August 3, 2017

This document is an English translation
of a statement written initially in Japanese.
The Japanese original should be considered
as the primary version.

ITOCHU Corporation
(Code No. 8001, Tokyo Stock Exchange, 1st Section)
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Announcement in Relation to Commencement of Joint Tender Offer Bid for Share Certificates of Pocket Card Co., Ltd. (Code No. 8519) by a Wholly Owned Subsidiary of ITOCHU Corporation

ITOCHU Corporation (hereinafter referred to as "ITOCHU"), announces that its wholly owned subsidiary, GIT Corporation (Head office: Minato-ku, Tokyo; Representative Director and President : Kazuhiro Nakano; hereinafter referred to as "GIT"), has decided to obtain the common shares of Pocket Card Co., Ltd. (Code No. 8519, Tokyo Stock Exchange, 1st Section) in collaboration with a wholly owned subsidiary of FamilyMart Co., Ltd. (Head office: Toshima-ku, Tokyo; President and Chief Executive Officer: Takashi Sawad), which is a wholly owned subsidiary of FamilyMart UNY Holdings Co., Ltd. (Code No. 8028, Tokyo Stock Exchange, 1st Section), an equity-method associated company of ITOCHU and GIT, by way of a tender offer bid as stipulated in the Financial Instruments and Exchange Act (Act No. 25 of 1948; including revisions thereafter) and as detailed in the attachment.

1. Outline of GIT

(1) Name	GIT Corporation
(2) Location	2-5-1 Kita-Aoyama, Minato-ku, Tokyo
(3) Title and Name of Representative	Kazuhiro Nakano, Representative Director and President
(4) Business Lines	Investment in funds in accordance with the Limited Partnership Act for Investment, business related to the formation and management of the funds and all related operations
(5) Capital	¥800,000 (as of August 3, 2017)

2. Future Outlook

The Tender Offer will have limited impact on the consolidated operating results of ITOCHU. The forecast for the consolidated operating result (net profit attributable to ITOCHU) of 400 billion yen for the fiscal year ending March 31, 2018, will not change.

This document is disclosed by ITOCHU in accordance with the Securities Listing Regulations, and makes an official announcement pursuant to Article 30-1-4 of the Order for Enforcement of the Financial Instruments and Exchange Act, based on the request of GIT (Tender Offeror) to ITOCHU (parent company of the Tender Offeror)

(Attachment)

Document by ITOCHU, GIT and FamilyMart for disclosure.

"Announcement in Relation to Commencement of Joint Tender Offer Bid for Share Certificates of Pocket Card Co., Ltd. (Code No. 8519)"

August 3, 2017

ITOCHU Corporation
(Code No. 8001, Tokyo Stock Exchange, 1st Section)
Representative Director and President: Masahiro Okafuji
Contact: Kazuaki Yamaguchi
General Manager, Investor Relations Department
(TEL. 03-3497-7295)

GIT Corporation
President and Representative Director: Kazuhiro Nakano
Contact: As above

FamilyMart Co., Ltd.
President and Chief Executive Officer: Takashi Sawada
Contact: Manager-Investor & Public Relations
Hiroshi Iwasaki
(TEL. 03-3989-7670)

Announcement in Relation to Commencement of Joint Tender Offer Bid for Share Certificates of Pocket Card Co., Ltd. (Code No. 8519)

ITOCHU Corporation (hereinafter referred to as "ITOCHU"), GIT Corporation (hereinafter referred to as "GIT"), ITOCHU's wholly owned subsidiary and FamilyMart Co., Ltd. (hereinafter referred to as "FamilyMart"), hereby announce that GIT and a wholly owned subsidiary of FamilyMart (collectively referred to as the "Tender Offerors") have decided on August 3, 2017 to jointly obtain the common shares (hereinafter referred to as the "target company's shares") of Pocket Card Co., Ltd. (hereinafter referred to as the "Target Company") by way of a tender offer bid (hereinafter referred to as the "Tender Offer").

The Tender Offer shall be conducted immediately after the following conditions are met:

① the Target Company's board meeting has made a resolution declaring its intention to agree to the Tender Offer and it encourages the Target Company's shareholders to make a bid for the Tender Offer; any resolution withdrawing such resolution or any resolution in contradiction thereof has not been made;

② the required procedures have been completed and the necessary steps have been taken based on the competition laws of Japan and any foreign country concerned; and the waiting period, if any, is over (Note).

As of August 3, 2017, the Tender Offerors aim to start the Tender Offer in mid-November 2017. However, it is difficult to forecast exactly how long it will take to obtain the necessary permits from Japanese and foreign regulators. A detailed schedule for the Tender Offer will be disseminated quickly once it is finalized.

(Note) In addition to items ① and ② above, the Tender Offer shall be conducted when the following conditions are met:

③ No petitions, lawsuits, or procedures seeking to prohibit or restrict commencement of the Tender Offer or execution of other Transactions (defined below) are pending with judicial authorities or government organizations, etc., and there are no determinations on the part of judicial authorities or government organizations, etc. that would prohibit or restrict commencement of the Tender Offer or other Transactions; and

④ There are no unannounced important facts concerning the Target Company (where important matters are those stipulated in Article 166, Paragraph 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948); hereinafter the same)) or facts concerning the Tender Offer (facts stipulated in Article 167, Paragraph 2 of the Financial Instruments and Exchange Act).

