

(This notice has been translated from the original notice in Japanese. In the event of any discrepancy, the original in Japanese shall prevail.)

May 14, 2018

Name of Company: Sanshin Electronics Co., Ltd.

Representative: Toshiro Suzuki (Representative Director, COO)

(Code No. 8150 Listed in the First Section of the Tokyo Stock Exchange)

Enquiries to: Akio Misono (Director, Operating Officer and

Senior General Manager of

Finance & Accounting Division)

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For Immediate Release:

Notice Regarding Acquisition of Treasury Stock and Tender Offer of Treasury Stock

The Company hereby announces that the Company's Board of Directors meeting held today, May 14, 2018, resolved the acquisition of the Company's treasury stock based on the provisions of Paragraph 1 of Article 156 in the Companies Act (Act No. 86 of 2005. Including the amendments made later on. Hereinafter, referred to as "Companies Act") of Japan which is applied mutatis mutandis pursuant to Paragraph 3 of Article 165 in the same Act and stipulations of the Company's Articles of Incorporation and use of tender offer of treasury stock (hereinafter referred to as the "Tender Offer") as the specific acquisition method of treasury stock.

Details

1. Objectives of Tender Offer

The Company is currently in the process of implementation of its V70 Medium-Term Management Plan (hereinafter referred to as "V70") which was released on May 18, 2016, a five-year medium-term management plan to be concluded in the Company's 70th term (fiscal year ending March 31, 2021), with the aim to attain the goal of "return on equity (ROE) of 5%" as soon as possible.

However, the Company's consolidated business results in the fiscal year ended March 31, 2017, the first year of V70, fell well below the initial plan because business performance in its device business significantly deteriorated due to a drastic fluctuation of exchange rates and a decrease in Group's offering products resulted from a change in product strategies by major suppliers. In response to these results, in May 2017, in order to ensure that ROE of 5%, the ultimate goal of V70, is attained without fail, the Company decided to implement additional measures for enhancement of capital efficiency in addition to strengthening its business capability further. More specifically, in our "Notice Regarding Medium-Term Management Plan (V70)" as of May 15, 2017 which was a material timely released based on necessity, the Company announced an increase of the consolidated dividend payout ratio to around 100% in the three consecutive terms extending from the fiscal year ended March 31, 2018 to the fiscal year ending March 31, 2020 and the acquisition of treasury shares by setting the maximum acquisition cost at ¥20 billion in total; provided, however, that the maximum number of shares to be acquired shall be 10 million shares in total for the above terms.

Under these circumstances, the Company started to verify the progress and outlook for attainment of V70 from the middle of January 2018. We were able to confirm positive performance transitions in terms of business profit; however on the other hand, we reached the conclusion that enhancement of capital efficiency for attainment of ROE of 5%, the ultimate goal of V70, is an urgent task. Based on this understanding, the Company started to examine the acquisition of its treasury stock from the perspective that enhancement of capital efficiency such as earnings per share (EPS) and ROE, etc. and returns of profits to our shareholders can be expected by acquiring a certain amount of the Company's treasury stock in a relatively short period of time. Later, the Company judged that a minimum 50% equity

ratio is expected to be maintained and no significant impact will be placed on the financial situation and dividend policy of the Company even if we implement the acquisition of Company treasury stock which is an additional measure of V70. In addition, after taking the stock price transition in consideration, the Company decided that from the perspectives of fairness among shareholders and transparency of transactions, a tender offer is appropriate as a method at the end of April 2018.

