



November 15, 2023

To whom it may concern:

Company: DCM Holdings Co., Ltd.
(Securities code: 3050 Prime Market of the Tokyo Stock Exchange)
Representative: President and COO Yasunori Ishiguro
Executive Officer
Inquiries: Finance & Investor Relations Hisakazu Kato
(TEL: +81-(0)3-5764-5214)

**Notice Concerning Results of the Tender Offer
for the Shares of Keiyo Co., Ltd. (Securities code: 8168)
and Change to a Subsidiary (Change to a Specified Subsidiary Company)**

DCM Holdings Co., Ltd. (the “Tender Offeror”) resolved, at the meeting of its board of directors held on September 29, 2023, to acquire the common stock (the “Target Company Stock”) of Keiyo Co., Ltd. (the “Target Company”) (Securities Code: 8168, the Prime Market of the Tokyo Stock Exchange Inc. (the “Tokyo Stock Exchange”)) through a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) (the “Act”) and commenced the Tender Offer from October 2, 2023. Since the Tender Offer was completed on November 14, 2023, the Tender Offeror hereby announces the results thereof, as follows.

Furthermore, as a result of the Tender Offer, the Target Company is scheduled to become a consolidated subsidiary and a “Specified Subsidiary Company” (as defined in the Cabinet Office Ordinance on Disclosure of Corporate Affairs (Finance Ministry Ordinance No. 5 of 1973, as amended)) of the Tender Offeror as of November 20, 2023 (the settlement commencement date of the Tender Offer).

I. Results of the Tender Offer

1. Overview of the Purchase

(1) Name and Address of the Tender Offeror

DCM Holdings Co., Ltd.
6-22-7 Minami-Oi, Shinagawa-ku, Tokyo

(2) Name of the Target Company

Keiyo Co., Ltd.

(3) Class of Share Certificates, etc. to be Purchased

Common stock

(4) Number of Share Certificates, etc. to be purchased

Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
40,245,027 (shares)	20,807,500 (shares)	– (shares)

- (Note 1) If the total number of Share Certificates, etc. tendered in the Tender Offer (the “Tendered Share Certificates, etc.”) falls short of the minimum number of shares to be purchased (20,807,500 shares), none of the Tendered Share Certificates, etc. will be purchased by the Tender Offeror. If the total number of Tendered Share Certificates, etc. is equal to or greater than the minimum number of shares to be purchased (20,807,500 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, etc.
- (Note 2) Because the maximum number of shares to be purchased has not been set in the Tender Offer, the number of shares to be purchased is indicated as being the maximum number of shares (40,245,027 shares) that the Tender Offeror may acquire in the Tender Offer. This maximum number of shares was obtained by deducting the number of treasury shares (6,827,457 shares) held by the Target Company as of August 31, 2023 and the number of Target Company Stock (18,067,700 shares) held by the Tender Offeror from the total number of issued shares (65,140,184 shares) as of August 31, 2023 as indicated in the “Unconsolidated Financial Results for the 2nd Quarter of Fiscal Year Ending February 2024 (Prepared in Conformity with Japanese GAAP)” (the “Target Company’s 2nd Quarter Financial Results”), as announced by the Target Company on September 29, 2023.
- (Note 3) Shares constituting less than a unit will also be subject to purchase through the Tender Offer. The Target Company may purchase its own shares in accordance with procedures stipulated in the law during the tender offer period from any shareholder who exercises the right to require the Target Company to purchase shares constituting less than a unit under the Companies Act (Act No. 86 of 2005, as amended).
- (Note 4) The Tender Offeror does not intend to acquire, through the Tender Offer, any treasury shares held by the Target Company.

(5) Period for purchase, etc.

(i) Period for purchase, etc. as of the time of filing of the Tender Offer Statement

From October 2, 2023 (Monday) to November 14, 2023 (Tuesday) (30 business days).

(ii) Possibility of extending the period for purchase at the Target Company’s request

Not applicable.

