, etc." (as provided in Article 27-2, paragraph (1) of the same Act in this (ii)) of the Company and its "specially related party" (as provided in Article 27-2, paragraph (7) of the same Act; hereinafter the same applies), and (iii) a related party of any of the persons set forth in (i) or (ii) above (meaning a group of investment banks, securities corporations, and other financial institutions that have concluded a financial advisory agreement with those persons, other persons who share common substantial interests with those

persons, tender offer agents, lawyers, accountants, tax accountants, other advisors, or persons reasonably considered by the Company's Board of Directors as persons who are substantially controlled by those persons or who act jointly or cooperatively with those persons).

(Note 2) The term "holding ratio of voting rights" refers to, depending on the specific purchase method of the specific shareholders' group, (i) a "holding ratio of share certificates, etc." of the specific shareholders' group if such group is a holder and its joint holder of the "share certificates, etc." (as provided in Article 27-23, paragraph (1) of the same Act in this (i)) of the Company (in this case, the "number of share certificates, etc. held" (as provided in the same paragraph) by joint holders of the holder will be considered for the purpose of this calculation); or (ii) the total of the "ownership ratio of share certificates, etc." (as provided in Article 27-2, paragraph (8) of the same Act) of the specific shareholders' group if such group is a person conducting a purchase, etc. of share certificates, etc. (as provided in Article 27-2, paragraph (1) of the same Act in this (ii)) of the Company and the specially related party of such person. For the purpose of the calculation of the holding ratio of share certificates, etc. or the ownership ratio of share certificates, etc., (A) specially related parties as defined in Article 27-2, paragraph (7) of the same Act, (B) investment banks, securities corporations, and other financial institutions that have concluded a financial advisory agreement with the specific shareholders, as well as the specific shareholders' tender offer agents, lead underwriters (the "Contracting Financial Institutions, etc."), lawyers, as well as accountants, tax accountants, and other advisors, and (C) persons who acquire the share certificates, etc. of the Company through off-market direct transactions or on-market after-hours transactions at the Tokyo Stock Exchange (ToSTNeT-1) from the persons falling under (A) and (B) above are deemed to be joint holders of the specific shareholders in the Response Policies. In addition, for the purpose of the calculation of ownership ratio of share certificates, etc., joint holders (including those who are deemed to be joint holders in the Response Policies) are deemed to be specially related parties of the specific shareholders in the Response Policies. For the

purpose of calculating a holding ratio of share certificates, etc. or a ownership ratio of share certificates, etc. of the Company, the latest annual securities report, quarterly securities report, and report on repurchase may be referred to with respect to the "total number of issued shares" (as provided in Article 27-23, paragraph (4) of the same Act) and the "total number of voting rights" (as provided in Article 27-2, paragraph (8) of the same Act).

(Note 3) Decision on whether "a relationship between the specific shareholders' group and the relevant shareholder where either one substantially controls the other or where they act jointly or cooperatively" has been established will be made based on (a) formation of any relationship such as an investment relationship, business alliance relationship, business or contractual relationship, interlocking directorate relationship, funding relationship, credit granting relationship, a situation of purchase of share certificates, etc. of the Company in expectation of an increase of the price, situation of exercise of the voting rights related to share certificates, etc. of the Company, relationship of substantial interests concerning share certificates, etc. of the Company through derivatives, stock lending, etc.; and (b) effects that the specific shareholders' group and the relevant shareholder directly or indirectly have on the Company, among other things.

(Note 4) Decision on whether the action specified in (iii) in the main text above has taken place will be reasonably made by the Company's Board of Directors (in making the decision, the Independent Committee's recommendations will be fully respected). The Company's Board of Directors may request information from its shareholders to the extent necessary to make the decision on whether the relevant action falls under the requirements specified in (iii) of the main text above.

(3) Procedures leading to triggering of countermeasures

The Response Policies aim to secure an opportunity for the shareholders to express their will regarding whether to accept the conduct of the Large-scale Purchase Actions, etc. It takes a certain period of time for the Company to hold a Shareholders' Will Confirmation Meeting. The Response Policies also aim, as the premise for the

shareholders to deliberate over the propriety of the relevant Large-scale Purchase Actions, etc., to request information from the Large-scale Purchaser and to secure the time required for the shareholders to deliberate based on that information.

Accordingly, in order to obtain information concerning the Large-scale Purchase Actions, etc. from the Large-scale Purchaser, to secure a deliberation period for the shareholders, and then to ensure that a Shareholders' Will Confirmation Meeting will be held, the Large-scale Purchaser will be required to comply with the following procedures provided in the Response Policies.

(i) Submission of an explanation of the purpose of the Large-scale Purchase Actions, etc.

The Large-scale Purchaser will be required to submit an explanation of the purpose of the Large-scale Purchase Actions, etc. to the Company's Board of Directors in writing no later than 60 business days before the commencement of the Large-scale Purchase Actions, etc.

The explanation of the purpose of the Large-scale Purchase Actions, etc. will be required to contain substance equivalent to that to be contained in a tender offer statement provided in Article 27-3, paragraph (2) of the Financial Instruments and Exchange Act, in Japanese, according to the details, manner, and other factors of the Large-scale Purchase Actions, etc. intended to be conducted, to which the representative of the Large-scale Purchaser will be required to affix his/her signature or his/her name and seal, and the representative's certificate of qualification will be required to be attached.

(ii) Provision of information

The Company will request that the Large-scale Purchaser provide the information specified in **Exhibit 3** (whose substance is subject to change to a reasonable extent according to the details, manner, and other factors of the Large-scale Purchase Actions, etc.; hereinafter, the information is referred to as the "Necessary Information") that is considered necessary for the shareholders to decide whether to accept the conduct of the Large-scale Purchase Actions, etc., at a Shareholders' Will Confirmation Meeting within five business days from the day on which the Company's Board of Directors

receives an explanation of the purpose of the Large-scale Purchase Actions, etc. at the latest (the first day is not included).

If the Necessary Information is submitted, the Company will disclose the fact that it has been submitted and its substance in a timely and appropriate manner to the necessary or beneficial extent for the shareholders to decide whether to accept the conduct of the Large-scale Purchase Actions, etc. If the Company's Board of Directors reasonably determines that the information received from the Large-scale Purchaser is insufficient for the shareholders to decide whether to accept the conduct of the Large-scale Purchase Actions, etc. in light of the details, manner, and other factors of the Large-scale Purchase Actions, etc., then it may request that the Large-scale Purchaser provide additional information by setting a due date as necessary (in making that decision, the Independent Committee's opinions will be fully respected). In this case, the Large-scale Purchaser will be required to provide the relevant additional information to the Company's Board of Directors by the due date. If the additional information is provided, the Company will also disclose the fact that it has been provided and its substance in a timely and appropriate manner, to the necessary or beneficial extent for the shareholders to decide whether to accept the conduct of the Large-scale Purchase Actions, etc.

(iii) Board of Directors' Evaluation Period

The Company's Board of Directors will set a period reasonably determined by the Board of Directors, up to 60 business days from the date when the Company receives an explanation of the purpose of the Large-scale Purchase Actions, etc. from the Large Purchaser, as the period for the Company's Board of Directors to evaluate and consider the propriety of the conduct of the Large-scale Purchase Actions, etc. (the "Board of Directors' Evaluation Period"). The Board of Directors' Evaluation Period is calculated not on a calendar day basis but on a business day basis, considering that the period starts not from the completion of the information provision stated in (ii) above but from the date of receiving an explanation of the purpose of the Large-scale Purchase Actions, etc.

The Large-scale Purchase Actions, etc. (including additional acquisition of

the Company share certificates, etc.) in the future is to be commenced only after the Board of Directors' Evaluation Period has passed (alternatively, if a Shareholders' Will Confirmation Meeting is held, then after the proposal on triggering the countermeasures is disapproved and the Shareholders' Will Confirmation Meeting is concluded).

(iv) Holding of a Shareholders' Will Confirmation Meeting

If the Company's Board of Directors opposes the conduct of the Large-scale Purchase Actions, etc. and considers it appropriate to trigger the countermeasures against it, the Company will decide to hold a Shareholders' Will Confirmation Meeting within 60 business days after receiving an explanation of the purpose of the Large-scale Purchase Actions, etc. and thereafter promptly hold a Shareholders' Will Confirmation Meeting. At the Shareholders' Will Confirmation Meeting, the shareholders' will is to be confirmed regarding whether to accept the conduct of the Large-scale Purchase Actions, etc., by asking for a vote for or against the proposal on triggering the countermeasures. Meanwhile, the Company's Board of Directors may make a proposal to maximize the Company's medium- to long-term corporate value and the shareholders' common interests that will serve as an alternative to the conduct of the Large-scale Purchase Actions, etc. When making such proposal, the Company's Board of Directors will fully respect the Independent Committee's opinions.

The Company shareholders will be requested to express their decision on whether to accept the conduct of the Large-scale Purchase Actions, etc. after deliberating over the information regarding the Large-scale Purchase Actions, etc., by voting for or against the proposal on triggering the countermeasures submitted by the Company's Board of Directors. If the proposal is passed by the consent of a majority of the voting rights of the shareholders present at the Shareholders' Will Confirmation Meeting who are entitled to exercise voting rights, the proposal on triggering the countermeasures will be approved. In the case where a Shareholders' Will Confirmation Meeting is to be held, the Company's Board of Directors will provide documents containing the Necessary Information provided by the Large-scale Purchaser, the Company's Board of Directors' opinion on the Necessary Information, alternative proposal by the Company's Board of

Directors or other matters the Company's Board of Directors determines appropriate, with a convocation notice of the shareholders meeting, and disclose it timely and properly. In addition, if a Shareholders' Will Confirmation Meeting is held, details such as the scope of the shareholders who are entitled to exercise voting rights, the record date for exercise of the voting rights and the date and time to hold the Shareholders' Will Confirmation Meeting will be timely and properly announced.

(v) Countermeasures

If the Company shareholders approve the proposal on triggering the countermeasures submitted by the Company's Board of Directors, at the Shareholders' Will Confirmation Meeting, the Company's Board of Directors will trigger the countermeasures stated in **3.** below (allotment of the Share Options subject to discriminatory exercise conditions and acquisition clause without contribution), in accordance with the shareholders' will, by fully respecting the Independent Committee's opinions. Meanwhile, if the Company shareholders do not approve the proposal on triggering the countermeasures, at the Shareholders' Will Confirmation Meeting, then the Company's Board of Directors will not trigger the countermeasures, in accordance with the shareholders' will.

However, if the Large-scale Purchaser does not comply with the procedures stated in (i) to (iii) above and attempts to conduct the Large-scale Purchase Actions, etc. (including additional acquisition of the Company share certificates, etc.), this will preclude ensuring the time necessary for the Company shareholders to deliberate, using the information to be disclosed by the Large-scale Purchaser, or the opportunity for the Company to confirm shareholders' will, regarding whether to accept the Large-scale Purchase Actions, etc. Therefore, in such a case, the Company's Board of Directors will trigger the countermeasures without holding the Shareholders' Will Confirmation Meeting, unless exceptions apply. In determining whether triggering the countermeasures is appropriate, the Company's Board of Directors will fully respect the Independent Committee's opinions.

3 Outline of the Countermeasures (allotment of Share Options without contribution)

The following provides an outline of the allotment of Share Options without contribution to be conducted by the Company as countermeasures under the Response Policies (details of the Share Options not provided below will be separately determined by the Company's Board of Directors by its resolution regarding the allotment of Share Options without contribution).

(1) Substance of Share Options to be allotted

(i) Type of shares underlying Share Options

Common shares of the Company

(ii) Number of shares underlying Share Options

The number of shares underlying one Share Option shall be separately determined by the Board of Directors.

(iii) Value of assets required for exercise of Share Options

The form of assets required for the exercise of the Share Options shall be cash, and the value thereof shall be one yen multiplied by the number of shares underlying each Share Option.

(iv) Exercise period for Share Options

The period in which the Share Options may be exercised shall be a certain period separately determined by the Board of Directors.

(v) Conditions for exercise of Share Options

(a) No Share Options held (or substantially held) by Ineligible Persons may be exercised.