For determining the purchase price in the Tender Offer (hereinafter, referred to as "Tender Offer Price"), by taking the fact that the Company's ordinary shares are listed in the First Section of the Tokyo Stock Exchange and that acquisition of treasury stock by listed companies is often carried out through purchasing shares from the market through financial instrument exchange into consideration and by placing importance on clarity and objectivity of the standard, we conducted examination by using the market price of the Company's ordinary shares as a basis. Furthermore, since market prices fluctuate on a daily basis due to various factors including the economic situation, transition of the stock price for a certain period of time should be considered for calculation of a fair market price of the Company's ordinary shares. However, market price of the Company's stock has been on an upward trend for the past year, and in the most recent month, the market price has transitioned near the net assets per share on a consolidated basis. Purchase of a large amount of the Company's treasury shares at a price exceeding the net assets per share on a consolidated basis under these circumstances requires careful decision making from the perspective of our Directors' due care of a prudent manager, and the Company considered that purchase of its treasury shares at the price of net assets per share on a consolidated basis is preferable instead of purchase at the latest stock price in the market. In addition, to secure fairness in calculation of the Tender Offer Price, the Company requested calculation of the value of the Company's ordinary shares to Plutus Consulting (hereinafter, referred to as "Plutus") and Ernst & Young Transaction Advisory Services Co., Ltd. (hereinafter referred to as "EYTAS") as third party calculation institutions which are independent from the Company. Then, the Company also referred to the calculation results (For detailed calculation results, please refer to "3. Tender Offer Outline - (3) Basis for Calculation of Tender Offer Price - 1) Basis for Calculation" below.) in the share valuation report obtained from Plutus as of May 11, 2018 (hereinafter, referred to as Plutus' Share Valuation Report) and the share valuation report obtained from EYTAS as of May 11, 2018 (hereinafter, referred to as "EYTAS' Share Valuation Report") in calculating the Tender Offer Price. The Company did not obtain an evaluation for the fairness of the Tender Offer Price (fairness opinion) either from Plutus or EYTAS. With that in mind, based on the fact that there is an appreciable level of difference in the calculation results between Plutus' Share Valuation Report and EYTAS' Share Valuation Report, and in order to prevent assets from flowing outside of the Company from the perspective of respecting interests of shareholders who continue to own the Company's ordinary shares without applying for the Tender Offer in consideration of equality among shareholders, the Company concluded it would be preferable to set the acquisition price at the price of net assets per share on a consolidated basis which is an objective indicator.

In accord with the above considerations, based on the maximum limit of acquisition of the Company's treasury shares released in V70 as an additional measure, we considered the Tender Offer Price and the Company's financial situation. Then, on May 14, 2018, it was resolved that the Company would acquire up to 9,000,100 of its treasury shares (Ratio against the total number of the Company's shares outstanding: 30.74% (rounded off to two decimal places; the same applies hereinafter in the calculation of the total number of the Company's shares outstanding)) and that the Company would conduct the Tender Offer as the specific acquisition method based on the provisions of Paragraph 1 of Article 156 in the Companies Act of Japan which is applied mutatis mutandis pursuant to Paragraph 3 of Article 165 in the same Act and stipulations of the Company's Articles of Incorporation.

The Company plans to appropriate its own funds for the entire payment of the Tender Offer. In the Summary of Financial Results for the Fiscal Year Ended March 31, 2018 [Japan Standards] (Consolidated) which was released by the Company on May 14, 2018, liquidity on hand (cash and cash equivalents) on a consolidated basis as of the end of March 2018 is approximately ¥17,176 million, and electronically recorded monetary claims that are readily convertible to cash are ¥6,335 million yen at the same time. Furthermore, later, the Company borrowed ¥10,000 million from a financial institution. As a result, the Company will be able to secure a sufficient amount of liquidity on hand even after appropriation of funds to the Tender Offer, and further accumulation of funds are also expected from cash flow generated by future business, therefore, the Company decided that the Tender Offer will not greatly impact on the

Company's financial situation and dividend policy and that the soundness and security of the Company's finances will be secured.

The policy for the disposal of the Company's treasury stock to be acquired in the Tender Offer is not decided at this point.

2. Contents of the Resolution of the Board of Directors Meeting Regarding Acquisition of Treasury Stock

(1) Resolution Details

Type of Share Certificates	Total Number of Shares	Total Purchase Price
Ordinary shares	9,000,100 shares (maximum)	¥19,719,219,100 (maximum)

(Note 1) Total number of outstanding shares: 29,281,373 shares (as of May 14, 2018)

(Note 2) Ratio against total number of outstanding shares: 30.74%

(Note 3) Acquisition period: May 15, 2018 (Tuesday) to July 31, 2018 (Tuesday)

(2) Listed Share Certificates, etc. Pertaining to Treasury Shares That Were Already Acquired Based on the Said Resolution
None

3. Tender Offer Outline

(1) Schedule, etc.