1. Objectives of the Tender Offer

(1) Outline

GIT is a company of which all issued shares is owned by ITOCHU. As of August 3, 2017, ITOCHU owns 21,130,000 shares of the Target Company (Ownership Ratio (Note 1): 27.00%), and the Target Company is ITOCHU's equity method affiliate. FamilyMart, a wholly owned subsidiary of ITOCHU's equity method affiliate FamilyMart UNY Holdings Co., Ltd. (hereinafter referred to as "FamilyMart UNY Holdings"), owns 11,739,000 shares of the Target Company (Ownership Ratio: 15.00%) and the Target Company is its equity method affiliate.

ITOCHU, the parent company of GIT, FamilyMart, and Sumitomo Mitsui Banking Corporation (hereinafter referred to as "SMBC," currently owning 27,788,000 shares of the Target Company's shares: Ownership Ratio 35.51%), signed a "Shareholder Agreement" and decided on the following:

- According to the Shareholder Agreement, the Tender Offerors acquire all the Target Company's shares (hereinafter referred to as the "Tender Offer Target Shares") excluding the Target Company's shares owned by ITOCHU and FamilyMart and treasury stocks owned by the Target Company as well as the Target Company's shares owned by SMBC (hereinafter referred to as "Non-target Shares"),
- The Target Company would be delisted by limiting the Target Company's shareholders only to all or a subset (Note 2) of the five companies in total, namely GIT and its parent company ITOCHU (hereinafter referred to as "ITOCHU, etc."), FamilyMart and its wholly owned subsidiary (hereinafter referred to as "FamilyMart, etc.") and SMBC (hereinafter, the shareholders of the Target Company followed by the delisting shall be collectively referred to as the "Major Shareholders") and thereafter
- The Tender Offer would be made as a part of a series of transactions (hereinafter the "Transactions") so that the ownership ratio of the voting rights of ITOCHU, etc., FamilyMart, etc. and SMBC would be 46%, 34% and 20%, respectively (collectively referred to as the "Final Voting Rights Ratio"). Note that the Final Voting Rights Ratio has been determined after consultation between the three companies ITOCHU, FamilyMart and SMBC.

(Note 1) The "Ownership Ratio" is the ratio of the Target Company's shares against the number of shares (78,250,440 shares), which is calculated by subtracting the number of shares owned by the Target Company as of May 31, 2017, according to the Target Company's 1st Quarter Earnings Briefing (1,073,404), from the number of issued shares as of May 31, 2017, (79,323,844) according to the Earnings Briefing for the 1st quarter of the term ending February 2018 (the Target Company's 1st Quarter Earnings Briefing) announced on July 14, 2017 by the Target Company. (Numbers are rounded to two decimal places; the same applies hereinafter for the Ownership Ratio.)

(Note 2) Depending on the number of the Subscribed Share Certificates (as defined below) in the Tender Offer and the details of the Delisting Procedures (as defined below; hereinafter the same applies), as a result of the Delisting Procedures the number of shares of the target company's stock held by GIT or the wholly owned subsidiary of FamilyMart may become a fraction constituting less than one share, and GIT or the wholly owned subsidiary of FamilyMart may cease to be a shareholder of the Target Company due to holding a fraction constituting less than one share.

Where the procedures are taken to validate the Tender Offer and to implement the subsequent acquisition of all the Tender Offer Target Shares by Major Shareholders as a part of the transactions (for further details, refer to "(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition," hereinafter referred to as the "Delisting Procedures"), the Target Company will acquire (hereinafter referred to as the "Acquisition of Treasury Stock," Note 2, 3) the part of the Target Company's shares owned by SMBC (hereinafter referred to as the "Shares Sold by SMBC," Note 1) so that SMBC's shares of the voting rights will be 20% if the Delisting Procedures are effective, and so it would be subsequently.

(Note 1) The number of Shares Sold by SMBC will be calculated by subtracting ② the number of shares equivalent to 20% of the voting rights of all the Target Company's shareholders after the acquisition of the Treasury Stocks from ① the total number of the Target Company's shares owned by SMBC immediately before acquiring the Treasury Stocks (if the number of shares is not a whole number, it will be rounded up after the decimal point).

If the Delisting Procedures are taken by means of the merger of shares (defined in "(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition," the ratio of the Merger of Shares as of August 3, 2017 will remain undetermined. However, the number of the Target Company's shares owned by shareholders of the Target Company who do not undertake the Tender Offer (excluding the Target Company and Major Shareholders) will be arranged to be fractional, so that only Major Shareholders will effectively own the Target Company's Shares (excluding the Target Company's Treasury Stocks).

(Note 2) Although the number of Shares Sold by SMBC remains undetermined as of August 3, 2017, ITOCHU, FamilyMart and SMBC agreed in the Shareholder Agreement that:

(i) The total acquisition price of the Shares Sold by SMBC in the Acquisition of Treasury Stock shall be the price calculated by multiplying the purchase price in the Tender Offer (hereinafter referred to as the "Purchase Price in the Tender Offer") by the number of Shares Sold by SMBC (provided, however, that in the event that the merger or split of the Target company's shares is undertaken after the completion of the Tender Offer and until the Acquisition of Treasury Stock, it shall be the number of shares before such merger or split); and

(ii) In the event that a fraction constituting less than one share arises in the total number of the Target company's shares owned by the Target Company's shareholders (including the number of treasury stocks owned by the Target Company) through the Delisting Procedures, the total acquisition price and other adjustments in the Acquisition of Treasury Stock will be discussed to the extent that the acquisition price per share of the Shares Sold by SMBC in the Acquisition of Treasury Stock (in the event that the merger or split of the Target company's shares is made after the completion of the Tender Offer and until the Acquisition of Treasury Stock, it means one (1) share of the Shares Sold by SMBC before such merger or split would be effective) does not exceed the Purchase Price in the Tender Offer.