"Ineligible Persons" means any of the following persons:

(i) Large-scale Purchaser;

(ii) Joint holder (including those who are deemed to be joint holders in the Response Policies) of a Large-scale Purchaser;

(iii) Specially related party (including those who are deemed to be specially related parties in the Response Policies) of a Large-scale Purchaser; or

(iv) A person who the Company's Board of Directors reasonably determines falls under either of the following, taking into account the Independent Committee's recommendations:

(x) A person who acquires or succeeds to a Share Option from any of the persons set forth in (i) above through to and including (iv) without the Company's approval; or

(y) A "related party" of any of the persons set forth in (i) above through to and including (iv). A "related party" means investment banks, securities corporations, and other financial institutions that have concluded a financial advisory agreement with those persons, other persons who share common substantial interests with those persons, tender offer agents, lawyers, accountants, tax accountants, other advisors, or persons who are substantially controlled by those persons or who act jointly or cooperatively with those persons. In deciding whether a partnership or other fund falls under a "related party," the fund manager's substantive identity and other factors are taken into account.

(b) A holder of Share Options may exercise its Share Options only if it provides the Company with: a document containing its representations, warranties regarding the holder not being an Ineligible Person as listed in **(v)(a)** above (if the Share Options are exercised on behalf of a third party, including the third party not being an Ineligible Person in **(v)(a)** above), indemnifications and other matters designated by the Company; materials that

demonstrate the satisfaction of conditions reasonably required by the Company; and a document required by any Laws.

(c) If, pursuant to applicable securities laws and other Laws of foreign countries, it is necessary to implement prescribed procedures or satisfy prescribed conditions with respect to exercise of the Share Options by any person residing in the jurisdiction of these Laws, the person residing in that jurisdiction may exercise the Share Options only if the Company deems that all of these procedures and conditions have been implemented or satisfied. Meanwhile, even if implementation or satisfaction of the above procedures and conditions by the Company would enable a person residing in that jurisdiction to exercise the Share Options, the Company will not be obligated to implement or satisfy them.

(d) The confirmation regarding the satisfaction of the conditions specified in (v)(c) above shall be pursuant to the procedures to be prescribed by the Board of Directors, which will be similar to those set forth in **(v)(b)** above .

(vi) Acquisition clause

(a) On a date that comes on or after the effective date of allotment of the Share Options without contribution and that is designated by the Board of Directors, the Company may acquire the Share Options that can be exercised in accordance with **(v)(a) and (b)** above (i.e., which are held by persons who do not fall under Ineligible Persons) but that have not been exercised yet (including the Share Options that are held by persons who fall under **(v)(c)** above; hereinafter referred to as "Exercisable Share Options" in **(vi)(b)** below), by providing, as consideration therefor, such persons with common shares of the Company in the number equivalent to the integer portion of the product of: (a) the number of the Share Options to be acquired; and (b) the number of shares underlying one Share Option.

(b) On a date that comes on or after the effective date of allotment of the Share Options without contribution and that is designated by the

Board of Directors, the Company may acquire the Share Options, other than the Exercisable Share Options, that have not been exercised yet. It may do this by providing, as consideration therefor, such shareholders with share options, the exercise of which by Ineligible Persons is subject to certain restrictions (i.e., subject to the exercise conditions and acquisition clause described below and other features set forth by the Board of Directors; these share options shall hereinafter be referred to as the "Second Share Options"), in the same number as the number of the Share Options to be acquired.

(i) Exercise conditions

Ineligible Persons may exercise the Second Share Options only to the extent that the ratio recognized by the Company's Board of Directors as the holding ratio of share certificates, etc. of the Large-scale Purchaser after exercise of the Second Share Options falls below 20% or the ratio separately determined by the Company's Board of Directors, if all the following conditions are met or in other cases provided by the Company's Board of Directors:

(x) If the Large-scale Purchaser ceases or withdraws the Large-scale Purchase Actions, etc. , and pledges not to conduct any Large-scale Purchase Actions, etc. thereafter; and

(y) (α) If the ratio recognized by the Company's Board of Directors as the holding ratio of share certificates, etc. of the Large-scale Purchaser (in this (i), when calculating the holding ratio of share certificates, etc., Ineligible Persons other than the Large-scale Purchaser or its joint holder will also be deemed to be joint holders of the Large-scale Purchaser; and the Second Share Options held by Ineligible Persons for which the exercise conditions have not been satisfied will be excluded) falls below 20% or the ratio separately determined by the Company's Board of Directors, or (β) if the ratio recognized by the Company as the

holding ratio of share certificates, etc. of the Large-scale Purchaser is equal to, or greater than, 20% or the ratio separately determined by the Company's Board of Directors and if the Large-scale Purchaser and other Ineligible Persons dispose of the Company Shares through on-market transactions by delegating it to the securities corporation approved by the Company and the ratio recognized by the Company's Board of Directors as the holding ratio of share certificates, etc. of the Large-scale Purchaser after the disposal falls below 20% or the ratio separately determined by the Company's Board of Directors.

(ii) Acquisition clause

If any of the Second Share Options remains unexercised as of the 10th anniversary of their delivery date, the Company may acquire the Second Share Options (limited to those for which the exercise conditions have not been satisfied) by providing, as consideration therefor, money equivalent to the market value of the Second Share Options at that time.

(c) The confirmation regarding the satisfaction of the conditions concerning compulsory acquisition of the Share Options shall be pursuant to the procedures to be prescribed by the Board of Directors, which will be similar to those set forth in **(v)(b)** above. At any time not later than the day immediately before the commencement date of the period in which the Share Options may be exercised, if the Company's Board of Directors considers it appropriate for the Company to acquire the Share Options, the Company may acquire all the Share Options without consideration on a date separately designated by the Company's Board of Directors.

(vii) Approval for transfer

Any acquisition of the Share Options through transfer will require the approval of the Board of Directors.

(viii) Matters concerning the stated capital and reserves

Matters concerning the stated capital and capital reserves to be increased in conjunction with events such as the exercise, and acquisition pursuant to the acquisition clause, of the Share Options shall be provided in accordance with the Laws.

(ix) Fractions

If the number of shares to be delivered to a person who has exercised the Share Option(s) includes a fraction less than one share, such fraction will be rounded down. When the holder of the Share Options exercises multiple Share Options at one time, the fraction of the number of shares to be delivered to the holder of the Share Options may be determined after adding all of the number of shares (containing fractions) to be delivered by that exercise of the Share Options.

(x) Issuance of share option certificates

No share option certificates will be issued for the Share Options.

(2) Number of Share Options allotted to shareholders

One Share Option will be allotted to one common share of the Company (excluding the Company's common shares held by the Company).

(3) Shareholders eligible for allotment of Share Options without contribution

Share Options will be allotted to all shareholders (excluding the Company) holding common shares of the Company who are listed or recorded in the latest shareholder registry on the record date separately designated by the Board of Directors.

(4) Total number of Share Options

The total number of Share Options to be allotted will be equal to the latest total number of issued shares of the Company as of the record date separately designated by the Board of Directors (excluding the number of the Company's common shares held by the Company).

(5) Effective date of allotment of Share Options without contribution

The effective date will be a date that falls on the record date or a date thereafter separately designated by the Board of Directors.

(6) Other matters

Allotment of Share Options without contribution will take effect, subject to either of the following conditions being satisfied: (i) approval by a Shareholders' Will Confirmation Meeting is obtained and the Large-scale Purchase Actions, etc. is not withdrawn; or (ii) the Large-scale Purchaser does not observe the procedures set forth in **2(3)** above and attempts to conduct its Large-scale Purchase Actions, etc. (including additional acquisition of the Company share certificates, etc.).

4 Impact on shareholders and investors

(1) Impact of the Response Policies on shareholders and investors upon the introduction thereof

Upon introducing the Response Policies, the Company will not conduct an allotment of the Share Options without contribution. Accordingly, the Response Policies will not have a direct and concrete impact on the rights and economic interests of shareholders and investors upon the introduction of the Response Policies.

(2) Impact on shareholders and investors upon allotment of the Share Options without contribution

The Share Options will be allotted to all shareholders automatically; accordingly, no shareholders will forfeit their rights in relation to the allotment of the Share Options. If the Company conducts an allotment of the Share Options without contribution, the

per-share value of the Company Shares held by shareholders will be diluted. However, the value of all the Company Shares held by shareholders will not be diluted; thus, it is not anticipated that this will have any direct and concrete impact on the legal rights and economic interests of shareholders and investors. Further, before the exercise period of the Stock Options commences, the Company intends to acquire, through compulsory acquisition, all of the Share Options pursuant to the acquisition clause attached thereto; and the Company will deliver the Company Shares to the Share Options that satisfy the exercise conditions.

However, if countermeasures are triggered, they may consequently cause disadvantages to the legal rights or economic interests of the Ineligible Persons prescribed in **3(1)(v)(a)** above.

Further, if the Company conducts an allotment of the Share Options without contribution, the Company shall set the record date to determine the shareholders to be entitled to receive them. Because the per-share value of the Company Shares will be diluted due to the allotment of the Share Options without contribution, the share price of the Company Shares may decline after the shareholders entitled to receive allotment of the Share Options without contribution are finally determined. The Company's Board of Directors will set the record date for allotment of the Share Options without contribution by considering the manner of the Large-scale Purchase Actions, etc. and various other circumstances. If the Company intends to set such a record date, the Company will disclose the same in a timely and appropriate manner.

If the Large-scale Purchaser observes the Large-scale Purchase Rules described in **2(3)** above, and if the shareholders do not approve the proposal to trigger the countermeasures in the Shareholders' Will Confirmation Meeting, the Company will not conduct an allotment of the Share Options without contribution. Further, even after commencing procedures to trigger the countermeasures, the Company's Board of Directors may discontinue or withhold taking countermeasures if it decides that they no longer need to be triggered (for example, if the Large-scale Purchaser withdraws the Large-scale Purchase Actions, etc., and pledges not to conduct any Large-scale Purchase Actions, etc. in the future) (in that case, the Company will disclose the same in a timely and appropriate manner in accordance with the Laws). Shareholders and investors who buy and sell, etc. Company Shares on the assumption that the dilution of the per-share value of the Company Shares occurs, may incur significant damage due to fluctuations in the share price if either of the above

circumstances arises.

(3) Procedures required for shareholders upon allotment of the Share Options without contribution

(a) Procedures for allotment of the Share Options without contribution

If the Company's Board of Directors resolved to conduct an allotment of the Share Options without contribution, the Company will set the record date for allotment of the Share Options without contribution; and it will disclose the same in a timely and appropriate manner. In this case, the Share Options shall be allotted without contribution to the shareholders of the Company entered or recorded in the latest shareholder registry on the record date, in proportion to the number of the Company Shares owned by them. Accordingly, the shareholders of the Company entered or recorded in the latest shareholder registry on the record date will be allotted the Share Options as a matter of course, without the need to take any specific procedures.

(b) Procedures for acquisition of the Share Options

Although conditions and procedures for exercise are set forth as described in **3.** above regarding the Share Options allotted to shareholders, the Company in principle intends to acquire the Share Options pursuant to the acquisition clause on a date, before the arrival of the exercise period, separately designated by the Company's Board of Directors. In this case, the Company will conduct the acquisition by issuing a public notice not later than two weeks before the intended acquisition date, in accordance with the Laws.

If the Company acquires the Share Options pursuant to the acquisition clause in accordance with **3(1)(vi)(b)** above, the shareholders will receive allotment of the Company Shares as compensation for acquisition of the Share Options by the Company, without the need to pay money equivalent to the exercise price.

However, the handling of matters such as acquisition or exercise of the Share Options regarding Ineligible Persons will differ from that of other shareholders.

(c) Other procedures

Regarding the details of each of the above procedures, the Company will make disclosure in a timely and appropriate manner in accordance with the Laws when these procedures actually become necessary. Accordingly, please check the specific content of such disclosure.

5 Structure to enhance reasonableness of the Response Policies

(1) The Response Policies take into account the purposes of the guidelines regarding takeover defense measures at normal times

The Response Policies differ from so-called proactive takeover defense measures that are introduced at normal times, but have been formulated in light of: (i) the content of the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" published by the Ministry of Economy, Trade and Industry and the Ministry of Justice, on May 27, 2005; (ii) the proposal in the report of the Corporate Value Study Group of the Ministry of Economy, Trade and Industry, dated June 30, 2008, titled "Takeover Defense Measures in Light of Recent Environmental Changes"; and (iii) the purposes of the rules for introduction of takeover defense measures, in relation to takeover defense measures at normal times prescribed by the Tokyo Stock Exchange, and of "Principle 1.5 Anti-Takeover Measures" of the "Japan's Corporate Governance Code" (as revised on June 11, 2021) that the Tokyo Stock Exchange introduced and started applying from June 1, 2015, due to revision of the Securities Listing Regulations. Therefore, the requirements specified in those guidelines that also apply to the emergency countermeasures are satisfied in the Response Policies.