1) Resolution Date in Board of Directors Meeting	May 14, 2018 (Monday)
2) Publication Date for Commencing the Tender Offer	May 15, 2018 (Tuesday) Electronic public notice will be posted, and the posting of the electronic public notice will be published in Nihon Keizai Shimbun newspaper. (Internet Address for Electronic Public Notice http://disclosure.edinet-fsa.go.jp/)
3) Submission Date of the Tender Offer Statement	May 15, 2018 (Tuesday)
4) Tender Offer Period	From May 15, 2018 (Tuesday) to June 11, 2018 (Monday) (20 business days)

(2) Tender Offer Price: ¥2,191 per ordinary share

(3) Basis for Calculation of Tender Offer Price

1) Basis for Calculation

In calculating the Tender Offer Price, by taking the fact that the Company's ordinary shares are listed in the First Section of the Tokyo Stock Exchange and that acquisition of treasury stock by listed companies is often carried out through purchasing shares from the market through financial instrument exchange into consideration and by placing importance on clarity and objectivity of the standard, we conducted examination based on the market price of the Company's ordinary shares. Furthermore, since market prices fluctuate on a daily basis due to various factors including the economic situation, transition of the stock price for a certain period of time (The closing price of the Company's ordinary stock in the First Section of the Tokyo Stock Exchange on May 11, 2018 which is one business day before May 14, 2018 when Tender Offer implementation was resolved: ¥2,234. The simple average closing price of the Company's ordinary stock in the First Section of the Tokyo Stock Exchange for one month until May 11, 2018: ¥2,207 (rounded to the nearest yen; the same applies hereinafter in the calculation of simple average.) The simple average closing price of the Company's ordinary stock in the First Section of the Tokyo Stock Exchange for the last three months until May 11, 2018: ¥2,071) should be considered for calculation of a fair market price of the

Company's ordinary shares. However, market price of the Company's stock has been on an upward trend for the past year, and in the most recent month, the market price has transitioned near the net assets per share on a consolidated basis. Purchase of a large amount of the Company's treasury shares at a price exceeding the net assets per share on a consolidated basis under these circumstances requires careful decision making from the perspective of our Directors' due care of a prudent manager, and the Company considered that purchase of its treasury shares at the price of net assets per share on a consolidated basis is preferable instead of purchase at the latest stock price in the market. In addition, to secure fairness in calculation of the Tender Offer Price, the Company requested calculation of the value of the Company's ordinary shares to Plutus and EYTAS as third party calculation institutions which are independent from the Company. Then, the Company also referred to the calculation results in the Plutus' Share Valuation Report obtained from Plutus as of May 11, 2018 and the EYTAS' Share Valuation Report obtained from EYTAS as of May 11, 2018 in calculating the Tender Offer Price.

In the Plutus' Share Valuation Report, calculation was conducted by using each market share price method and DCF (Discounted Cash Flow) method. The range of stock value per share of the Company's ordinary stock calculated in each said method are as follows:

In the market share price method, May 11, 2018 which is one business day before May 14, 2018 when the Tender Offer implementation was announced was used as a reference date, and based on the closing price of the Company's stock in the First Section of the Tokyo Stock Exchange on the reference date which is ¥2,234, the simple average closing price for the last month which is ¥2,207, the simple average closing price for the last three months which is ¥2,071 and the simple average closing price for the last six months which is ¥1,961, the range of the Company's stock value per share is analyzed to be from ¥1,961 to ¥2,234.

In the DCF method, based on the profit projections of the Company from the fiscal year ending March 2019 which was made by taking various elements such as business performance trends until the most recent day and information released to the public, etc. on the basis of the business plan created by the Company into consideration, future free cash flow projection of the Company is discounted to its current value at a certain discount rate to analyze corporate value and stock value. As a result of analysis, the stock value per share of the Company's ordinary stock ranged from ¥1,735 to ¥2,100. The Company did not obtain evaluation for the fairness of the Tender Offer Price (fairness opinion) from Plutus.