(6) Purchase Price

1,300 yen per share of common stock

2. Results of the Purchase, etc.

(1) Outcome of the Tender Offer

The Tender Offer was subject to the condition that if the total number of Tendered Share Certificates, etc. falls short of minimum number of shares to be purchased (20,807,500 shares), none of the Tendered Share Certificates, etc. would be purchased by the Tender Offeror. However, because the total number of Tendered Share Certificates, etc. (34,819,428 shares) exceeded the minimum number of shares to be purchased (20,807,500 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, etc. as described in the notice concerning commencement of tender offer of shares and the tender offer statement.

(2) Date of Notice of the Results of the Tender Offer, and Name of the Newspaper for Public Notice

Pursuant to the provisions of Article 27-13, Paragraph 1 of the Act, on November 15, 2023, the Tender Offeror publicly announced at the Tokyo Stock Exchange the results of the Tender Offer, in accordance with the method prescribed in Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended) and Article 30-2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Finance Ministry Ordinance No. 38 of 1990, as amended, the “TOB Ordinance”).

(3) Number of purchased Share Certificates, etc.

Class of Share Certificates, etc.	Number of Tendered Share Certificates, etc.	Number of Purchased Share Certificates, etc.
Share certificates	34,819,428 shares	34,819,428 shares
Share option certificates	– shares	– shares
Corporate bond certificates with share options	– shares	– shares
Beneficiary certificates of Share Certificates, etc. in trust ()	– shares	– shares
Depository receipt for Share Certificates, etc. ()	– shares	– shares
Total	34,819,428 shares	34,819,428 shares
(Total number of dilutive Share Certificates, etc.)	(–)	(–)

(4) Holding ratio of Share Certificates, etc. after purchase, etc.

Number of voting rights pertaining to Share Certificates, etc. held by the Tender Offeror	180,677 (votes)	(Shareholding ratio of Share Certificates, etc. prior to Purchase, etc.: 30.98%)
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prior to Purchase, etc.		
Number of voting rights pertaining to Share Certificates, etc. held by special interested parties prior to Purchase, etc.	6,768 (votes)	(Shareholding ratio of Share Certificates, etc. prior to Purchase, etc.: 1.16%)
Number of voting rights pertaining to Share Certificates, etc. held by the Tender Offeror after Purchase, etc.	528,871 (votes)	(Shareholding ratio of Share Certificates, etc. after Purchase, etc.: 90.70%)
Number of voting rights pertaining to Share Certificates, etc. held by special interested parties after Purchase, etc.	– (votes)	(Shareholding ratio of Share Certificates, etc. after Purchase, etc.: –%)
Total number of voting rights of all shareholders, etc. of the Target Company	582,637 (votes)	

(Note 1) “Number of voting rights pertaining to Share Certificates, etc. held by special interested parties prior to Purchase, etc. and “Number of voting rights pertaining to Share Certificates, etc. held by special interested parties after Purchase, etc.” indicate the total number of voting rights attached to the Share Certificates, etc. held by special interested parties (provided, however, that, among the special interested parties, excluding parties that are excluded from the special interested parties based on Article 3, Paragraph 2, Item (1) of the TOB Ordinance in the calculation of the shareholding ratio of the Share Certificates, etc. in the respective items of Article 27-2, Paragraph 1 of the Act).

(Note 2) “Total number of voting rights of all shareholders, etc. of the Target Company” represents the number of voting rights of all shareholders of the Target Company as of August 31, 2023, as described in the Target Company’s 2nd Quarter Report for the 86th Fiscal Year filed as of October 6, 2023 (the “Target Company’s 2nd Quarter Report”); provided, however, that, since shares constituting less than a unit are also subject to the Tender Offer, in the calculation of the “shareholding ratio of Share Certificates, etc. prior to Purchase, etc.” and the “shareholding ratio of Share Certificates, etc. after the purchase, etc.,” the number of voting rights (583,127 voting rights) pertaining to the number of shares (58,312,727 shares) obtained by deducting the number of treasury shares (6,827,457 shares) held by the Target Company as of August 31, 2023 from the total number of issued shares (65,140,184 shares) as of August 31, 2023 indicated in the Target Company’s 2nd Quarter Report, was used as the denominator.