(2) Respect of the shareholders' will (structure where the shareholders' will is directly reflected)

When triggering the countermeasures based on the Response Policies, the Company will reflect its shareholders' will by holding a Shareholders' Will Confirmation Meeting. As long as the Large-scale Purchaser complies with the procedures stated in **2(3)** above, whether to trigger the countermeasures will be decided based only on the shareholders' will expressed at the Shareholders' Will Confirmation Meeting.

Meanwhile, if the Large-scale Purchaser does not comply with the procedures stated in **2(3)** above and attempts to conduct its Large-scale Purchase Actions, etc. (including additional acquisition of the Company share certificates, etc.), the countermeasures will be triggered only by a decision of the Board of Directors by fully respecting the Independent Committee's opinions. This is attributable to the Large-scale Purchaser's decision not to provide an opportunity for the Company shareholders to determine the propriety of the Large-scale Purchase Actions, etc. after deliberating over the necessary and sufficient information. Therefore, the Company believes that triggering the countermeasures against such Large-scale Purchase Actions, etc. disregarding its shareholders' will is unavoidable to protect opportunities to confirm its shareholders' will.

In addition, as stated in **6.** below, the Response Policies take effect as of today, and the effective term thereof is one year from today (until August 15, 2023), in principle.

As such, the Response Policies fully respect the shareholders' will.

(3) Elimination of the Board of Directors' arbitrary decisions

As stated in **(2)** above, the Company will hold a Shareholders' Will Confirmation Meeting and decide whether to trigger the countermeasures against the Large-scale Purchase Actions, etc. in accordance with its shareholders' will. As long as the Large-scale Purchaser complies with the procedures stated in **2(3)** above, whether to trigger the countermeasures will be decided based on the Shareholders' Will Confirmation Meeting; and the countermeasures will not be triggered at the arbitrary discretion of the Company's Board of Directors.

Further, as stated in **2(1)(ii)** above, the Company will obtain recommendations from the Independent Committee, regarding the matters necessary to consider the propriety of triggering the countermeasures or otherwise take action in line with the Response Policies, in order to ensure the necessity and appropriateness of the Response Policies and to prevent them from being abused to protect management interests. In addition, the Company's Board of Directors fully respects the Independent Committee's opinions, in order to ensure the fairness of the Board of Directors' decisions and eliminate its arbitrary decisions. In addition, the Independent Committee may, among other things, obtain advice from external experts (such as financial advisors,

attorneys-at-law, certified public accountants, and tax accountants) independent from the Company's Board of Directors and the Independent Committee, as necessary. As such, the objectiveness and reasonableness of the Independent Committee's decisions are ensured.

Therefore, the Response Policies eliminate the Board of Directors' arbitrary decisions.

(4) The Response Policies are not a dead-hand takeover defense measure or a slow-hand takeover defense measure

As stated in **6.** below, the Response Policies are abolishable at any time by resolution of the Board of Directors comprising the directors appointed at a shareholders meeting; therefore, the Response Policies are not a so-called dead-hand takeover defense measure (meaning a takeover defense measure that cannot be prevented from being triggered even by replacing a majority of the members of the Board of Directors). In addition, as the term of office of the Company's Board of Directors (other than the directors who serve as the member of the Board-Audit Committee) is one year, and the staggered Board of Directors is not adopted for directors who serve as the member of the Board-Audit Committee, whose term of office is two years, the Response Policies are also not a slow-hand takeover defense measure (meaning a takeover defense measure that requires time to be prevented from being triggered because the members of the Board of Directors cannot be replaced all at once).

6 Abolition procedures and effective term of the Response Policies

The Response Policies take effect as of today, and the effective term thereof is one year from today (until August 15, 2023). However, as of August 15, 2023, if there are persons who are actually engaged in, or contemplating, a Large-scale Purchase Actions, etc. and are designated by the Company's Board of Directors, the effective term will be extended, to the extent necessary to respond to such actions engaged in or contemplated. As stated above, the Response Policies will be primarily introduced to respond to the specific concern that the Large-scale Purchase Actions, etc. that have already emerged, including the Additional Share Purchases; therefore, the Response Policies are not planned to be maintained after the specific concern that the specific Large-scale Purchase Actions, etc. will be conducted no longer exists.

In addition, if the Board of Directors comprising the directors appointed at the Company's

shareholders meeting resolves to abolish the Response Policies before expiration of the effective term, they will be abolished upon such resolution.

Exhibit 1

Regarding previous investment cases of investors including City Index Eleventh, Mr. Murakami, and the funds over which he exercises influence

Part 1. Investment Case in Accordia

According to publicly available information, Reno Co., Ltd. (hereinafter "Reno"), C&I Holdings Co., Ltd. (hereinafter "C&I"), Kabushiki Kaisha Minami-Aoyama Fudosan (hereinafter "Minami-Aoyama Fudosan"), City Index Hospitality Co., Ltd. (hereinafter "City Index Hospitality"), City Index Holdings Co., Ltd. (hereinafter "City Index HD"), Fortis Co., Ltd. (hereinafter "Fortis"), and Rebuild Co., Ltd. (hereinafter "Rebuild"), which were under the influence of Mr. Yoshiaki Murakami (hereinafter "Mr. Murakami") (hereinafter those funds over which Mr. Murakami exercises influence are collectively referred to as the "Murakami Fund-Related Parties"), purchased a large number of shares in Accordia Golf Co., Ltd. (hereinafter "Accordia") in the market, which had not had any prior warning-type takeover defense measures, after the commencement of the hostile tender offer (hereinafter the "tender offer" is referred to as the "TOB") by PGM Holdings K.K. (hereinafter "PGM") in November 2012, and continued to purchase more after the failure of the hostile TOB by PGM.

According to publicly available information, on January 13, 2013, while the hostile TOB by PGM was being conducted, Reno put pressure on Accordia by demanding that Accordia (1) come to the table to discuss the terms of the management integration with PGM, and (2) carry out measures to increase shareholder returns, such as an exhaustive share buyback program, and sending Accordia a document stating that if Accordia accepts the demand, Reno will not tender its shares in the TOB by PGM, but that if Accordia rejects the demand, Reno will tender its shares in the TOB by PGM and demand that Accordia provide its reply by noon of January 17, 2013, which was the last day of the TOB period.

According to publicly available information, the Murakami Fund-Related Parties continued to purchase more and more shares in Accordia after that, and its shareholding ratio (hereinafter the "holding ratio of share certificates, etc." under the large-volume holdings reporting regulations is referred to as the "shareholding ratio" unless stated otherwise) in Accordia increased to approximately 24% by March 28, 2014. On the same day, under the agreement with Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality, Accordia announced a corporate reorganization plan consisting of, among others, a planned sale of about 70% of its golf courses (90 courses out of 133 courses that the company held at that time) after the annual general meeting of shareholders in June 2014, and the use of more than 45 billion yen out of the total proceeds of the sale of 111.7 billion yen to conduct a share buyback by way of a large-scale TOB (hereinafter in the section the "TOB by Issuer"), which was equivalent to approximately 32% of the market capitalization of the company at that time. Prior to this announcement, the Murakami Fund-Related Parties had reached an agreement with Accordia that the Murakami Fund-Related Parties would tender their shares in the TOB by Issuer for all of their shareholdings. According to publicly available information, the TOB by Issuer was to propose to purchase approximately 30% of the total number of issued shares of Accordia at 1,400 yen per share. This was a so-called

premium price, in that it was at a premium of 4.24% over the closing price of the shares of the company on the business day immediately preceding the date of the advance notice of the TOB by Issuer (March 28, 2014), and at a premium of 9.89% over the closing price on the business day immediately preceding the date of the announcement of the TOB by Issuer.

Regarding such a large-scale share buyback using the proceeds from the sale of a majority of the business assets of Accordia, the President of PGM at that time commented, "I wonder whether the company that remains after the divestiture of golf course assets has any growth potential. I have never seen any share buybacks carried out in this manner, like cutting one's own body into pieces rather than using excess funds. This seems to be the ultimate scorched earth tactic." (See Toyo Keizai Online article, dated March 30, 2014).

A TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

In fact, Accordia's share price was 1,274 yen on the business day immediately preceding the announcement of the TOB by Issuer (August 1, 2014), but it declined gradually after the end of the TOB period (September 1, 2014), and dropped to around 1,000 yen in late November 2014.

According to publicly available information, the maximum number of shares to be purchased by Accordia in the TOB by Issuer was 32,143,000 shares. This was a very large number, representing approximately 30% of the total number of issued shares of the company at that time, which also exceeded 25,508,800 shares, the number of Accordia shares held by the Murakami Fund-Related Parties immediately before the date of the advance notice of the TOB by Issuer. As stated above, Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality had reached an agreement with Accordia that they would tender their shares in the TOB by Issuer, and the Murakami Fund-Related Parties were given an opportunity to sell out Accordia shares through the TOB by Issuer at a higher price than that of the market (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

While Reno, C&I, Minami-Aoyama Fudosan, and City Index Hospitality had reached an agreement with Accordia that they would tender their shares in the TOB by Issuer as stated above, according to news reports, even after the announcement by Accordia of the corporate reorganization plan mentioned above on March 28, 2014, the Murakami Fund-Related Parties continued to purchase more and more shares in Accordia through City Index HD, Fortis, and Rebuild, which were not obligated to tender their shares in the TOB by Issuer as they were not parties to the agreement, and continued to apply pressure on Accordia for shareholder returns as major shareholders of Accordia (See Toyo Keizai Online article, dated August 14, 2014).

And then, according to publicly available information, on August 5, 2014, the Murakami Fund-Related Parties demanded the convocation of an extraordinary general meeting of shareholders of Accordia, proposing the dismissal of all six outside directors of Accordia and the election of five officers and employees from Reno as directors of Accordia, on the grounds that the investor returns after the TOB by Issuer were unsatisfactory with regard to their size and other aspects.

Subsequently, on August 12, 2014, Accordia accepted the proposal of the Murakami Fund-Related Parties by withdrawing the post-TOB-by-Issuer dividend reduction plan (the payout ratio would be reduced from the former 90% on a consolidated basis to 45% of "deemed consolidated net income") that it had announced together with the corporate reorganization plan mentioned above announced on March 28, 2014, and announcing to the effect that the company planned to distribute large shareholder returns also in two fiscal years after the TOB by Issuer (fiscal years ending March 2016 and March 2017), totaling 20 billion yen.

According to publicly available information, the shareholding ratio of the Murakami Fund-Related Parties had increased to approximately 35% as of August 28, 2014. Once the announcement mentioned above was made, the Murakami Fund-Related Parties withdrew the demand for convocation of an extraordinary general meeting of shareholders, and tendered their shares in the TOB by Issuer. They eventually sold a part of the Accordia shares (approximately 20% out of the prior shareholding ratio of approximately 35%) through the TOB by Issuer.

As explained above, during the period of about one year and ten months since the commencement of the acquisition of Accordia shares, the Murakami Fund-Related Parties applied pressure on Accordia in various manners, including the demand for convocation of an extraordinary general meeting of shareholders, and successfully caused Accordia to conduct a share buyback at a high price through a TOB by Issuer, and also to agree to distribute large shareholder returns.

After that, according to publicly available information, the Murakami Fund-Related Parties sold all Accordia shares to K.K. MBKP Resort (an investment vehicle of a foreign-affiliated investment fund MBK Partners; hereinafter, "MBKP") through the TOB announced in November 2016 by MBKP in consultation with Reno (which was a so-called TOB at a premium price in that the TOB price of 1,210 yen was at a premium of 15.8% (165 yen) over the closing price of Accordia shares (1,045 yen) on the day immediately preceding the announcement date of the TOB) pursuant to the tender agreement executed with MBKP.

According to publicly available information and news reports, when the TOB by MBKP was commenced, the Murakami Fund-Related Parties held 18.95% of the total number of issued shares of Accordia, which represented 22.77% of the voting rights of all shareholders. By that time, the Murakami Fund-Related Parties had invested slightly over 38 billion yen in total in Accordia shares since the commencement of the acquisition of Accordia shares in 2013. For this investment, the Murakami Fund-Related Parties had already recovered nearly 29.6 billion yen in the TOB by an issuer mentioned above, and recovered an additional approximately 19.4 billion yen through the TOB by MBKP mentioned above. The final investment recovery amount was said to be approximately 49 billion yen (resulting in a profit of approximately 11 billion yen) (See Toyo Keizai Online article dated December 7, 2016).