(Note 3) The acquisition of Treasury Stock will be conducted within the monetary amount that the Target Company can afford to allocate. However, the Target Company will not reduce capital, capital reserved or profit reserved for the purpose of the Treasury Stock Acquisition.

Three parties, ITOCHU, FamilyMart and SMBC, signed a Shareholder Agreement dated August 3, 2017. Therein, they agreed that no tender offer will be made in respect to the 27,788,000 non-target shares owned by SMBC (Ownership Ratio: 35.51%). They also agreed that a series of transactions would be performed to make the ownership ratio of Major Shareholders' voting rights against the Target Company a final voting right ownership ratio, and where the Tender Offer becomes valid and when Delisting Procedures are taken the Shares Sold by SMBC will be sold after the procedures become effective in accordance with the Acquisition of Treasury Stocks.

The Tender Offerors set neither an upper nor a lower limit on the intended tender offers to provide the Target Company's shareholders with broad opportunities to sell, and therefore all subscribed share certificates (hereinafter referred to as the "Subscribed Share Certificates") can be available for a tender offer.

The Tender Offerors assume that the ownership ratio of the voting rights of ITOCHU, etc. and FamilyMart, etc. against the Target Companies after the Transactions will eventually be 46% and 34%, respectively. Accordingly, if the total number of subscribed share certificates, etc. is 15,771,806 or less, GIT and FamilyMart's wholly owned subsidiary shall undertake one half each of the subscribed share certificates, etc. (however, any fraction shall be rounded up for the planned number of share certificates, etc. that GIT undertakes and rounded down for the number of share certificates, etc. that FamilyMart's wholly owned subsidiary undertakes); if the total number of subscribed share certificates, etc. is over 15,771,806, GIT and FamilyMart's wholly owned subsidiary shall each undertake half of them, and FamilyMart's wholly owned subsidiary shall undertake all of the subscribed share certificates in excess of 15,771,806.

If the Major Shareholders fail to acquire all the Target Shares, they will implement delisting procedures as a part of the transactions after the Tender Offer (for further details, please refer to "(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition")

As of August 3, 2017, the Target Company has announced an opinion regarding the joint Tender Offer for its share certificates by ITOCHU's wholly owned subsidiary GIT and FamilyMart's wholly owned subsidiary (hereinafter referred as the "Press Release stating the Opinions of Target Company"). According to the Target Company, it understands that the Tender Offer is intended to give the Target Company's shareholders a reasonable opportunity to sell their shares, as the opinion of the Target Company at the present time, at the Target Company's board of directors meeting held on August 3, 2017, the Target Company resolved that it will agree with the Tender Offer if the Tender Office commences, encourage the Target Company's shareholders to make a bid for the Tender Offer, and again express its opening regarding the Tender Offer at the point the Tender Offer is commenced.

The above Target Company's board of directors meeting resolution is said to be made based on the grounds and reasons provided in "(2) Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer" and by way of the arrangements provided in "(e) Unanimous approval of directors who do not have interests in the Target Company and unanimous approval of corporate auditors who do not have interests in the Target Company," under "(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer" in the section "② Background of the calculation" under "(4) Basis of calculation of the Tender Offer price" in section "2. Outline of the Tender Offer" as follows.

(2) Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer

① Background and purpose of the decision to undertake the Tender Offer and the decision-making process

ITOCHU, the sole parent company of GIT, was listed on the Osaka Stock Exchange (hereinafter referred to as "OSE") and the Tokyo Stock Exchange (hereinafter referred to as "TSE") in July 1950. The ITOCHU group consists of 207 consolidated subsidiaries and 101 equity method affiliated companies (as of March 31, 2017). Through domestic and overseas business networks, the ICT & Financial Business Company, the Machinery Company, the Energy & Chemicals Company, the General Products & Realty Company, the Food Company, the Metals & Minerals Company and the Textile Company make efforts to offer various commodities and services that support peoples' daily lives. To this end, the group is engaged in the upper stream of the operation, or raw materials handling, through to the lower stream of the operation, or wholesale, thereby developing a diversified business.

ITOCHU launched its mid-term business plan "Brand-new Deal 2017" (3-year plan for the period FYE 2015-2017), in which it raised two basic business policies: ① "Strengthen Our Financial Position" and ② "Build Solid Earning Base to Generate ¥400 billion Level Net Income." ② describes ITOCHU's intention to further expand the business platforms and areas in China and Asia based on strategic alliance with CITIC Limited/Charoen Pokphand Group Company Limited and also revenue infrastructure by leveraging its strength/competitive edge in non-resource areas. In financing/insurance area, one of non-resource areas, retail financing businesses are being promoted. Extensive customer bases and platform functions are fully mobilized to develop and expand financing services both in Japan and abroad.

In line with these business strategies, the Japanese retail financing businesses are promoted particularly by strengthening the financing businesses related to FamilyMart, thus focusing on expanding ITOCHU's business profits.

FamilyMart runs its convenience store (hereinafter referred to as "CVS") businesses, and it pursues convenience for customers and embraces the business slogan "Combination between you and FamilyMart." It also proposes "Rich yet simple mind" and aims to create our customers' ideal CVS chain.