(Note 3) “Shareholding ratio of Share Certificates, etc. prior to Purchase, etc.” and “Shareholding ratio of Share Certificates, etc. after Purchase, etc.” have been rounded to two decimal places.

(5) Calculation if Purchase, etc. Will Be Conducted by the Proportional Distribution Method

Not applicable.

(6) Method of Settlement

(i) Name and address of the head office of the financial instruments business operators / banks in charge of settlement for purchase, etc.

SMBC Nikko Securities Inc.: 3-3-1 Marunouchi, Chiyoda-ku, Tokyo

(ii) Settlement Commencement Date

November 20, 2023 (Monday)

(iii) Method of Settlement

A notice of purchase by way of the Tender Offer will be mailed to the address or location of each Tendering Shareholder, etc. (or the Standing Proxy in the case of a Foreign Shareholder, etc.) promptly after the end of the tender offer period. The foregoing notice will be delivered via an electromagnetic method for tendering through Nikko Easy Trade.

Payment of the purchase price will be made in cash. The sales price of the Share Certificates, etc. that were purchased shall be remitted by the tender offer agent to the place designated by the Tendering Shareholder, etc. (or the Standing Proxy in the case of a Foreign Shareholder, etc.) promptly on or after the settlement commencement date according to the instructions given by the Tendering Shareholder, etc. (or the Standing Proxy in the case of a Foreign Shareholder, etc.).

[(iv) Method of returning Share Certificates, etc.]

The tender offer agent will restore the Share Certificates, etc. that need to be returned to the state at the time that the Share Certificates, etc. were tendered on the tender offer agent's Tendering Shareholder's Account ("state at the time that the Share Certificates, etc. were tendered" means the state in which the execution of the tender or order for the Tender Offer was cancelled) after two (2) business days following the last day of the tender offer period (the day of the withdrawal, etc. if the Tender Offer is withdrawn, etc.).]

3. Policies after the Tender Offer and future outlook

There are no changes to the policies after the Tender Offer and future outlook from those described in the "Notice Concerning Commencement of Tender Offer for the Shares of Keiyo Co., Ltd. (Securities code: 8168)" announced by the Tender Offeror on September 29, 2023.

The Tender Offeror plans to implement procedures for the purchase of all of the Target Company Stock (provided, however the Target Company Stock held by the Tender Offeror and the treasury shares held by the Target Company shall be excluded) through a series of transactions to be conducted after the Tender Offer. Although the Target Company Stock is currently listed on the

Prime Market of the Tokyo Stock Exchange, when the Tender Offeror implements the foregoing procedures, the Target Company Stock will be delisted pursuant to the prescribed procedures in accordance with the Tokyo Stock Exchange's criteria for delisting. After being delisted, the Target Company Stock can no longer be traded on the Tokyo Stock Exchange. The procedures to be taken will be promptly announced by the Target Company as soon as they are determined after discussions with the Target Company.

4. Location at which a copy of the Tender Offer Report is available to the public

DCM Holdings Co., Ltd.: 6-22-7 Minami-Oi, Shinagawa-ku, Tokyo

Tokyo Stock Exchange, Inc.: 2-1 Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo

II. Change to a Subsidiary (Change to a Specified Subsidiary Company)

1. Reason for change

As a result of the Tender Offer, the Target Company will become a consolidated subsidiary of the Tender Offeror as of November 20, 2023 (the settlement commencement date of the Tender Offer). In addition, since the amount of stated capital of the Target Company is equal to or more than ten (10) percent of the amount of stated capital of the Tender Offeror, the Target Company will become a Specified Subsidiary Company of the Tender Offeror as of the same date.