Only in 2019, Accordia was reported to be considering repurchasing the land of golf courses that it sold in 2014 based on the judgment that its competitiveness will increase by investing in land for integrated management rather than focusing on the operation of golf courses (See Nikkei Newspaper (morning edition) article, dated December 18, 2019).

Part 2. Investment Case in MCJ

According to publicly available information, Reno started to purchase a large number of shares in MCJ Co., Ltd. (hereinafter "MCJ") in the second half of 2012 and held 4,994,100 shares (shareholding ratio of 9.82%) as of March 29, 2013. Combined with the shareholdings of the representative director of Reno at that time and Attorney Fuminori Nakashima (hereinafter "Atty. Nakashima"), who were the joint holders with Reno, the number of shares held by Reno in total was 9,928,600 shares (shareholding ratio of 19.52%). After cancelling the agreement regarding joint shareholding with the representative director of Reno at that time and Atty. Nakashima, Reno submitted to MCJ a letter of intent on a large-scale purchase action of MCJ shares (hereinafter, the "Large-scale Purchase Action") dated October 8, 2013. According to the press release of MCJ titled "Notice of the Receipt of a Letter of Intent on a Large-scale Purchase Action of the Company's Shares" dated the same day, Reno stated in the letter of intent that the purpose of the purchase of the Company [Note: MCJ]'s shares was a pure investment, which was to be made for the purpose of realizing the potential value of the Company's shares and seeking capital gains from the medium- to long-term enhancement of its corporate value. The closing price of MCJ shares on the same day was 191 yen, and following the release, the price rose to 241 yen on the following day (October 9), reaching the daily price limit.

After that, according to publicly available information, the board of directors of MCJ evaluated and analyzed the Large-scale Purchase Action on and after November 28, 2013, and MCJ issued a press release titled "Notice of Receipt of Recommendation of the Independent Committee and the Finalization of the Evaluation and Analysis Results of the Board of Directors of the Company Concerning the Large-scale Purchase Action of the Company's Shares" on December 12, 2013. In this press release, MCJ stated to the effect that "the board of directors of the Company does not intend to trigger any countermeasures against the Large-scale Purchase Action proposed by Reno, and will continue to monitor the investment trend of Reno and changes in the situation for the time being." According to publicly available information, the closing price of MCJ shares immediately before the announcement mentioned above (on December 12, 2013) was 268 yen, and the closing price rose sharply to 348 yen on the next day (December 13) following the announcement. On the next trading day (December 16), MCJ shares traded at 395 yen at the opening and subsequently dropped to 296 yen, but continued to close at a high price of 303 yen.

As stated above, MCJ announced that it would approve the conduct of the Large-scale Purchase Action by Reno, and would not take any countermeasures. Nevertheless, according to publicly available information, on December 16, 2013, which was only two business days after the announcement of MCJ that it would not take countermeasures, Reno sold 3,244,200 MCJ shares out of its shareholding (equivalent to a shareholding ratio of 6.38%) in the market while MCJ shares were trading at high levels as noted above in response to MCJ's announcement that it would not take countermeasures. This was contrary to its own letter of intent stating that Reno had the intention to purchase MCJ shares until its shareholding ratio or the percentage of voting rights reached 20% or above, taking into consideration, among others, the future trend in the stock market to realize the potential value of MCJ shares and the medium- to long-term enhancement of its corporate value.

Part 3. Investment Case in Kuroda Electric

According to publicly available information, the Murakami Fund-Related Parties, including Reno, C&I, Minami-Aoyama Fudosan, City Index Maiko Co., Ltd., Office Support K.K. (hereinafter "Office Support"), ATRA Co., Ltd., Mr. Murakami, and Ms. Aya Nomura, who is the oldest daughter of Mr. Murakami, commenced to purchase a large number of shares in Kuroda Electric Co., Ltd. (hereinafter "Kuroda Electric") in the market around 2015. According to news articles, in the early stage of these purchases, Mr. Murakami asserted that Kuroda Electric should play a central role among semiconductor trading companies in realizing the reorganization of semiconductor trading companies, despite the fact that Kuroda Electric was an electronic components trading company and semiconductors were not a major part of its business. An executive officer at that time who accepted a discussion with Mr. Murakami commented that Mr. Murakami "did not seem to realize what Kuroda Electric was doing in the first place." (See "Weekly Toyo Keizai, [Opening Feature Article: Murakami, Again] - Aya, Yoshiaki Murakami 's Oldest Daughter, Talks with Confidence - Murakami, Again" dated August 22, 2015, pp. 32-33).

In such situation, according to publicly available information, immediately after the closing of the annual general meeting of shareholders of Kuroda Electric held on June 26, 2015, on the same day, C&I and Minami-Aoyama Fudosan demanded the convocation of an extraordinary general meeting of shareholders of Kuroda Electric, proposing the election of four outside directors, including some of the Murakami Fund-Related Parties. In response to the demand, Kuroda Electric decided and announced on July 10, 2015 to hold an extraordinary general meeting of shareholders and to object to the proposal submitted to the meeting (the election of four outside directors). The proposal was subsequently rejected at an extraordinary general meeting of shareholders held on August 21, 2015.

According to publicly available information, the Murakami Fund-Related Parties continued to purchase a large number of shares in Kuroda Electric in the market, and Reno submitted a shareholder's proposal for the election of one outside director on May 2, 2017. At its meeting held on May 23, 2017, the board of directors of Kuroda Electric voted against the shareholder's proposal, and Kuroda Electric announced the opinion of the board of directors objecting to the shareholder's proposal on May 29. In its press release titled "Sequence of Events Leading to the Opinion of the Board of Directors of the Company on the Shareholder Proposal" dated June 7, 2017, which summarized the background of the shareholder's proposal, Kuroda Electric criticized the comments and the attitude of Mr. Murakami, stating "...done in a manner to intimidate the management members present" and "overbearing behavior that was beyond the level of normal dialogue." The shareholder's proposal was subsequently approved at the annual general meeting of shareholders held on June 29, 2017 in spite of the objection of Kuroda Electric. As a result, Reno dispatched one outside director to Kuroda Electric. (According to publicly available information, the shareholding ratio of the Murakami Fund-Related Parties in Kuroda Electric had risen to approximately 35% as of June 7, 2017.)

After that, according to publicly available information, the shareholding ratio of the Murakami Fund-Related Parties in Kuroda Electric further rose to approximately 38% by early November 2017. However, on October 31, 2017, Kuroda Electric chose to delist its shares by accepting the TOB announced by KM Holdings Co., Ltd. (hereinafter "KM Holdings"), which was an investment vehicle of the foreign-affiliated investment fund MBK Partners. As a result, the Murakami Fund-Related Parties sold all shares they held in Kuroda Electric by March 2018, by

tendering their shares in the TOB by KM Holdings and a TOB by an issuer undertaken by Kuroda Electric after the completion of the TOB by KM Holdings after executing a tender agreement with KM Holdings.

According to news reports, the Murakami Fund-Related Parties earned a profit of approximately 8.4 billion yen, which is a rough estimate excluding the effect of taxes and the cancellation of margin transactions, from these transactions (See Toyo Keizai Online article, dated November 13, 2017).

As explained above, the Murakami Fund-Related Parties reached an agreement to sell all shares in Kuroda Electric that they had, only four months after Reno dispatched an outside director to Kuroda Electric, and actually sold all these shares only four months after that. According to publicly available information, the Murakami Fund-Related Parties made a profit of approximately 8.4 billion yen from these transactions.

Part 4. Investment Case in ShinMaywa Industries, Ltd.

According to publicly available information, the Murakami Fund-Related Parties, such as Reno, Minami-Aoyama Fudosan, S-Grant Co., Ltd. (hereinafter, "S-Grant"), and Rebuild, purchased a large number of shares in ShinMaywa Industries, Ltd. (hereinafter, "ShinMaywa Industries") in the market in 2018 and increased its shareholding ratio to 23.74% by February 19, 2019.

However, according to publicly available information, on January 21, 2019, less than a year after the commencement of the aforementioned massive purchase of shares, Reno tendered its shares in a TOB by an issuer announced by ShinMaywa Industries after discussions with Reno (the Murakami Fund-Related Parties had indicated their intention to tender its own shares in ShinMaywa Industries in the above TOB by an issuer in advance), and in February 2019, it had sold a majority of its own shares in ShinMaywa Industries.

The above TOB by an issuer set the TOB price at 1,500 yen, which had a so-called premium price of 10.54% (143 yen) above 1,357 yen, the closing price of ShinMaywa Industries shares by the closing of January 18, 2019, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

The price of ShinMaywa Industries' shares which stood at 1,357 yen on January 18, 2019, the business day immediately preceding the above announcement of the TOB by an issuer, declined to 1,338 yen by the final day of the TOB period, February 19 of the same year, and declined even further to 1,319 yen by the following day, February 20th.

According to publicly available information, the maximum number of shares to be purchased by ShinMaywa Industries in the above TOB by an issuer was 26,666,700 shares, which is of significant scale (equivalent to approximately 27.66% of the total number of issued shares of the corporation at that time), which also exceeded 22,882,900 shares, the total number of ShinMaywa

Industries shares held by the Murakami Fund-Related Parties immediately before the announcement of the TOB by an issuer. Therefore, through the above TOB by an issuer by ShinMaywa Industries, the Murakami Fund-Related Parties were given an opportunity to sell their shares in ShinMaywa Industries at a price higher than that of the market (while avoiding the risk of a significant decline in share prices if the shares were sold in the market).

In media reports, concerns of an analyst from a domestic securities firm is quoted concerning the said TOB by an issuer as, "We hope that this does not have any impact on investments for growth in the future…" (Nikkei Newspaper (morning edition) article, dated February 20, 2019).

Part 5. Investment Case in Yorozu Corporation

According to publicly available information, while delivering letters on multiple occasions to Yorozu Corporation (hereinafter, "Yorozu") demanding returns to its shareholders, including share buybacks, on May 10, 2019, Reno filed for a provisional disposition order for inclusion of a shareholder proposal (hereinafter, "Filing for provisional disposition order") requesting that Yorozu include an agenda item concerning abolition of takeover defense measures in the notice to convene and reference material.

The subject Filing for provisional disposition order was dismissed by the Yokohama District Court (the Yokohama District Court rendered its decision on May 20, 2019 (page 126 of the *Siryoban Shojihomu* No. 424 (July 2019 Edition)), hereinafter the "Original Decision on the provisional disposition"), and the immediate appeal was also dismissed by the Tokyo High Court (Tokyo High Court Decision rendered its decision on May 27, 2019 (See page 42 of the *Junkan Shojihomu* Edition No. 2206), but according to the *Siryoban Shojihomu* No. 424 (July 2019 Edition), page 126 and the following, "Case of Filing Provisional Disposition Containing Proposals by Yorozu Shareholders, etc.," the Original Decision on the provisional disposition held that, while the presence of a right for preservation is questionable, the necessity for its preservation could not be found, finding the likelihood of its attempts to abolish the takeover defense measure which stood in its way, due to the reasons that (1) Reno is under the powerful influence of Mr. Murakami, (2) similar to what Reno (or any other corporate entity under the powerful influence of Mr. Murakami) has done in the past to corporations it invested in, its intentions are to benefit from a significant amount of profit by purchasing a large number of shares in Yorozu, placing its management under pressure, and earning a resale gain by causing the company or their related companies to purchase at high prices the shares purchased in a short period of time.