In the EYTAS' Share Valuation Report, calculation was executed by using each market share price method, comparative company analysis method, and DCF method. The ranges of stock value per share of the Company's ordinary stock calculated in each said method are as follows:

In the market share price method, May 11, 2018, which is one business day before May 14, 2018 when the Tender Offer implementation was announced, was used as reference date, and based on the closing price of the Company's stock in the First Section of the Tokyo Stock Exchange on the reference date which is ¥2,234, the simple average closing price for the last three months which is ¥2,071, the simple average closing price for the last six months which is ¥1,961, and the simple average closing price for the last twelve months which is ¥1,744, the range of the Company's stock value per share is analyzed to be from ¥1,744 to ¥2,234.

In the comparative company analysis method, the stock value of the Company was analyzed through comparisons to stock prices in the market of the listed companies that operate similar businesses to the Company and financial indexes which indicate profitability, and as a result of analysis, the stock value per share of the Company's ordinary stock is ranged from ¥817 to ¥1,677.

In the DCF method, based on profit projections of the Company from fiscal year ending March 2019 which was made by taking various elements such as business performance trends until the most recent day and information released to the public, etc. on the basis of the business plan created by the Company into consideration, future free cash flow projection of the Company in the future is discounted to its current value at a certain discount rate to analyze corporate value and stock value. According to the analysis, the stock value per share of the Company's ordinary stock ranged from ¥1,300 to ¥1,594. The Company did not obtain evaluation for the fairness of the Tender Offer Price (fairness opinion) from EYTAS.

With that in mind, based on the fact that there is an appreciable level of difference in calculation results between Plutus' Share Valuation Report and EYTAS' Share Valuation Report, and in order to prevent assets from flowing outside of the Company from the perspective of respecting interests of shareholders who continue to own the Company's ordinary shares without applying for the Tender Offer in consideration of equality among shareholders, the Company concluded it would be preferable to set the acquisition price at the price of net assets per share on a consolidated basis which is an objective indicator.

As a result of these considerations, the Company resolved that the Tender Offer Price would be ¥2,191 (rounded to the nearest yen) which is the net assets per share on a consolidated basis in the Board of Directors meeting held on May 14, 2018.

The Tender Offer Price, ¥2,191, is a discounted price of the closing price of ¥2,234 of the Company's ordinary stock by 1.92% (rounded off to two decimal places; the same applies hereinafter in the calculations of premium rate and discount rate) in the First Section of the Tokyo Stock Exchange on May 11, 2018 which is one business day before May 14, 2018 that is the date of resolution of the Tender Offer implementation, and the Tender Offer Price is a discounted price of the simple average closing price for the past month until May 11, 2018 which is ¥2,207 by 0.72%. The Tender Offer Price, ¥2,191, represents a premium of 5.79% to the simple average closing price for the last 3 month until May 11, 2018, ¥2,071.

2) Calculation Background

In May 2017, in order to ensure that ROE of 5%, the ultimate goal of V70, is attained without fail, the Company decided to implement additional measures for enhancement of capital efficiency in addition to strengthening its business capability further. More specifically, in our "Notice Regarding Medium-Term Management Plan (V70)" as of May 15, 2017 which was a material timely released based on necessity, the Company announced an increase of the consolidated dividend payout ratio to around 100% in the three consecutive terms extending from the fiscal year ended March 31, 2018 to the fiscal year ending March 31, 2020 and the acquisition of treasury shares by setting the maximum acquisition cost at ¥20 billion in total; provided, however, that the maximum number of shares to be acquired shall be 10 million shares in total for the above terms.