In the Japanese CVS businesses, the Company seeks to increase the growth potential and profitability of all member stores by actively continuing to open up stores and implementing marketing and operational measures. Toward 2020, FamilyMart has set the strategic theme "Fun&Fresh" for further growth while focusing on proposing a next-generation CVS store that creates new lifestyles.

To pursue the advantages of scale and synergy by leveraging management resources intensively and expanding the network of stores, FamilyMart integrated the CVS businesses with Circle K Sunkus Co., Ltd. (hereinafter referred to as "Circle K Sunkus") on September 1, 2016. As a result of this, FamilyMart holds one of the largest CVS networks in Japan (market share of 33% (Note)) with 18,038 stores nationwide (including 4,286 Circle K Sunkus brand stores) as of the end of May 2017. The Company is now seeking to build the leading business platform in the industry by switching the brand from Circle K Sunkus to FamilyMart.

Based on these strategic initiatives, the Company will move to upgrade its user-friendliness by implementing a cashless settlement system and more extensive financial services.

(Note) The percentage represented by the 18,038 FamilyMart stores out of the 54,999 total convenience stores in Japan (Source: "Convenience store statistics investigation monthly report" by Japan Franchise Association) as of the end of May 2017 (decimal places rounded off).

For overseas CVS businesses, FamilyMart leverages its unique knowhow accumulated through Japan-originated CVS activities mainly in Asia and its localized merchandise development and assortment, thereby increasing stores and sales. As of the end of May 2017, FamilyMart has 6,486 overseas stores in Taiwan, Thailand, China, Vietnam, Indonesia, the Philippines and Malaysia. The combined total of Japanese and overseas stores is 24,524 (including 4,286 Circle K Sunkus brand stores).

FamilyMart belongs to the ITOCHU group consisting of ITOCHU and its affiliated companies, and it receives advisory support from the group concerning the merchandise supply structure in Japanese and overseas CVS businesses.

Currently, the Target Company is engaged in "Famima T card" (Note) businesses, including credit card, financing and insurance agency operations. The Target Company emphasizes that it has developed an individualized face-to-face sales approach through its distributive credit business, leveraged a joint development channel shared with its strategic partner, the ITOCHU Group, and benefits from the nationwide FamilyMart convenience store network (18,038 stores including 4,286 Circle K Sunkus brand stores). With this sales strength, it continues to offer high value-added services to customers.

(Note) In this press release, "Famima T Card" shall refer to credit cards issued by the Target Company in coordination with FamilyMart which include a function to accrue "T Points" under the point service provided by Tpoint Japan Co., Ltd.

The Target Company was founded as Nichii Credit Service Co., Ltd. on May 25, 1982. The shareholder at the time was a subsidiary of Nichii Trading Co., Ltd. (now AEON RETAIL Co., Ltd.). It had extended the scope of its businesses starting from the individual installment payment/credit card and financing businesses, and it changed its trade name to MYCAL CARD INC. in March 1994. In September 1996, it registered stock with the Japan Securities Dealers Association for over-the-counter trading. In July 1998 it was listed on the Second Section of the

TSE and OSE. In February 2000, it was listed on the First Sections of the TSE and OSE.

On April 25, 2001, through the tender offer by Sanyo Shinpan Finance Co., Ltd. (now SMBC Consumer Finance Co., Ltd.; hereinafter referred to as “Sanyo Shinpan”) (Note 1), the Target Company became a subsidiary of Sanyo Shinpan, which was converted from a subsidiary of MYCAL Co., Ltd. (Trade name changed from Nichii Co., Ltd.; now AEON RETAIL Co., Ltd.; hereinafter referred to as “MYCAL”). Thereafter, on December 10, 2001, it changed the company name to Pocket Card Co., Ltd.

In mid-April 2003, the Target Company formed a capital and business alliance with ITOCHU and ITOCHU Finance Corp. (hereinafter referred to as “ITOCHU Finance”) with the aim of strengthening competitiveness in the retail sector through the full mutual utilization of the ITOCHU Group’s wide-ranging networks, strong brand power and extensive product planning capability and the Target Company’s customer management capabilities and customer acquisition abilities as a distribution-type card company, and in early May of that year, it allocated its shares (680,000 shares: 2.29% of the number of shares (29,696,081) obtained by subtracting the number of treasury stocks owned by the Target Company (684,141) from the issued number of shares as of February 28, 2003 (30,380,222)) to ITOCHU by way of third party allocation. Then, of those shares, the shares owned by MYCAL were assigned to ITOCHU Finance in mid-April of that year. In late June of 2003, ITOCHU entered into a shareholders’ agreement (hereinafter referred to as the “Year 2003 Agreement”) with ITOCHU Finance and Sanyo Shimpan. In late February of 2004, the Target Company, planning to expand the outsourcing business (fee business) it had been proceeding with the development of at the time, was assigned shares in Famima Credit Corporation (a joint corporation between ITOCHU and FamilyMart; hereinafter referred to as “Famima Credit”), and in turn formed a capital and business alliance with Famima Credit by way of third party allocation.