Incidentally, according to page 126 and the following, the aforementioned "Case of Filing Provisional Disposition Containing Proposals by Yorozu Shareholders, etc.," concerning the Original Decision on the provisional disposition finds for the time being that:

"a. The creditor (refers to Reno, hereinafter the same), Company B who is the 100% stakeholder of the creditor, C, who held 50% of the company's shares and also served as its representative director until December 1, 2014, Company D, for which the child of A (refers to Mr. Murakami, hereinafter the same) serves as the representative director, Company E, Company F, Company G, Company H, and Company I are all under the powerful influence of A (hereinafter, the aforementioned parties under the powerful influence of A are collectively, the "Creditors").

b. In 2015, when the Creditors acquired approximately 10% of outstanding shares in the debtor (refers to Yorozu, hereinafter the same), without indicating any concrete business plans or any business management enhancement plans towards the debtor, A insisted that the debtor's return to shareholders was inadequate and requested that the payout ratio be increased to 100% and to present a new medium- to long-term business plan which includes plans for sufficient shareholder returns, and unless A was satisfied with the medium- to long-term business plan which includes sufficient shareholder returns presented by the debtor, A would propose, "Let us carry out a TOB. Let's start the process," and "We'll have 11 of the board members resign. We'll keep 3 of them, dispatch 4 from our side, and the 7 will decide the dividend policy at a board meeting," while also commenting, "If the company decides to execute a large scale share buyback, I'll say OK and retract my previous proposal," and demanded, "You have 3 choices – increase shareholder value, become A's company, or execute an MBO." However, in the end, the Creditors sold-off all its shares after the share price of the debtor increased.

c. Come 2018, the creditor began acquiring the debtor's shares, and in 2019, prior to the total shareholding ratio of the debtor reaching 10%, without showing any interest in concrete business plans or business enhancement measures which would have resulted in profits to the debtor in the medium- to long-term, while demanding an "increase in shareholder value," the creditor demanded abolishment of takeover defense measures and execution of share buybacks, hinting at the exercise of shareholder's proposal rights and eventually exercising those rights, while continuing to acquire the debtor's shares after that.

d. Between 2012 and 2019, the Creditors purchased a large number of shares in Company J, Company K, Company L, Company M, and Company N, placing their management of the target companies under pressure, earning a resale gain by causing the target companies or their related companies to purchase at high prices all or a substantial part of the shares purchased.

e. Between 2002 and 2005, Company O and Company P, who were under the powerful influence of A, earned a resale gain in the same manner as the Creditors in d. above."

According to publicly available information, Reno subsequently requested on November 20, 2020 that Yorozu call for an extraordinary shareholders' meeting to consider a proposed change to the articles of association that would give the shareholders' meeting the power to decide on the abolition of the takeover defense measure. In response to that request, on November 25, 2020, Yorozu decided to express an intention to oppose that proposal and announced the same. At Yorozu's extraordinary shareholders' meeting held on January 22, 2021, the proposal was rejected with opposition exceeding 50%.

Part 6. Investment Case in Excel Co., Ltd.

According to publicly available information, around in March 2019 (the Murakami Fund-Related Parties owned 38.07% of Excel's issued shares as of March 31, 2019), Mr. Murakami initiated negotiations regarding a substantial sale of Excel Co., Ltd. (hereinafter "Excel") to Kaga Electronics Co., Ltd. (hereinafter "Kaga Electronics") while being involved in the negotiations himself. Under that circumstance, Excel accepted to have Reno's representative director as an outside director of Excel in May 2019. At Excel's annual general meeting of shareholders held

on June 26, 2019, Reno's representative director was elected as Excel's outside director and subsequently assumed the position.

Thereafter, on December 9, 2019, when only approximately five months passed since that assumption of the outside director, Excel decided to conduct a management integration with Kaga Electronics (hereinafter the "Management Integration") and announced the same (the Murakami Fund-Related Parties owned 39.93% as the percentage of voting rights of Excel as of that date).

According to publicly available information, the scheme of the Management Integration was (i) to conduct a share exchange with cash as consideration (hereinafter the "Cash Share Exchange"), with City Index Eleventh Co., Ltd. (hereinafter "City Index Eleventh"), which did not own any shares of Excel , as the wholly owning parent company resulting from the Cash Share Exchange, and with Excel as the wholly owned subsidiary company resulting from the Cash Share Exchange, (ii) then, after separating Excel's assets into (a) assets required for the business operation at Excel following the Management Integration (hereinafter the "Business Assets") and (b) assets not necessarily required for the business operation at Excel following the Management Integration (hereinafter the "Non-transferred Assets"), to transfer the Non-transferred Assets by way of dividends in kind from Excel to City Index Eleventh immediately after the Cash Share Exchange took effect, and (iii) for City Index Eleventh to assign all of Excel's shares to Kaga Electronics immediately after the implementation of the dividends in kind.

This scheme was intended to substantially divide Excel, which previously operated its business as one organization, into two, and moreover, to distribute the Non-transferred Assets in kind to City Index Eleventh, which was merely an investment vehicle.

As above, in approximately five months after Reno's representative director assumed the position of Excel's outside director in June 2019, under the lead of the Murakami Fund-Related Parties, the Management Integration by way of dissolving Excel's business was announced, and ultimately, the Management Integration took effect on April 1, 2020.

Part 7. Investment in Toshiba Machine (Currently Shibaura Machine)

According to publicly available information, the Murakami Fund-Related Parties, i.e., Office Support and its joint holders Ms. Aya Nomura and S-Grant, purchased a large number of shares in Toshiba Machine Co., Ltd. (Toshiba Machine Co., Ltd changed its trade name to Shibaura Machine Co., Ltd. on April 1, 2020; however, hereinafter referred to as "Toshiba Machine" irrespective of the name change.) in the market and increased their shareholding ratio to 9.19% (the ratio of total voting rights was approximately 11.49%) by November 29, 2019. Subsequently, according to publicly available information, Office Support prepared for the TOB without having substantive discussions with Toshiba Machine, and gave notice of the TOB for shares of Toshiba Machine on or after January 10, 2020 without any explanation of the terms and conditions of the TOB or the management policy of Toshiba Machine after the TOB. On the 17th of the same month, upon notice of the TOB, the board of directors of Toshiba Machine unanimously resolved and announced the introduction of a response policy to a TOB for shares

of Toshiba Machine from Office Support or its subsidiaries, or any other large-scale purchase actions that may be contemplated under the circumstances where such a TOB notice has been given (hereinafter "Toshiba Machine Response Policy").

Despite the introduction of the Toshiba Machine Response Policy, City Index Eleventh, a subsidiary of Office Support, subsequently commenced a TOB for shares of Toshiba Machine without complying with the procedures set forth in the Toshiba Machine Response Policy (at that time, Office Support and S-Grant, the Murakami Fund-Related Parties, together owned 12.75% of the shareholding ratio of Toshiba Machine shares.).

On February 12, 2020, Toshiba Machine decided to oppose the TOB by City Index Eleventh on the grounds of, among others, (i) City Index Eleventh Tender Offeror Group (collectively, Office Support, S-Grant, and City Index Eleventh, the Murakami Fund related parties; the same applies hereinafter) has not presented any management policy of Toshiba Machine after the TOB, and the manner of involvement of City Index Eleventh Tender Offeror Group in the management of Toshiba Machine is completely unclear, (ii) according to the process leading to the TOB, it appeared that City Index Eleventh Tender Offeror Group has no intention to enhance the corporate value of Toshiba Machine and are interested only in acquiring cash by themselves, (iii) in light of past investments by entities under the influence of Mr. Murakami, the TOB for Toshiba Machine and the proposed shareholder value enhancement by City Index Eleventh Tender Offeror Group was highly likely to damage the corporate value of Toshiba Machine, (iv) City Index Eleventh Tender Offeror Group has continuously ignored the requests of Toshiba Machine in the process of the dialogue, and the TOB by City Index Eleventh was initiated in disregard of the Toshiba Machine Response Policy, (v) City Index Eleventh Tender Offeror Group was suspected of violating the Foreign Exchange and Foreign Trade Act and its eligibility of being the major shareholders of Toshiba Machine is questionable, (vi) the TOB by City Index Eleventh was coercive in that shareholders who oppose the transfer of control will rather have an incentive to tender their shares in the TOB. Accordingly, in order to solicit shareholders' opinion on whether or not to introduce the Toshiba Machine Response Policy and to take countermeasures based on the Toshiba Machine Response Policy (allotment of the share options subject to discriminatory exercise conditions and acquisition clause without contribution (hereinafter, the "Countermeasures" in this paragraph).

According to publicly available information, City Index Eleventh Tender Offeror Group thereafter put pressure on Toshiba Machine to make decision of a large-scale share buyback of approximately 12 billion yen by using the withdrawal of the TOB by City Index Eleventh as a "bargaining tool," by saying that they will withdraw the TOB without waiting for the meeting of shareholders' to confirm shareholders' intentions if Toshiba Machine decides to make a large-scale share buyback of approximately 12 billion yen in addition to the special dividend of approximately 3 billion yen that it had already announced. However, Toshiba Machine, after

strongly contemning City Index Eleventh Tender Offeror Group for using the TOB by City Index Eleventh as a means of improperly pressuring Toshiba Machine to ultimately execute share buyback and thereby sell their own shares for a profit, saying that "there is a strong suspicion that its approach constitutes 'a case where a person is simply buying shares to raise the share price and force a company and its related parties to take over shares at a high price while they have no sincere intention of participating in corporate management,' which is one of the four categories of 'exploiting a company' by citing the Tokyo High Court's decision in the Nippon Broadcasting System case (Tokyo High Court Decision, March 23, 2005, *Hanrei-jiho* No. 1899, p. 56)," rejected the request for a large-scale share buyback of approximately 12 billion yen, and held a general meeting of shareholders on March 27, 2020 to confirm the shareholders' intentions. At the general meeting of shareholders, both the agendas on introduction of the Toshiba Machine Response Policy and the implementation of the Countermeasures were approved and passed by more than 62% of the total voting rights of the shareholders present.

According to publicly available information, Institutional Shareholder Services Inc. (ISS), the largest global advisory firm on the exercise of voting rights, which is known for its extremely negative stance on the introduction or renewal of takeover defense measures, also recommended the voting in favor of both the introduction of the Toshiba Machine Response Policy and the implementation of the Countermeasures by stating that, if the TOB by City Index Eleventh is approved, it is questionable that City Index Eleventh does not have a management policy even though it could acquire substantial management control.

Based on the results of the general meeting of shareholders to confirm the shareholders' intention, on March 27, 2020, Toshiba Machine passed a resolution for allotment of the share options subject to discriminatory exercise conditions and acquisition clause without contribution as countermeasures, and in response to this, City Index Eleventh withdrew the TOB on April 2, 2020.

Part 8. Investment Case in Leopalace21

According to publicly available information, the Murakami Fund-Related Parties, being Reno, S-Grant, Mr. Masahiro Ohmura (hereinafter "Mr. Ohmura"), who is an employee of Reno, and City Index Eleventh, purchased a large number of shares in Leopalace21 Corporation (hereinafter "Leopalace21") in the market from around 2019 and increased its shareholding ratio to 14.46% by December 11, 2019.

After that, on December 27, 2019, Reno and S-Grant demanded the convocation of an extraordinary general meeting of shareholders of Leopalace21 for the dismissal of all ten directors and the election of three directors. According to publicly available information, after that, Reno and S-Grant suddenly changed their plan on January 28, 2020 (due to reasons such as that they could not obtain approval from other major shareholders), withdrew its proposal to dismiss all the

directors, and changed the remaining proposal from electing three directors to electing one director (Mr. Ohmura).

According to publicly available materials, Leopalace21 opposed to the shareholder proposal by Reno and S-Grant (i.e., the election of Mr. Ohmura as a director) for reasons including (i) the well-known fact that Murakami Fund Group has repeatedly taken measures to purchase a large number of shares in a company by advocating to improve corporate governance and thereafter put various pressures on the management of such company; (ii) the existence of a case in which the Murakami Fund Group appointed a director they nominated and repeatedly made demands (such as for impractically high shareholder returns) and pushed that company into delisting; (iii) the existence of several cases in which the Murakami Fund Group sold all or part of a company's assets on a piece-by-piece basis after acquiring the management rights of such company (i.e., a bust-up acquisition); and (iv) based on the communications with Reno and S-Grant up to date, it was obvious that Reno and S-Grant did not intend to work toward improving the medium- to long-term corporate value of Leopalace21; instead, it was presumed that they were planning on a "bust-up acquisition" of Leopalace21 through their shareholder proposal, and it was highly likely that Reno and S-Grant would pursue their own interests at the cost of the stakeholders' interests, including those of other shareholders.

Further, Leopalace21 revealed in its press release that Reno and S-Grant started acquiring the shares in Leopalace21 from around March 2019, which was after the construction defects issue in Leopalace21 came to light, and that during the interviews with Leopalace21 and communications through letters to Leopalace21 from April 2019 onwards, Reno and S-Grant made statements suggesting the bust-up acquisition and capital decrease of Leopalace21, and intended to pursue their short-term profits by implementing a bust-up acquisition of Leopalace21 or selling Leopalace21's assets on a piece-by-piece basis, referring to the cases of the "bust-up acquisitions" of other companies they had taken control of.