Under these circumstances, the Company started to verify the progress and outlook for attainment of V70 from the middle of January 2018. We were able to confirm positive performance transitions in terms of business profit; however on the other hand, we reached the conclusion that enhancement of capital efficiency for attainment of ROE of 5%, the ultimate goal of V70, is an urgent task. Based on this understanding, the Company started to examine the acquisition of its treasury stock from the perspective that enhancement of capital efficiency such as earnings per share (EPS) and ROE, etc. and returns of profits to our shareholders can be expected by acquiring a certain amount of the Company's treasury stock in a relatively short period of time. Later, the Company judged that a minimum 50% equity ratio is expected to be maintained and no significant impact will be placed on the financial situation and dividend policy of the Company even if we implement the acquisition of Company treasury stock which is an additional measure of V70. In addition, after taking the stock price transition in consideration, the Company decided that from the perspectives of fairness among shareholders and transparency of transactions, a tender offer is appropriate as a method at the end of April 2018.

For determining the purchase price in the Tender Offer, by taking the fact that the Company's ordinary shares are listed in the First Section of the Tokyo Stock Exchange and that acquisition of treasury stock by listed companies is often carried out through purchasing shares from the market through financial instrument exchange into consideration and by placing importance on clarity and objectivity of the standard, we conducted examination by using the market price of the Company's ordinary shares as a basis. Furthermore, since market prices fluctuate on a daily basis due to various factors including the economic situation, transition of the stock price for a certain period of time should be considered for calculation of a fair market price of the Company's ordinary shares. However, market price of the Company's stock has been on an upward trend for the past year, and in the most recent month, the market price has transitioned near the net assets per share on a consolidated basis. Purchase of a large amount of the Company's treasury shares at a price exceeding the net assets per share on a consolidated basis under these

circumstances requires careful decision making from the perspective of our Directors' due care of a prudent manager, and the Company considered that purchase of its treasury shares at the price of net assets per share on a consolidated basis is preferable instead of purchase at the latest stock price in the market. In addition, to secure fairness in calculation of the Tender Offer Price, the Company requested calculation of the value of the Company's ordinary shares to Plutus and EYTAS as third party calculation institutions which are independent from the Company. Then, the Company also referred to the calculation results (For detailed calculation results, please refer to "3. Tender Offer Outline - (3) Basis for Calculation of Tender Offer Price - 1) Basis for Calculation" below.) in the Plutus' Share Valuation Report obtained from Plutus as of May 11, 2018 and the EYTAS' Share Valuation Report obtained from EYTAS as of May 11, 2018 in calculating the Tender Offer Price. The Company did not obtain an evaluation for the fairness of the Tender Offer Price (fairness opinion) either from Plutus or EYTAS. With that in mind, based on the fact that there is an appreciable level of difference in the calculation results between Plutus' Share Valuation Report and EYTAS' Share Valuation Report, and in order to prevent assets from flowing outside of the Company from the perspective of respecting interests of shareholders who continue to own the Company's ordinary shares without applying for the Tender Offer in consideration of equality among shareholders, the Company concluded it would be preferable to set the acquisition price at the price of net assets per share on a consolidated basis which is an objective indicator.

As a result of these examinations, the Company resolved that the Tender Offer Price would be ¥2,191 (rounded to the nearest yen) which is the net assets per share on a consolidated basis in the Board of Directors meeting held on May 14, 2018.

(4) Number of Share Certificates Planned for Purchase

Type of Share Certificates	Number of Share Certificates Planned for Purchase	Number of Planned Excess Amount of Shares
Ordinary shares	9,000,000 shares	-shares

(Note 1) If the total number of tendered share certificates in response to the Tender Offer (hereinafter, referred to as "Tendered Share Certificates") does not exceed the number of share certificates planned for purchase (9,000,000 shares), the Company will purchase all of the Tendered Share Certificates. If the total number of Tendered Share Certificates exceeds the number of share certificates planned for purchase (9,000,000 shares), the Company will not purchase all or some of the surplus and the Company will conduct delivery related to the purchase of share certificates and other settlements according to the pro rata method stipulated in Paragraph 5 of Article 27-13 of the Financial Instruments and Exchange Act (Act No. 25 of 1948. Including the amendments made later on. Hereinafter referred to as the "Law".) which is applied mutatis mutandis pursuant to Paragraph 2 of Article 27-22-2 and Article 21 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Listed Share Certificates, etc. by Issuer (Ordinance of the Ministry of Finance No. 95 of 1994. Including the amendments made later on).