(Note 1) Sanyo Shinpan became a consolidated subsidiary of Promise Co. (hereinafter referred to as “Promise”) on September 25, 2007 as a result of the tender offer by Asahi Enterprise., Co. (hereinafter referred to as “Asahi Enterprise”), which is Promise’s wholly owned subsidiary. As a result, the Target Company became a subsidiary of Promise and Asahi Enterprise as well as Sanyo Shinpan. Subsequently, on December 26, 2007, Sanyo Shinpan became a wholly owned subsidiary of Promise as a result of the share swaps by means of cash consideration, with Asahi Enterprise the wholly owning parent company and Sanyo Shinpan the wholly owned subsidiary. Meanwhile, as a result of the board reshuffle on June 11, 2010, it was deemed that there was no substantial controlling interest, and the Target Company became an equity method affiliate of Promise, Asahi Enterprise and Sanyo Shinpan from their subsidiary. Thereafter, on October 1, 2010, the absorption type merger was implemented, wherein Sanyo Shinpan and Asahi Enterprise were extinct companies and Promise was the surviving company. On the other hand, in mid-July, 2004, Promise started a business tie-up with Mitsui Sumitomo Financial Group (hereinafter referred to as “SMFG”) by issuing new shares by way of third party allocation to SMBC. Due to a tender offer by SMFG’s wholly owned subsidiary SMBC targeting the shares of Promise on December 7, 2011, Promise became a subsidiary of SMFG and SMBC. On April 1, 2012, the share exchanges were performed so that SMFG became the wholly owning company while Promise became the wholly owned subsidiary. Thereafter, on July 1, 2012 it changed its trade name to the current SMBC Consumer Finance Co., Ltd. On March 31, 2011, SMBC acquired all the shares of the Target Company owned by Promise (Ownership Ratio as of March 2011: 41.9% (Note 2)) through a negotiation transaction.

(Note 2) The “Ownership Ratio as of March 2011” represents the ratio of the number of Target Company’s shares transferred by Promise to SMBC (24,834,000 shares) against 59,199,348 shares, which was obtained by subtracting the number of treasury stocks owned by the Target Company (1,071,096 shares) from the number of issued shares (60,270,444 shares) as of February 28, 2011, which was provided in “Earnings briefing for the period ending February 2011 J-GAAP (Consolidated)” published by the Target Company on April 12, 2011 (the number was rounded up after the second decimal point). Please see “Agreement on Management Integration between Pocket Card Co., Ltd. and Famima Credit Corporation” published by the Target Company on February 21, 2011 for the details.

The Target Company had to adjust its businesses under drastic changes in the business environment due to the demand of interest refunds and the amendment of the Moneylending Control Act. In the midst of such a tough business environment, the Target Company struggled to further develop and strengthen its business tie-up with Famima Credit, with which it maintained a good business relationship through the processing business (Note 1), and to improve sustainable corporate value by merging each operational strength. Accordingly, on March 31, 2011, the Target Company conducted a share exchange through cash consideration wherein the Target Company was the wholly owning parent company and Famima Credit was the wholly owned subsidiary. Moreover, a third party allocation was performed (Note 2) for ITOCHU and ITOCHU ENEX Co., Ltd. (hereinafter referred to as "ITOCHU Enex"), a subsidiary of ITOCHU, and FamilyMart, who were investors in Famima Credit with equity ratios of 32.5% and 30.1%, respectively. In late February, 2011, ITOCHU acquired the Target Company's shares owned by its subsidiary, ITOCHU Finance, while on March 31, 2011, SMBC acquired the Target Company's shares owned by its affiliate, Promise. As a result of these transactions, the Ownership Ratio as of July 2011 (Note 4) in the Target Company of ITOCHU and its subsidiary (ITOCHU Enex, Note 3), FamilyMart and SMBC became 27.00%, 15.00% and 35.51%, respectively. Each of them has held the Target Company as equity method affiliate. Later, on September 25, 2012, the Target Company performed an absorption type merger with Famima Credit. (The series of transactions from the share exchange between the Target Company and Famima Credit conducted on March 31, 2011 as referred to above to the absorption type merger of the Target Company with Famima Credit conducted on September 15, 2012 is hereinafter referred to as the "reorganization of Famima Credit.") On February 21, 2011, ITOCHU, FamilyMart and SMBC signed a Shareholder Agreement (hereinafter referred to as the "Year 2011 Agreement"), and the "Year 2003 Agreement" was terminated in March 2011. In addition to this series of transactions, the roles played by ITOCHU, FamilyMart and SMBC as presented later in this announcement to expand the business and enhance the corporate value of the Target Company, a prohibition on transferring or otherwise disposing of the shares of the Target Company held by the parties, as well as the power to nominate candidate offices based on the equity ratios of each party, among other matters, are stipulated in the Year 2011 Agreement (Note 5).

(Note 1) The "processing business" refers to a business associated with application screening, card issuance, sales processing and other tasks.

(Note 2) In the third party allocation conducted on March 31, 2011, 5,749,400 shares were allocated to ITOCHU (ratio of the allocated shares to the number of shares (59,199,348 shares) obtained by subtracting the number of treasury stocks owned by the Target Company (1,071,096 shares) from the total number of issued shares as of February 28, 2011 (60,270,444 shares): 9.71%), 11,739,000 shares (19.83%) were allocated to FamilyMart and 1,565,000 shares (2.64%) were allocated to ITOCHU ENEX.

(Note 3) On February 13, 2014, ITOCHU acquired the Target Company's shares owned by ITOCHU Enex.

(Note 4) The "Ownership Ratio as of July 2011" represents the ratio of the Target Company's shares against 78,252,680 shares, which was obtained by subtracting the number of the Target Company's treasury stocks (1,071,164 shares) from the number of issued shares (79,323,844 shares) as of May 31, 2011, which was provided in the "Earnings Briefing for the 1st quarter for the period ending in February 2012 J-GAAP (Consolidated)" published by the Target Company on July 13, 2011. (The number was rounded up after the third decimal point.)