Thereafter, in the extraordinary general meeting of shareholders held on February 27, 2020, the company proposal by Leopalace21 (which was to elect two outside directors) was approved, and the shareholder proposal by Reno and S-Grant (which was to elect Mr. Ohmura as director) was rejected.

According to news reports, in the extraordinary general meeting of shareholders, every time a negative statement against Reno's side (such as "Why should we let a vulture fund take advantage of the company when the company is directed towards revitalization?") was made, there was a round of applause at the venue of the general meeting of shareholders. Further, during the voting at the extraordinary general meeting of shareholders, there were concerns raised against Mr. Murakami, who is the substantial owner of Reno, as indicated by opinions such as "I cannot trust Mr. Murakami and his affiliates. I do not accept the company being busted up," "If the company sells the business as stated by Reno, then the company may go out of business." In addition, there were also concerns over the fact that Reno is one of the companies of the Murakami Fund group, as well as concerns such as that "Reno might pursue only their interests." The news report analyzed that those concerns led to shareholders (mainly those who are property owners of Leopalace21) objecting to the shareholder proposal (i.e., the election of Mr. Ohmura as director) (see articles including pp. 1-2 of the Nikkei Business electronic edition dated February 27, 2020,

"Leopalace rejected proposal by Murakami Fund, but this does not mean victory"; p. 1 of Fujisankei Business i. dated February 28, 2020 "Leopalace and Reno, still in confrontation - the extraordinary general meeting of shareholders rejects the proposal to elect an outside director"; and p. 10 of The Sankei Shimbun (Tokyo) morning edition dated February 28, 2020 "The Fund's proposal rejected; Leopalace; shareholders' concerns are yet to be resolved; more time for business recovery and reform to rectify flaws").

Part 9. Investment Case in Sanshin Electronics

1. First TOB by Issuer

According to publicly available information, the Murakami Fund-Related Parties, including C&I, Office Support, Minami-Aoyama Fudosan, S-Grant, and Ms. Aya Nomura, started to purchase a large number of shares in Sanshin Electronics Co., Ltd. (hereinafter "Sanshin Electronics") in the market around April 2015. As a result, the shareholding ratio of the Murakami Fund-Related Parties in Sanshin Electronics had ultimately risen to approximately 38%.

However, according to publicly available information, in May 2018, which was approximately three years and several months after commencing the acquisition of a large number of shares, C&I, Office Support, Minami-Aoyama Fudosan, and S-Grant tendered their shares in an issuer TOB undertaken by Sanshin Electronics (hereinafter, the "First TOB by Issuer") for a total of 19,712 million yen, and sold the majority of their shares in Sanshin Electronics through the First TOB by Issuer.

The First TOB by Issuer set the TOB price at 2,191 yen, which was a discount price compared to 2,234 yen, the closing price of Sanshin Electronics' shares at closing on May 11, 2018, the business day immediately preceding the announcement. However, the discount rate was only 1.92%, and that TOB price had a so-called premium price of approximately 120 yen to the simple average of the closing prices of Sanshin Electronics' shares for the past three months. The closing market price of Sanshin Electronics' shares three months before the announcement of the First TOB by Issuer was 1,826 yen (February 9, 2018), and the closing price on the business day immediately preceding the announcement of the First TOB by Issuer was 2,234 yen (May 11 of the same year). Although the share price of Sanshin Electronics increased by approximately 22% during that three-month period, as far as we can learn through the change report of the large shareholding report, the Murakami Fund-Related Parties continued to acquire Sanshin Electronics' shares in the stock market in an amount equivalent to at least approximately 1% of the shareholding ratio during that period.

As stated in **Part 1** above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, there are only a small number of cases of a TOB by an issuer at a premium price, in practice.

The price of Sanshin Electronics' shares which stood at 2,234 yen on May 11, 2018, the business day immediately preceding the announcement of the First TOB by Issuer, declined to 2,152 yen,

which was below the TOB price of 2,191 yen, by the final day of the TOB period, June 11 of the same year, and declined even further to the 1,700 yen range after that.

According to publicly available information, the maximum number of shares to be purchased by Sanshin Electronics in the First TOB by Issuer was 9,000,100 shares, which is of a significant scale (equivalent to approximately 30.74% of the total number of issued shares of the corporation at that time), which was also close to 11,209,100 shares (equivalent to approximately 39.58% of the total number of issued shares of the corporation at that time and 40.98% of the total number of issued shares excluding its treasury shares), the total number of Sanshin Electronics' shares held by the Murakami Fund-Related Parties immediately before the announcement of the First TOB by Issuer. As a result, through the First TOB by Issuer by Sanshin Electronics, the Murakami Fund-Related Parties were given an opportunity to sell out their shares in Sanshin Electronics at a price higher than that of the market (while avoiding the risk of a significant decline in selling prices if the shares were sold in the market).

As the share buyback was implemented by way of a TOB by an issuer, rather than a market purchase, ToSTNeT-3, or ToSTNeT-2, it became possible for C&I, Office Support, and Minami-Aoyama Fudosan, which are domestic corporations (and investment vehicles constituting the Murakami Fund-Related Parties) and which held the equivalent of more than 5% and one-third or less of the total number of issued shares of Sanshin Electronics, excluding treasury shares (substantially equivalent to the percentage of voting rights; hereinafter in the section, the "Percentage of Voting Rights"), to enjoy 50% of the benefits arising from deducting dividend income with regard to the deemed dividends recognized as a result of tendering for the First TOB by Issuer, and they obtained a large tax benefit in the form of a large reduction in taxable income due to the deduction of 50% taxable income arising from the deemed dividends and the recognition of a large amount of taxable loss on the transfer of shares based thereon.

2. The Second TOB by Issuer

According to publicly available information, as a result of tendering their shares in the First TOB by Issuer as stated in **1.** above, the Murakami Fund-Related Parties have once decreased their shareholding ratio in Sanshin Electronics significantly (approximately 13.90% as of July 3, 2018). However, after that, the Murakami Fund-Related Parties have come to purchase a large number of shares of Sanshin Electronics again, and increased their shareholding ratio to approximately 27.63% (the percentage of voting rights was 34.73%) by November 4, 2020.

However, according to publicly available information, in June 2021, City Index Eleventh and S-Grant tendered their shares in a TOB by an issuer company made by Sanshin Electronics amounting to 15,743 million yen in total (hereinafter the "Second TOB by Issuer"), and thereby sold most of the shares of Sanshin Electronics held by themselves.

The Second TOB by Issuer set the TOB price at 2,249 yen. That price was so-called "premium price" which was consisted of 2,070 yen, the closing market price of Sanshin Electronics as of May 11, 2021 (a business day immediately preceding the announcement of the TOB), and a premium of 8.65% (179 yen)

As stated in **1.** above, a TOB by an issuer at a high premium price is generally considered to involve a relatively-high risk that the medium- to long-term corporate value of the issuer company will decrease, because the amount exceeding the share price of the issuer company as of that time is paid to the shareholders tendering their shares in the TOB. For this reason, in practice, there are only a small number of cases of a TOB by an issuer made at a premium price.

The share price of Sanshin Electronics, which stood at 2,070 yen on May 11, 2021, which was a business day immediately preceding the date on which the Second TOB by Issuer was announced, declined to 2,015 yen, which was below the TOB price of 2,070 yen, by July 19 of the same year, which was the final day of the TOB period.

According to publicly available information, the upper limit of the number of shares to be purchased in the Second TOB by Issuer was 7 million (equivalent to approximately 28.82% of the total number of issued shares of the company at that time). In this way, the upper limit was set at the number of shares that was slightly over 6,709,100 shares, which was the total number of shares of Sanshin Electronics held by City Index Eleventh and S-Grant as of the date immediately preceding the announcement of the Second TOB by Issuer. City Index Eleventh and S-Grant expressed their intention to tender their shares after the announcement of the Second TOB by Issuer. Consequently, in the same way as the First TOB by Issuer as stated in **1.** above, the Second TOB by Issuer also gave the Murakami Fund-Related Parties an opportunity to sell out their shares of Sanshin Electronics (with being able to avoid a significant decline in the selling price, which should have happened if those shares had been sold in the market).

Further, we believe that in this case as well, the Murakami Fund-Related Parties were able to enjoy a large amount of tax merit by tendering their shares in the Second TOB by Issuer after consolidating the shares of Sanshin Electronics held by themselves into City Index Eleventh as a result of using a method of a TOB by an issuer as a share buyback method.

Part 10. Investment Case in Hoosiers

According to publicly available information, the Murakami Fund-Related Parties, such as City Index Eleventh, Office Support, Minami-Aoyama Fudosan, and S-Grant, purchased a large number of shares and share options in Hoosiers Holdings Co., Ltd. (hereinafter "Hoosiers") in the market around 2018 and eventually increased the Murakami Fund-Related Parties' shareholding ratio to approximately 37.57%.

However, according to publicly available materials, after City Index Eleventh and S-Grant consolidated their own Hoosiers shares to City Index Eleventh and increased City Index Eleventh's percentage of voting rights with respect to Hoosiers to more than one-third, they tendered their shares in the large-scale TOB by an issuer of approximately 14,812 million yen in total announced and conducted by Hoosiers on January 28, 2021 that was approximately three years after the commencement of purchase of shares by City Index Eleventh and others (in the TOB by an issuer, City Index Eleventh and S-Grant executed a tender agreement with Hoosiers for all of their own Hoosiers shares), and sold all of their own Hoosiers shares, including those remaining after the pro rata allocation of the tendered shares at the TOB and sold in the market.

The TOB by an issuer set the TOB price at 684 yen, which was a discount price that was one yen lower than 685 yen, the closing price of Hoosiers shares at closing on January 28, 2021, the date of the announcement. However, in comparison with 663 yen that was the simple average of the closing prices during the past one-month period until January 27, the business day immediately preceding the announcement, the price was at a premium of 3.17%, and similarly, in comparison with 685 yen that was the simple average of the closing prices during the past three months, the price was only one yen lower. Further, according to the change report of the large shareholding report submitted by C&I, before the above TOB by an issuer, during the period until December 17, 2020, C&I continued to purchase more Hoosiers shares in the market consistently, and the volume of the additional purchase during over one and a half months that were the first half of the above three months (from October 27, 2020 to December 17) was equivalent to a shareholding ratio of as much as 2.07%. The one-month average share price during July 2020 that was the period before such additional purchases was 534 yen, and subsequently, in and after August 2020 in which City Index Eleventh and others are considered to have commenced to purchase a large number of shares in the market, the share price rose sharply.

As mentioned in Part I above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of cases of a TOB by an issuer at a premium price.

According to publicly available information, the maximum number of shares to be purchased in a TOB by an issuer was 21,637,500 shares, representing approximately 37.59% of the total number of issued shares of Hoosiers at that time, which was set to slightly exceed 21,570,200 shares, the number of Hoosiers shares held by the Murakami Fund-Related Parties immediately before the date of the TOB announcement. In addition, as mentioned above, the Murakami Fund-Related Parties and Hoosiers executed a tender agreement for the TOB by an issuer. As a result, the TOB by Hoosiers gave the Murakami Fund-Related Parties an opportunity to sell out Hoosiers' shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

Further, as mentioned above, the TOB by an issuer above was a large-scale purchase totaling approximately 14,812 million yen. On January 14, 2021, two weeks before the announcement of the TOB by an issuer, Hoosiers closed an extraordinary financial results, which is extremely unusual for a listed company, for the purpose of "ensuring the flexibility and mobility of financial strategies by incorporating profit and loss for the period from April 1, 2020 to December 31, 2020 into the company's distributable amount," and as a result, the distributable amount, which is the source of the TOB by an issuer, was increased.

In addition, since the share buyback was implemented by way of a TOB by an issuer, rather than a market purchase, ToSTNeT-3, or ToSTNeT-2, it became possible for City Index Eleventh, which had more than one-third of the percentage of voting rights of Hoosiers, to enjoy 100% of the benefits arising from deducting dividends income with regard to the deemed dividends generated as a result of tendering for the TOB by an issuer, and it appears that City Index Eleventh obtained a large tax benefit in the form of a large reduction in taxable income due to the deduction of 100%

of taxable income arising from the deemed dividends and the recognition of a large amount of taxable loss on the transfer of shares based thereon.