(Note 2) Even if the shares are less than one unit, such shares are also subject to the Tender Offer. If the shareholders execute their right to demand for purchase of holder of shares less than one unit, the Company may purchase its treasury stock during the tender offer period (hereinafter, referred to as "Tender Offer Period") according to the legal procedure.

(5) Funds Required for the Tender Offer

¥19,752,000,000

(Note) This amount is the estimated total of the purchase costs when purchasing all of the planned number of share certificates to be purchased (9,000,000 shares), purchase handling charges and other expenses (various expenses including expenses required for public notice regarding the Tender Offer and printing of Tender Offer Explanation and other necessary documents)

(6) Settlement Method

1) Names and Locations of the Head Office of Financial Instrument Business Operators/Banks That Conduct Settlement of the Tender Offer

(TOB Agent)

Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo

2) Settlement Start Date

July 3, 2018 (Tuesday)

3) Settlement Method

When the Tender Offer Period ends, a written notice for purchase will be sent to the address or locations of those who agree to apply for the purchase of share certificates concerning the Tender Offer or those who apply for sales, etc. (hereinafter, referred to as "Tendering Shareholders") (standing proxies in the case that shareholders reside overseas (including corporate shareholders. Hereinafter, referred to as "Non-Japanese Shareholders") by mail without delay.

The purchase will be made in cash. The amount after deducting the applicable withholding tax (Note) from the purchase amount will be sent to the locations designated by Tendering Shareholders (standing proxies in the case of Non-Japanese Shareholders) by TOB Agent without delay after the commencement date of settlement or paid at the main branch or other branches across Japan of TOB Agents that accept applications.

(Note) Taxation Relations for Shares Purchased in the Tender Offer

For specific questions regarding taxation, please consult with specialists such as certified tax accountants.

Shareholders are requested to make their own decisions.

(a) In the Case Tendering Shareholders Are Individuals

(i) In the Case Tendering Shareholders Are Japanese Residents or Non-Japanese Residents Who Own Permanent Establishments in Japan

When the proceeds received through the application for the Tender Offer exceed the amount of the portion of the Company's capital (or consolidated individual stated capital in the case of a consolidated corporation) attributable to the shares that are the basis for the payment, the excess portion shall be considered and taxed as income from dividends. For such income from dividends, in principle, the amount equivalent to 20.315% (income tax and special income tax for reconstruction (hereinafter referred to as "Special Income Tax for Reconstruction") 15.315% pursuant to the "Act on Special Measures to Secure the Fiscal Sources Needed to Respond to Great East Japan Earthquakes" (Act No. 117 of 2011. Including the amendments made later on.), inhabitant tax 5%) will be withheld (Special collection of 5% inhabitant tax will not be imposed on non-Japanese residents who own permanent establishments in Japan). However, in the case that Tendering Shareholders correspond to major shareholders (hereinafter, referred to as "Major Shareholders") set forth in Paragraph 12 of Article 4-6-2 in the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957. Including the amendments made later on.), the amount equivalent to 20.42% (income tax and Special Income Tax for Reconstruction only) will be withheld. In addition, the remaining amount after deducting the amount considered as income from dividends from the proceeds through the application for the Tender Offer is regarded as income earned from the transfer of shares, etc. The amount after deducting acquisition costs of corresponding shares from income earned from transfer is subject to application of separate self-assessment taxation, in principle.

When applying for the Tender Offer with the shares in tax-free accounts set forth in Article 37-14 (tax exemptions on income from transfers of small amounts of publicly-traded shares in tax-free accounts) in the Act on Special Measures Concerning Taxation (Act No. 26 of 1957. Including the amendments made later on.) (hereinafter referred to as "Tax-free Accounts"), if such Tax-free Accounts are accounts in Daiwa

Securities Co. Ltd. which is a financial instrument business operator, tax will be exempted on income earned from the transfer of shares in the Tender Offer, in principle. In the case that such Tax-free Accounts are accounts in other financial instruments business operators than Daiwa Securities Co. Ltd., handling may differ from the above.