(Note 5) In the shareholder agreement, an agreement was reached regarding the means of implementing the Transactions, but it was stipulated that if that agreement conflicted with the provisions of the Year 2011 Agreement, that the agreement in the shareholder agreement would take precedence. Further, it was agreed in the shareholder agreement that the Year 2011 Agreement would terminate at the point the Final Voting Rights Ratio was achieved.

ITOCHU, FamilyMart and SMBC regard the reorganization of Famima Credit as a strategic joint business, and each of them has provided its management resources and expertise, thereby supporting the Target Company's proactive initiatives aiming for business expansion and corporate value improvement. The main role of each company is as follows:

(i) ITOCHU

Provide its expertise in financial businesses and business operation. Obtain members by taking advantage of the ITOCHU group's diverse value chains (Note). Continue supporting the Target Company's operations to raise its corporate value and earning power.

(Note) A "value chain" refers to a sequential chain of value that includes upstream raw material and resource development, mid-stream manufacturing and processing, and downstream retailing.

(ii) FamilyMart

Recruit members of Famima T Card under the business tie-up between FamilyMart and the Target Company and support their marketing by leveraging its own FamilyMart store network in Japan. Moreover, carry out storage operations in FamilyMart stores and provide an infrastructure function.

(iii) SMBC

Focus on a unique credit card company whose main sales foundation is distributive systems such as convenience store channels and incorporate it as an equity method affiliate, thereby further strengthening SMFG's credit card business. Provide the Target Company with its extensive expertise on financial services and management and support them to strengthen the financial structure by reducing procurement costs through a main bank's diverse financing means.

On the other hand, through the creation of high value-added services closely linked with daily lives, the Target Company has positioned management that contributes to the realization of more enriched lives for customers as a basic management policy. Placing credit-based purchasing services and financing as the core of its businesses, the Target Company has promoted a growth strategy through enhanced coordination with SMBC, ITOCHU and FamilyMart.

In its three-year medium-term management plan beginning in FYE 2017, which was announced in April 2016, the Target Company laid out four key challenges: ① further strengthening the Famima T Card business; ② the stable expansion of existing businesses; ③ enhancing competitiveness in services and operation; and ④ reinforcing its structure to achieve sustained growth. The Target Company has pursued initiatives aimed at achieving these challenges.

In the immediate future, amid signs of a reduction in interest refund requests, business performance is continuing to improve on the strength of continually expanding installment payment balances for shopping purchases and expanded loan claim balances due to a tapering off of the decline in in cash advance balances. In particular, for the Famima T Card business that drives growth of the Target Company, the Target Company has plans to further bolster its efforts, such as by expanding solicitation of Famima T Card membership at convenience stores converted from Circle K Sunkus to FamilyMart, and by tackling new financial services through joint ventures with ITOCHU and FamilyMart.

In the credit card industry to which the Target Company belongs, the market scale is currently expanding as the scope of credit card payment is extended and E-commerce grows. Moreover, the government and businesses are jointly promoting a cashless economy toward the 2020 Tokyo Olympic and Paralympic Games, so the market growth appears to be sustainable. Besides, the business environment is changing in favor of the Target Company. Although a request for interest refunds has been a business challenge since 2006, its impact it appears to have calmed down, and the business environment is improving. Along with the deregulation of financial institutions, the credit card business is undergoing a rapid industrial reorganization seeing crossover mergers, tie-ups with banks and new entrants from different industries. The advancement of financial technology is so dramatic, and diverse initiatives including Apple Pay, other contactless payment services and Dongle-type payment devices are being implemented. These are ongoing. Coupled with the shrinkage of the domestic market due to the low birth rate and longevity, the competition in the industry is expected to become more intense.

Under the financial stresses derived from the legislation of the amended Money Lending Business Act, rapidly shrinking market for cash borrowing on credit, and overpayment issues, the Target Company was tackling the improvement of the financial base through the business tie-up with SMBC. As these problems start to settle down, the Target Company believes that it is crucial to offer unique and high value-added products and services to further increase its corporate value. The majority of the operating revenue of the Target Company comes from the Famima T Card business, and FamilyMart holds one of the largest CVS networks in Japan after the brand conversion from Circle K Sunkus to FamilyMart took place. Against this backdrop, this operation is becoming a core business for them. Accordingly, the Target Company considers that it is imperative to form a structure that enables it to offer unique products and services as soon as possible through the strengthened tie-up with ITOCHU and FamilyMart, thereby developing the business beyond the existing growth model.

Specifically, ITOCHU expects that the Target Company will expand its corporate value and strengthen earnings power through the provision of expertise related to financial businesses, the acquisition of new members utilizing the diverse value chains maintained by the ITOCHU Group and through continued support in operational aspects.

FamilyMart expects that to provide assistance with marketing using its own domestic network of FamilyMart stores in soliciting Famima T Card members in coordination with the Target Company, and to provide storage services and infrastructure functions at FamilyMart stores.

In response to this situation, ITOCHU and FamilyMart started to discuss and review the Target Company's growth strategy in early October 2016. In late November 2016, ITOCHU and FamilyMart came to understand the following:

- The credit card market is now experiencing an inflow of a number of new entrants who are IT-savvy. For the Target Company to build a business structure to offer unique products and services, implement a growth strategy in a prompt manner and upgrade its corporate value, it will be necessary to delist the Target Company and form a management structure that is capable of prompt, flexible decision-making;
- With SMBC's cooperation in terms of capital and compliance, ITOCHU and FamilyMart will increase the voting rights ratio in the Target Company;
- This will enable ITOCHU and FamilyMart to provide active support to the Target Company's management and provide an environment that enables the Target Company to closely and effectively utilize the business resources of ITOCHU and FamilyMart such as ITOCHU's domestic and overseas business networks and the one of the largest CVS networks in Japan held by FamilyMart.