2. Overview of the Specified Subsidiary Company (the Target Company)

(i) Name	Keiyo Co., Ltd.	
(ii) Location	1-28-1 Mitsuwadai, Wakaba-ku, Chiba City, Chiba 264-0032, Japan	
(iii) Name and Title of Representative	President, Kouji Jitsukawa	
(iv) Major Business Activities	Management of home improvement stores	
(v) Stated Capital (as of August 31, 2023)	16,505 million yen	
(vi) Date of Establishment	May 31, 1952	
(vii) Major Shareholders and Shareholding Ratios (as of August 31, 2023)	DCM Holdings Co., Ltd.	30.98%
	Keiyo Employee Shareholding Association	6.37%
	The Master Trust Bank of Japan, Ltd.	6.34%
	AEON Co., Ltd.	6.09%
	The Chiba Bank, Ltd.	4.49%
	The Joyo Bank, Ltd.	2.57%
	Custody Bank of Japan, Ltd.	2.47%
MSIP CLIENT SECURITIES	1.95%	

	(Standing Proxy: Morgan Stanley MUFG Securities Co., Ltd.)		
	Chibagin JCB Card Co., Ltd.		1.21%
	GOLDMAN SACHS INTERNATIONAL (Standing Proxy: Goldman Sachs Japan Co., Ltd.)		0.93%
(viii)	Relationship between the Tender Offeror and the Target Company		
	Capital Relationship	As of today, the Tender Offeror directly holds 18,067,700 shares of the Target Company Stock (holding ratio: 30.98%), and together with the indirect holding of 513,437 shares (holding ratio: 0.88%) held by DCM Co., Ltd., a wholly-owned subsidiary of the Tender Offeror, the Tender Offer holds 18,581,137 shares of the Target Company Stock (holding ratio: 31.86%).	
	Personnel Relationship	Among the 10 directors of the Target Company, 2 of them are concurrently serving as directors of the Tender Offeror.	
	Business Relationship	DCM Co., Ltd., which is the Tender Offeror's wholly-owned subsidiary, is selling products to the Target Company. The Tender Offeror and the Target Company have entered into a partnership based on the Capital and Business Alliance Agreement.	
	Status as Related Parties	The Target Company is the Tender Offeror's equity-method affiliate and is a related party to the Tender Offeror.	
(ix)	Business Performance and Financial Condition of the Target Company over the Past 3 Years		
	Fiscal year	Fiscal year ended February 2021	Fiscal year ended February 2022
	Net assets	46,445,000 thousand yen	42,643 million yen
	Total assets	81,088 million yen	76,875 million yen
	Net assets per share	713.06 yen	714.57 yen
	Net sales	113,411 million yen	102,076 million yen
	Operating profit	4,889 million yen	5,136 million yen
	Ordinary profit	5,602 million yen	5,493 million yen
	Current net profit	3,043 million yen	3,773 million yen
	Current net profit per share	46.73 yen	58.60 yen
	Dividend per share	12.50 yen	12.50 yen
			14.50 yen

(Note) "Major shareholders and shareholding ratio" has been cited from the "Status of major shareholders" indicated in the Target Company's 2nd Quarter Report.

3. Number of Shares Acquired, Acquisition Price and Status of Shareholding Before and After Acquisition

(1) Number of Shares Held Before Change	18,067,700 shares (Number of voting rights: 180,677 votes) (Shareholding ratio of voting rights: 30.98%)
(2) Number of Shares Acquired	34,819,428 shares (Number of voting rights: 348,194 votes) (Shareholding ratio of voting rights: 59.71 %)
(3) Acquisition Price	Target Company Stock: 45,265,256,400 yen
(4) Number of Shares Held After Change	52,887,128 shares (Number of voting rights: 528,871 votes) (Shareholding ratio of voting rights: 90.70%)

(Note 1) The “shareholding ratio of voting rights” was calculated using, as the denominator, the number of voting rights (583,127 votes) pertaining to the number of shares (58,312,727 shares) obtained by deducting the number of treasury shares (6,827,457 shares) held by the Target Company as of August 31, 2023 from the total number of issued shares (65,140,184 shares) as of August 31, 2023 indicated in the Target Company’s 2nd Quarter Report.

(Note 2) The “shareholding ratio of voting rights” is rounded to the second decimal place.

(Note 3) Advisory fees and other expenses are not included in the “acquisition price”.

4. (Scheduled) date of change

November 20, 2023 (Monday) (the settlement commencement date of the Tender Offer)

5. Future outlook

The impact of the consolidation of the Target Company and the change to a Specified Subsidiary Company on our business performance is currently under review, and we will promptly disclose the information should the necessity to revise our business forecasts or any other matters arise.