(ii) In the Case Tendering Shareholders Are Non-Japanese Residents Who Do Not Own Permanent Establishments in Japan

For the amount considered as income from dividends, the amount equivalent to 15.315% (income tax and Special Income Tax for Reconstruction only) will be withheld. In the case that Tendering Shareholders correspond to Major Shareholders, the amount equivalent to 20.42% (income tax and Special Income Tax for Reconstruction only) will be withheld. In addition, no tax will be imposed on income gained from such share transfer.

(b) In the Case Tendering Shareholders Are Corporate Shareholders

As a tax on deemed dividends, for the amount that the Tender Offer Price exceeds the capital per share, the amount equivalent to 15.315% (income tax and Special Income Tax for Reconstruction only) will be withheld for the difference, in principle.

If Non-Japanese Shareholders wish to request a reduction or exemption of income tax and Special Income Tax for Reconstruction for such deemed dividends according to applicable tax conventions, the Shareholders are asked to submit an Application Form for Income Tax Convention to the TOB Agent by June 11, 2018.

(7) Others

- 1) This Tender Offer is not carried out in the United States or toward the United States, directly or indirectly, or implemented by using United States mail or other methods/means of interstate commerce or international commerce (including but not limited to telephone, telex, facsimile, electronic mail, and Internet communication) or through securities exchange facilities in the United States. Application to the Tender Offer by using the above methods/means or through the above facilities or from the United States cannot be conducted.

In addition, a Tender Offer Statement or related purchase documents are not sent or distributed by mail or other methods in, to or from the United States; such sending or distribution cannot be conducted. Application for the Tender Offer that violates the above restrictions directly or indirectly will not be accepted.

Those who apply for the Tender Offer may be requested to declare or guarantee the following conditions: Tendering Shareholders were not located in the United States either at the time of application for the Tender Offer or sending a tender offer application form; Tendering Shareholders did not receive or send any information or documents (including copies) related to the Tender Offer, directly or indirectly, in, toward or from United States; Tendering Shareholders did not use United States mail or other methods/means of interstate commerce or international commerce (including but not limited to telephone, telex, facsimile, electric mail, and Internet communication) or securities exchange facilities in the United States, directly or indirectly, for purchase, placing a signature on the tender offer application form or provision of tender offer application form.; or Tendering Shareholders are not those who act as proxies, trustees/delegates without discretion for other individuals in the United States (excluding the case that corresponding individuals provide all of the instructions related to the Tender Offer outside of the United States.).

- 2) The Company released the "Summary of Financial Results for the Fiscal Year Ended March 31, 2018 [Japan Standards] (Consolidated)" on May 14, 2018. The outline of the Company's summary of financial results based on such release is as follows. The said contents did not undergo audit by audit corporation according to the stipulations in Paragraph 1 of Article 193-2 in the Law. For the details, please refer to the contents of such release.

Outline of Summary of Financial Results for the Fiscal Year Ended March 31, 2018 [Japan Standards] (Consolidated)
(April 1, 2017 to March 31, 2018)

(i) Profit and Loss (Consolidated)

Fiscal Year	March 2018 (67th Term)
Net Sales	¥157,257 million
Cost of Sales	¥145,809 million
Selling, General and Administrative Expenses	¥9,684 million
Non-operating Profit	¥294 million
Non-operating Expenses	¥271 million
Net Profit Attributable to Shareholders of Parent Company	¥947 million

(ii) Performance Per Share (Consolidated)

Fiscal Year	March 2018 (67th Term)
Net Profit Per Share	¥33.62 yen
Dividend Amount Per Share	¥33.00 yen
Net Assets Per Share	¥2,191.19 yen

(Reference) Treasury Stock Owned by the Company as of March 31, 2018

Total Number of Shares Outstanding (excluding treasury stock) 28,317,577 shares

Number of Treasury Stock 963,796 shares

(Note) 139,000 shares held by the Japan Trustee Services Bank, Ltd. (trust account) as a trust asset of "Board Benefit Trust" are not included in the above number of treasury stock.