Subsequently, in early March 2017, ITOCHU and FamilyMart started to discuss and review how to increase the ratio of their voting rights against the Target Company and delist the Target Company by limiting its shareholders to the Major Shareholders only. Consequently, in late March 2017, ITOCHU and FamilyMart, along with SMBC, came to share the following understanding.

By delisting the Target Company through this transaction, with the Major Shareholders being the sole shareholder, and then increasing the ratio of the voting rights ownership of ITOCHU and FamilyMart against the Target Company, the following initiatives and engagements can be expected, and medium and long-term growth strength and earning power can be further enhanced, thus increasing the corporate value of the Target Company.

(i) Leverage the management resources of ITOCHU and FamilyMart and make the business tie-up even closer

ITOCHU, FamilyMart and SMBC believe that a higher ratio of voting rights on the part of ITOCHU and FamilyMart, etc. against the Target Company will enable us to:

- obtain new members through a recruiting caravan that makes use of FamilyMart stores that are increasing along with the brand conversion from Circle K Sunkus,

-strengthen the recruitment structure by taking advantage of the FamilyMart store networks and infrastructure function such as advertising activities at a popular in-store eat-in space, and

-further promote the use of cards and accelerate collaboration with external companies by expanding/strengthening customer service with more coordinated tie-ups.

ITOCHU, FamilyMart and SMBC also believe that a higher ratio of voting rights on the part of ITOCHU, etc., which is a proven expert in financial business and business running and a holder of extensive internal/external business networks and its active management support of the Target Company will enable us to:

-further strengthen the support structure by encouraging the dispatch of directors and personnel exchanges, and

-expedite work on the development of the new financial business employing the Target Company's function and FamilyMart's infrastructure function by making use of ITOCHU's business network and expertise.

(ii) Accelerate the implementation of the management strategy

For the Target Company to explore and develop a new business area in a dynamic and highly competitive credit card business, it is essential to build a maneuverable management structure that is able to carry out flexible decision-making. ITOCHU, FamilyMart and SMBC believe that if the Major Shareholders become the sole shareholder of the Target Company through this transaction, it will be possible to build a flexible and maneuverable management structure that pays respect to the Target Company's initiatives while formulating and implementing highly flexible operational measures.

For the Target Company to pursue a card company that is selected by customers in the ever-intensifying competition in the credit card business, ITOCHU, FamilyMart and SMBC believe it is necessary to take medium and long-term measures without being preoccupied with short-term profit. Specifically, ITOCHU, FamilyMart and SMBC are considering the running of various promotional measures aimed at gaining card members and encouraging usage, and making use of ITOCHU's network to expand new co-branded cards. These efforts are expected to incur an initial cost burden. It is expected that the Target Company will be involved with new businesses peripheral to the existing card operations while taking medium to long-term approaches including advance investment in fintech-related technologies. Such a move may not necessarily be appreciated by a capital market on a short-term basis. ITOCHU, FamilyMart and SMBC therefore believe that it is essential to create a flexible decision-making process by making the Major Shareholders the sole Target Company shareholder.

Based on the above insight, ITOCHU and FamilyMart made an initial proposal to the Target Company in early April 2017 whereby the Target Company would be delisted with the Major Shareholders as the sole shareholder, and deliberation and review would be commenced specifically regarding the plan so as to hold the ratio of voting rights on the part of the Major Shareholder against the Target Company as the final voting right ratio.

Thereafter, from early May 2017 to early July 2017, ITOCHU and FamilyMart conducted an acquisition audit (hereinafter referred to as "Due Diligence") of the Target Company. Following the advice provided by their financial advisor, Nomura Securities Co., Ltd. (hereinafter referred to as "Nomura Securities") and by their legal advisors Nishimura & Asahi and Mori Hamada & Matsumoto, ITOCHU and FamilyMart conducted an initial review on the rights and wrongs of this transaction, the conditions and the transaction approaches, including the significance/objectives and management policy for the period following this transaction.

Based on the above considerations, in early June 2017, ITOCHU and FamilyMart concluded that the measures such as the delisting of the Target Company, making the Major Shareholders the sole shareholder and holding the Major Shareholders' voting rights ratio against the Target Company as the Final Voting Rights Ratio would further strengthen the tie-up between ITOCHU and FamilyMart and the Target Company, thus achieving the improved corporate value of the Target Company. As a result of the series of transactions including the Tender Offer, ITOCHU and FamilyMart reached an agreement on the matters of delisting the Target Company with the Major Shareholders as the sole shareholder, holding the Major Shareholders' voting rights ratio as the Final Voting Rights Ratio and the outline of the management policies to be implemented beyond the transaction. ITOCHU and FamilyMart, based on the premise that they will acquire the Target Shares through the Tender Offer to the Target Shares, proposed the objectives and significance to the Target Company as well as the procedures and outline of the conditions as of June 7, 2017.