Part 11. Investment Case in Nishimatsu Construction

According to publicly available information, the Murakami Fund-Related Parties of City Index Eleventh, S-Grant, Minami-Aoyama Fudosan, and Ms. Aya Nomura, have bought up a large number of shares of Nishimatsu Construction Co., Ltd. (hereinafter "Nishimatsu Construction") in the market, which increased the shareholding ratio of the Murakami Fund-Related Parties to 22.84% as of May 10, 2021.

According to publicly available information, after that, the Murakami Fund-Related Parties proposed to Nishimatsu Construction a large-scale share buyback of up to 200 billion yen, using the sale of real estate owned by Nishimatsu Construction and other source of funds. The Murakami Fund-Related Parties also said that they wanted to increase the shareholding ratio in Nishimatsu Construction to more than one-third in terms of the percentage of voting rights, on the grounds that it would be possible for the Murakami Fund-Related Parties to enjoy favorable tax effects if they tendered for the share buyback. Further, the Murakami Fund-Related Parties had repeatedly proposed to Nishimatsu Construction to conduct M&A, including management integration, with Daiho Corporation (hereinafter "Daiho"), which Murakami Fund held approximately 33.08% of the percentage of voting rights as of April 15, 2021.

On May 20, 2021, Nishimatsu Construction requested that the Murakami Fund-Related Parties not purchase additional shares in which the total shareholding ratio in Nishimatsu Construction shares exceeds 25% and if the Murakami Fund-Related Parties purchase additional shares against this request, they promptly dispose of the additionally purchased shares, etc. by sale in the market (excluding the method of ToSTNeT-1) or in a manner reasonably specified by Nishimatsu Construction (hereinafter in the section the "Request"). Nishimatsu Construction planned to submit a proposal for approval of the Request at the 84th annual general meeting of shareholders on June 29, 2021 in order to obtain approval and support from its shareholders for the Request.

However, according to publicly available information, Nishimatsu Construction received from the Murakami Fund-Related Parties a written pledge stating that they would not make a purchase of Nishimatsu Construction shares, by which the total shareholding ratio by the Murakami Fund-Related Parties would be more than 25%, during the period on and after May 21, 2021 to the date when Nishimatsu Construction announced the financial results of the second quarter of the fiscal year ending March 2022, and Nishimatsu Construction decided to reach an agreement with the same content and determined to withdraw the proposal above on June 2, 2021.

Thereafter, according to publicly available information, from early June 2021 to late July 2021, Nishimatsu Construction had had dialogues with the Murakami Fund-Related Parties, but differences of their views were not dissolved. Therefore, in order to implement measures for maintenance of sustainable growth and medium- and long-term enhancement of its corporate value smoothly under the long-term vision and the medium-term management plan that were announced by Nishimatsu Construction, Nishimatsu Construction thought that it was necessary to realize flexible and stable business operation by the Murakami Fund-Related Parties selling their own Nishimatsu Construction shares and facilitating planning and implementation of management

strategies and capital policies of Nishimatsu Construction, and Nishimatsu Construction announced implementation of TOB by an issuer totaling 54.3 billion yen on September 21, 2021.

In the TOB by an issuer, the Murakami Fund-Related Parties executed a tender agreement with Nishimatsu Construction for all of their own Nishimatsu Construction shares, and they actually tendered their shares in the TOB by an issuer and sold their own Nishimatsu Construction shares.

The above TOB by an issuer set the TOB price at 3,626 yen, which had a so-called premium price of 0.58% (21 yen) above 3,605 yen, the closing price of Nishimatsu Construction shares by the closing of September 17, 2021, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of cases of a TOB by an issuer at a premium price.

The price of Nishimatsu Construction' shares which stood at 3,605 yen on September 17, 2021, the business day immediately preceding the above announcement of the TOB by an issuer, declined to 3,425 yen, which is lower than 3,626 yen (the TOB price), by the final day of the TOB period, October 20 of the same year, and declined even further to 3,325 yen by the following day.

In addition, according to publicly available information, the maximum number of shares to be purchased in a TOB by an issuer was 15,000,100 shares, which was set to exceed 13,896,800 shares, the number of Nishimatsu Construction shares held by the Murakami Fund-Related Parties immediately before the date of the announcement of the TOB by an issuer. In addition, as stated above, the Murakami Fund-Related Parties and Nishimatsu Construction executed a tender agreement for the TOB by an issuer. As a result, the TOB by Nishimatsu Construction gave the Murakami Fund-Related Parties an opportunity to sell out Nishimatsu Construction' shares (while avoiding the risk of a significant decline in selling price if the shares were sold in the market).

Thereafter, according to publicly available information, the Murakami Fund-Related Parties transferred all remaining 4,022,800 Nishimatsu Construction shares held by them to ITOCHU Corporation (hereinafter "ITOCHU Corporation") on December 15, 2021, in relation to the capital and business alliance agreement between Nishimatsu Construction and ITOCHU Corporation on the same date.

Part 12. Investment Case in Daiho

According to publicly available information, since City Index Eleventh submitted a large shareholding report on Daiho share certificates, etc. for the first time on May 14, 2020, the Murakami Fund-Related Parties, including City Index Eleventh, Ms. Aya Nomura, Office Support, ATRA Co., Ltd., Minami-Aoyama Fudosan, and S-Grant, purchased Daiho shares and bonds with share options in large volume in the market and increased the shareholding ratio of the Murakami Fund-Related Parties to 41.66% (7,125,379 shares) as of December 28, 2021.

According to publicly available information, the Murakami Fund-Related Parties had repeatedly requested Daiho to reduce its shareholders' equity by returning profits to shareholders through IR

briefings and exchanges of opinions in each accounting period of Daiho since mid-June 2020. At the interview held on December 3, 2021, they requested (i) delisting through a management buyout (MBO), which the management team purchases the shares of Daiho, or (ii) increasing shareholder value thorough implementation of measures to improve ROE by reducing net assets (specifically, reducing net assets of approximately 74.1 billion yen at the Fiscal Year ended March 31, 2021 to 30 - 40 billion yen (hereinafter in the section the "Request"). In the letter dated 14 December 2021, the Murakami Fund-Related Parties again made the Request.

On September 10, 2021, Daiho had received a notification from ASO Corporation ("ASO") concerning its intention to collaborate with Daiho, including making Daiso a consolidated subsidiary of the ASO group, and had begun to consider it. Daiho was concerned about the disadvantages caused by the delisting and the loss of financial soundness by the share buyback, in case that Daiho accepted the Request from the Murakami Fund-Related Parties, and determined that such measures could not be adopted as a management strategy aimed at maintaining sustainable growth and raising corporate value over the medium- to long-term, and came to the view that Daiso should get out of the situation where the Murakami Fund-Related Parties were the top shareholders and form an alliance with the Aso Group as a new major shareholders instead of the Murakami Fund-Related Parties in order to aim to raise corporate value over the medium- to long-term by steady execution of the medium-term management plan. In January 2022, Daiho proposed to Mr. Murakami and other parties that they tender their Daiho shares in a TOB by Aso. However, Mr. Murakami and others responded that, (i) it was not acceptable to tender their shares in the TOB unless Daiho seeks tender offerors broadly and the highest TOB price, and (ii) if there was no choice other than being affiliated with ASO, Mr. Murakami and others had an intention to tender their shares in a TOB by an issuer of greater than or equal to 800 million shares (more than 50% of voting rights basis) with greater than or equal to 4,500 yen of TOB price (as of January 31, 2022, when Daiho was informed the price, the market price (opening price) was 3,655 yen). Further, with regard to the capital and business alliance with ASO, Mr. Murakami and others indicated that a third-party allotment should be made at a price higher than the TOB price of the TOB by an issuer in order to avoid the dilution of the shareholder value. Accordingly, Daiho conducted a TOB by an issuer (hereinafter in this section the "TOB by the Issuer") with a TOB price of 4,730 yen per share, the total amount is approximately 41.9 billion yen, for a total of approximately 8.85 million shares to be purchased, and a third-party allotment of 8.5 million shares to Aso at an issue price of 4,750 yen per share (the paid amount is approximately 40.4 billion yen, a dilution rate of 49.93% based on the voting rights basis; hereinafter in the section the "Third-party Allotment"). Daiho also decided to use the paid-in amount of the Third-party Allotment for the repayment of the bridge loan for the settlement of the TOB by the Issuer, and announced on March 24, 2022 the implementation of a series of transactions, including the TOB by the Issuer and the Third-party Allotment (in the form of a preannounced TOB, as Daiso was required to conduct the capital reserve reduction procedure for the creation of the distributable amount to implement the TOB by the Issuer).

The Murakami Fund-Related Parties executed an TOB agreement with Daiho for the TOB by the Issuer for all of Daiho shares held by them (total 7,200,640 shares as of March 24, 2022, 42.04% of shareholding ratio as of December 31, 2021), and tendered their shares in the TOB by the Issuer. As a result, the Murakami Fund-Related Parties sold 7,338,000 shares of Daiho (39.8% of

shareholding ratio). According to a large shareholding report submitted by City Index Elevens on July 22, 2022, the Murakami Fund-Related Parties sold some shares in the market even during the period of the TOB by the Issuer, and the number of Daiho shares held after the settlement of the TOB was 655,231 shares (3.55% of shareholding ratio).

The TOB by the Issuer set the TOB price offer at 4,730 yen, which had so-called premium price of 29.06 % (1,065 yen) above 3,665 yen, the closing price of Daiho shares by the closing of March 23, 2022, the day immediately preceding the announcement.

As stated in Part 1 above, a TOB by an issuer at a premium price is generally considered to involve a relatively high risk that the medium- to long-term corporate value of the issuer company will decrease, because the shareholders tendering their shares in the TOB will be paid an amount that exceeds the market price of the issuer company at that time. For this reason, in practice, there are only a small number of a TOB by an issuer at a premium price.

While the price of Daiho shares stood at 3,665 yen on March 23, 2022, the business day immediately preceding the above announcement of the series of transactions including the TOB by the Issuer and the Third-party Allotment, the market share price after the announcement remained well below the TOB price in the TOB by the Issuer and the issue price of the Third-party Allotment.

As stated above, the maximum number of shares to be purchased under the TOB by an issuer was set at an extremely large number of shares (approximately 51.67% of the Daiho's outstanding shares at the time) that exceeds the total number of shares held by Murakami Fund-Related Parties immediately prior to the announcement of the TOB by an issuer. In addition, as stated above, the Murakami Fund-Related Parties and Daiho executed a TOB agreement for the TOB by the Issuer. As a result, the TOB by Daiho gave the Murakami Fund-Related Parties an opportunity to sell our Daiho's shares through the TOB by an issuer (while avoiding the risk of a substantial decline in selling price if the shares were sold in the market).

Part 13. Other Investment Cases

In addition, the following facts were found in non-registered cases in a Tokyo High Court case report, dated July 19, 2016 (specifically, a case in which appeals by plaintiffs Reno and C&I were dismissed, and which was settled when a denial of appeal was decided due to non-registry of case reports from the Judgment of the Supreme Court of Japan, 1st Petty Bench, December 15, 2016) concerning past investment cases involving funds over which Mr. Murakami exercises influence. (Evidence is omitted.)

"a. M&A Consulting, one of former Murakami Fund's central investment vehicles, purchased shares in Nippon Broadcasting System, Inc., its shareholding ratio reaching 7.37% in 2003. Furthermore, M&A Consulting (represented by Murakami) increased its ownership ratio in Nippon Broadcasting System to 18.57% by January 2005, and placed pressure on Nippon Broadcasting System, Inc.'s major shareholder, Fuji Television Network, Inc. (hereinafter "Fuji Television"), by threatening to engage in a proxy fight to demand the resignation of the management of Nippon Broadcasting System unless it carried out a TOB of Nippon Broadcasting

System, Inc.'s shares, to which Fuji Television responded by initiating a TOB, but M&A Consulting offered Livedoor Co., Ltd. (hereinafter "Livedoor") … to sell the shares to Livedoor if it were to purchase the shares at a higher price, eventually proceeding forward to sell the shares to Livedoor at a higher price.

b. MAC Asset, one of the former Murakami Fund's central investment vehicles, submitted a large shareholding report on TBS shares on October 14, 2005, in which the fund's shareholding ratio was reported as 7.45% as of September 30, 2005. In August of the same year, MAC Asset pitched a proposal towards the management team of TBS to carry out an MBO for it to buy back the company's shares, and also attempted to acquire TBS through a consortium with …, eventually selling off its TBS shares. The shares were sold through a direct transaction without going through the market. It is reported that MAC Asset made 20 billion yen in profit through this transaction.

c. MAC, one of former Murakami Fund's central investment vehicles, acquired shares in Shoei K.K. (hereinafter "Shoei") through a hostile TOB against Shoei in 2000, making a demand for a business management that places an emphasis on its shareholders, and enhanced plans to increase shareholder returns, and by 2002, it held 6.52% of Shoei's shares, but Shoei bought back these shares through a TOB by an issuer. The total number of shares Shoei bought back through this TOB by an issuer was 1,298,800 shares, of which 912,800 shares were sold by MAC.

d. M&A Consulting began to acquire shares in CyberAgent, Inc. (hereinafter "CyberAgent") around 2001, and by 2002, it had acquired 9.2% of the company's issued shares and proposed to CyberAgent to carry out a share buyback. CyberAgent passed a resolution at its shareholders' meeting held at the end of the same year to set a share buyback limit of 19% of its total number of issued shares for the purpose of holding its treasury shares, and acquired its shares through a closing price transaction on the Tokyo Stock Exchange (ToSTNeT-2). The purchase price was 350,000 yen per share, and according to a report by the Nikkei Newspaper, although the average cost of acquiring the shares is not disclosed, M&A Consulting seems to have gained a profit from the transaction.

e. On March 19, 2003, M&A Consulting sold all shares in Artvivant Co., Ltd. (hereinafter "Artvivant") (equivalent to 10.35% of the total number of issued shares) to Artvivant in JASDAQ's extended-hours trading market, administered in accordance with the policies of the Japan Securities Dealers Association at the price of 600 yen per share.

f. In 2004, MAC acquired shares in Nippon Felt Co., Ltd. (hereinafter "Nippon Felt") in a volume equivalent to 21.70% of the total number of issued shares through purchase of corporate bonds with a convertible price of 428 yen, and sold said shares, equivalent to 21.10% of shares outstanding, at a price point of 612 yen per share through a TOB (by an issuer) executed by Nippon Felt between February and March 2005.

g. MAC held a significant number of Daido Limited (hereinafter "Daido") shares (equivalent to 19.82% of shares outstanding), but sold said shares, equivalent to 14.29% of shares outstanding, at a price point of 1,708 yen per share through a TOB by an issuer executed by Daido between February and March 2006.

h. On June 23, 2006, MAC sold its stake of 2,640,000 shares in Tokyo Soir Co., Ltd. (hereinafter "Tokyo Soir") (equivalent to 12% of the total number of issued shares out) to Tokyo Soir through a TOB by an issuer executed by Tokyo Soir for 482 yen per share.

i. On August 30, 2006, MAC sold its stake 2,571,800 shares in Hoshiden Corporation (hereinafter "Hoshiden") to Hoshiden through a purchase in Tokyo Stock Exchange's ToSTNeT-2 (trading at closing price) for 1,207 yen per share.

j. The appellant, Reno, with … as joint holder, acquired 62,408 shares (equivalent to 5.22% of the total number of issued shares) of Faith, Inc. (hereinafter "Faith") by October 2012, and by July 8, 2015, increased its shares to 8.24% of total number of issued shares, but on the same day, exercised its right to request purchase of shares against Faith, and sold all shares.

k. On December 3, 2012, Accordia expressed its opposite opinion against PGM's TOB for Accordia shares (purchase price of 81,000 yen per share), which it commenced on November 16th of that same year. Reno [appellant], jointly with C&I [appellant] and Minami-Aoyama Fudosan, proceeded to purchase shares in Accordia, and by January of 2013, acquired 18.12% of Accordia's shares. Appellant Reno, sent a letter, dated January 13, 2013, to Accordia, demanding: (1) Come to the table to discuss the terms of the management integration with PGM, and (2) Carry out measures to increase shareholder returns, such as an exhaustive share buyback program. PGM's aforementioned TOB ended in failure after Accordia expressed its willingness to accept these demands and announced that it would actively carry out its share buyback programs. Accordia revealed plans to carry out a TOB by an issuer by selling-off a majority of the golf courses it owned and using the proceeds as funding. Reno [appellant] was unsatisfied with the size of shareholder return, and in a letter dated August 5, 2014, requested dismissal of Accordia's six outside directors, and asked that an extraordinary meeting of shareholders be convened. On August 12 of the same year, after Accordia announced that it would return 20 billion yen to its shareholders, Reno [appellant] withdrew its demand for an extraordinary meeting of shareholders. Appellant, Reno, together with six joint holders, tendered their shares in the TOB by Accordia, which began in August of the same year with all their holdings (35.20% of total number of issued shares), but due to the total number of shares tendered exceeding the planned number of shares to be purchased, the purchase was executed based on the proportional distribution method, resulting in MAC selling 20.07% of the total number of issued shares through the TOB."

In said ruling, it is found that, "The aforementioned share transactions found by …, carried out by the appellants [Reno and C&I] and with funds directly connected to Murakami using an event driven method, where one exploits a situation in which the acquired shares may be sold to either the issuing company or a strategic buyer without incurring any loss, leads one to recognize that the appellants, who are directly connected to Murakami, are quite skillful at this technique."

Exhibit 2

The Name and Brief Biographical Outline of Members of the Independent Committee

Members of the Independent Committee consist of the following four members.

Shigeru Tamura

(Brief Biographical Outline)

April 1985	Joined in The Bank of Yokohama, Ltd.
June 2000	General Manager of Business Administration and Head of Office of IPO, Members Co., Ltd.
August 2000	Director & CFO, Members Co., Ltd.
September 2002	Officer of Business Administration, Aplix Corporation General manager of the business management headquarters (CFO)
June 2003	Vice President of Principal Investments, Investment Banking Headquarters, ORIX Corporation
August 2005	Senior Corporate Officer, Medical Industries Corp. (currently the MEDISCIENCE PLANNING INC.)
August 2006	Executive Vice President, MIC Medical Corporation (currently MEDISCIENCE PLANNING INC.)
June 2010	President & CEO, MIC Medical Corporation
October 2014	Chairman, MIC Medical Corporation (until May 2015)
June 2017	Director (Board-Audit Committee member), JAFCO
June 2019	Director (Board-Audit Committee member, full-time), JAFCO (Present)

Mr. Shigeru, Tamura is now an outside director of the Company, which set forth in Article 2, item 15 of the Companies Act, and he is registered by the Company as independent members to Tokyo Stock Exchange, based on the provisions of the Exchange. In addition, there is no special interests between him and the Company.

Koji Tanami

(Brief Biographical Outline)

April 1964	Joined Ministry of Finance
July 1994	Director-General of the Financial Bureau, Ministry of Finance
July 1996	Chief Cabinet Councilor for Internal Affairs, Cabinet Secretariat

January 1998	Administrative Vice Minister, Ministry of Finance
September 1999	Special Advisor to the Minister of Finance
June 2001	Deputy Governor and Managing Director, Japan Bank for International Cooperation
October 2007	Governor, Japan Bank for International Cooperation
September 2008	Resigned from Governor of Japan Bank for International Cooperation
December 2010	Registered as Attorney-at- Law (Dai-ichi Tokyo Bar Association)
	Attorney-at-Law, Hashidate Law Office (Present)
June 2015	Director (Board-Audit Committee member), JAFCO (Present)

Mr. Koji Tanami is now an outside director of the Company, which set forth in Article 2, item 15 of the Companies Act, and he is registered by the Company as independent members to Tokyo Stock Exchange, based on the provisions of the Exchange.
In addition, there is no special interests between him and the Company.

Kenichi Akiba

(Brief Biographical Outline)

September 1986	Joined Eiwa Audit Corporation (currently KPMG AZSA LLC)
July 1989	Registered as a certified public accountant
September 2001	Accounting Standards Board of Japan seconded as Technical Manager
April 2007	Accounting Standards Board of Japan seconded as Technical Director until August 2009
July 2007	Partner, KPMG AZSA Corporation (currently KPMG AZSA LLC)
September 2009	Professor, Waseda University Graduate School of Accountancy (Present)
June 2015	Director (Board-Audit Committee member), JAFCO (Present)
June 2018	Auditor of the Board (Outside), Mitsui Sumitomo Insurance Co., Ltd (Present)

Mr. Kenichi Akiba is now an outside director of the Company, which set forth in Article 2, item 15 of the Companies Act, and he is registered by the Company as independent members to Tokyo Stock Exchange, based on the provisions of the Exchange.
In addition, there is no special interests between him and the Company.

Yoshie Kajihara

(Brief Biographical Outline)

October 2001	General Manager of Accounting, Aplix Corporation

March 2005	Corporate Officer and Head of Corporate Planning Office, Aplix Corporation (until March 2007)
May 2007	Corporate Auditor (full-time), MIC Medical Corporation (currently MEDISCIENCE PLANNING INC.)
February 2008	Resigned from Corporate Auditor (full-time) of MIC Medical Corporation
October 2009	Joined CCS Inc.
November 2013	Executive Officer in charge of Corporate Planning, CCS Inc.
October 2016	Resigned from Executive Officer of CCS Inc.
January 2017	Joined Interactive Solutions Corporation
August 2017	Director and General Manager of Human Resources & Administrations, Interactive Solutions Corporation
July 2018	Resigned from Director of Interactive Solutions Corporation
June 2019	Director (Board-Audit Committee member), JAFCO (Present)

Ms. Yoshie Kajihara is now an outside director of the Company, which set forth in Article 2, item 15 of the Companies Act, and he is registered by the Company as independent members to Tokyo Stock Exchange, based on the provisions of the Exchange. In addition, there is no special interests between her and the Company.

Exhibit 3

Information requested to be provided by the Large-scale Purchaser

1. The details of the Large-scale Purchaser and its group (including joint holders, specially related parties, partners (in the case of funds), and other members), such as (i) the specific name, (ii) business description, (iii) career or history, (iv) capital structure, (v) financial conditions, (vi) details of investment policies, and (vii) information on experience in the same type of business as that of the Company and etc.

2. Purpose, method and content of the Large-scale Purchase Actions, etc., including (i) whether there is an intention to participate in management, (ii) type and number of share certificates subject to the Large-scale Purchase Actions, etc. and ownership ratio of the Company's share certificates after the Large-scale Purchase Actions, etc. (iii) Type and value of consideration for the Large-scale Purchase Actions, etc., (iv) timing of the Large-scale Purchase Actions, etc., (v) schemes of related transactions, (vi) lawfulness of methods of the Large-scale Purchase Actions, etc., (vii) feasibility of the Large-scale Purchase Actions, etc. and related transactions (if the Large-scale Purchase Actions, etc. is subject to certain conditions, the details of such conditions), and (viii) policy for holding the Share Certificates of the Company after completion of the Large-scale Purchase Actions, etc. and if the share certificates, etc. of the Company is expected to be delisted, that fact and the reason therefor.

3. Basis of calculation of the consideration in relation to the Large-scale Purchase Actions, etc. and the process of such calculation, including (i) facts and assumptions underlying the calculation, (ii) the calculation method, (iii) the name of calculating institutions and information regarding such institutions, (iv) the numerical information used in the calculation, and (v) the amount of synergy and dis-synergy expected to arise from the series of transactions related to the Large-scale Purchase Actions, etc., and the basis for such calculation.

4. The financial source of the Large-scale Purchase Actions, etc., including (i) specific name of the providers of the procured funds (including substantial providers, irrespective of whether provided directly or indirectly), (ii) procurement methods, (iii) the existence or non-existence of conditions for the provision of funds, and the content thereof, (iv) the existence or nonexistence of collateral or pledge after the provision of funds and the content thereof, and (v) details of related transactions.

5. (i) The Company’s management policies intended after the completion of the Large-scale Purchase Actions, etc., (ii) information regarding the carrier history and other details of the candidates for directors (including directors who serve as the member of the Board-Audit Committee) and statutory auditors who are planned to be dispatched after the completion of the Large-scale Purchase Actions, etc., including information regarding his or her knowledge and experiences in the same type of business as that of the Company, (iii) business plans, (iv) financial plans, (v) capital plans, (vi) investment plans, and (vii) capital policies (including policies on share buybacks), and (viii) dividend policies (including plans for the sale, provision of collateral, and other disposals of the Company's assets after the completion of the Large-scale Purchase Actions, etc.).

6. Treatment policies for the Company’s employees, business partners, customers, and other stakeholders of the Company after the completion of the Large-scale Purchase Actions, etc.