ITOCHU and FamilyMart discussed the specific implementation procedures of the transaction, the acquisition price of the Target Shares and other conditions with SMBC on several occasions from early May to early July 2017. In the process of the above discussions, SMBC proposed a measure to make its ownership ratio of voting rights 20% in early June 2017. It made the following suggestion: Of SMBC's own Target Shares, the Shares Sold by SMBC that would make its voting rights ratio 20% will be acquired by the Target Company as its treasury stock. To ensure that the above is carried out, the procedure for acquiring treasury stocks (hereinafter referred to as the "Acquisition of Treasury Stock") was proposed (Note). In addition, the conditions for the expected price for the Acquisition of Treasury Stock (hereinafter referred to as the "Acquisition Price of Treasury Stock") were proposed and brought to review.

(Note) SMBC proposed the Acquisition of Treasury Stock to set the voting rights ratio to 20% against Target Company. This proposal was made because:

- it is considered to be rational for the level of capital after the acquisition of treasury stock as a capital policy, taking the Target Company's growth strategy after the delisting into consideration;
- SMBC could obtain due consideration for its support of the Target Company as an affiliate and expectations of future growth predicated on continued shareholdings; and
- initially, when SMBC expected that there was a divergence in the expected level of acquisition prices for shares of the Target Company between SMBC, ITOCHU and FamilyMart, considering that due to taxation the parts regarded as consent dividends would be treated as dividend income related to the shares of affiliated companies if the shares were sold by shareholders retaining over a third of the issued shares by accepting the acquisition of treasury stock.

ITOCHU and FamilyMart understand that SMBC came to this conclusion based on the above judgement that the setting of appropriate consideration and the acquisition of the Shares Sold by SMBC as treasury stock is more rational than a tender offer to the Target Shares by a third party other than the Target Company and preferable to SMBC and SMFG, the wholly owning parent company of SMBC, and its shareholders.

Thereafter, the Acquisition Price of Treasury Stock was negotiated. In late June 2017, SMBC proposed to ITOCHU and FamilyMart that it would implement the Treasury Stock Acquisition after delisting the Target Company to ensure that the Target Company would acquire all the Shares Sold by SMBC safely. On the same occasion, SMBC proposed the final Acquisition Price of Treasury Stock. ITOCHU and FamilyMart carefully reviewed the proposal as well as the rights and wrongs of continued negotiations regarding the transaction. They found that the transaction should be performed quickly, safely and surely and brought forward to the stage where the tie-up between ITOCHU, FamilyMart and the Target Company will be closer, because this development is an important factor for increasing the corporate value of ITOCHU, FamilyMart and the Target Company, and the Tender Offer under better terms drawn from this upgraded corporate value would benefit minor Target Company shareholders. They also found as follows:

- If the Target Company only acquired the Shares Sold by SMBC at the Acquisition Price of Treasury Stock, such acquisition would be considered appropriate from the viewpoint of a capital policy based on a growth strategy after the delisting of the Target Company; and
- It is better to ascertain the number of share certificates subscribed in the Tender Offer and the Target Company's issued shares after the delisting takes effect (after subtracting the number of the Target Company's treasury stock

at the time) and follow up by the Target Company's Treasury Stock acquisition for securing the intended he Final Voting Rights Ratio quickly and smoothly.

Accordingly, they reached an agreement with SMBC in respect of the Acquisition Price of Treasury Stock, at 1,072 yen per share, based on the premise that the Target Company would acquire the Shares Sold by SMBC in early July, 2017 through a treasury stock acquisition after the Delisting Procedure takes effect.

Moreover, the Acquisition Price of Treasury Stock is at the level of a comparable premium (50.77% of the 711 yen closing price of the Target Shares in the First Section of the TSE (hereinafter referred to as the "TSE 1st Section") on August 2, 2017, the business day proceeding the announcement date of the Tender Offer (rounded up to three decimal places; hereinafter the same for calculation of premiums) even when compared to examples of past tender offers undertaken for the purpose of delisting, and as the amount exceeds 1,050 yen, the highest price attained by the Target Shares over the past ten years (2007 onwards) on the TSE 1st Section, and since for the publicly traded company ITOCHU as well as FamilyMart, a wholly owned subsidiary of the publicly traded company FamilyMart UNY Holdings, managing to conduct the Tender Offer as the Tender Offerors with a price exceeding this price would be difficult to adopt even considering their relationship with their own shareholders, with respect to the Tender Offer price, ITOCHU and FamilyMart agreed to propose to the Target Company the same price (Note 1) as the Acquisition Price of Treasury Stock (Note 2). While for its part, it is economically rational for SMBC to dispose of the Target Company's shares for higher consideration, ITOCHU and FamilyMart pursued negotiations with SMBC, which has the same conflicts of interest as seller as a minority shareholder in the Transactions, as described above, and as a result, the Acquisition Price of Treasury Stock was agreed upon. The Tender Offer price is the same amount as the Acquisition Price of Treasury Stock, and ITOCHU and FamilyMart believe that the price adequately reflects the interests of all of the Target Company's shareholders with the exception of SMBC.

In light of the developments described above, ITOCHU and FamilyMart formally proposed the Tender Offer and terms of the Transactions including the acquisition of treasury stock to the Target Company on July 10, 2017.

(Note 1) However, if the shares of the Target Company are consolidated or split during the period after completion of the Tender Offer up to the acquisition of treasury stock, an amount that adjusts the Tender Offer price based on the ratios, etc. of the share consolidation or split will be regarded as the same amount as the Acquisition Price of Treasury Stock. For the details of the Acquisition Price of Treasury Stock, please refer to the abovementioned "(1) Outline" in "1. Objectives of the Tender Offer."

(Note 2) For details concerning the determination of the Tender Offer price, see "(4) Basis of calculation of the Tender Offer price" under "2. Outline of the Tender Offer."

Thereafter, from early July 2017, ITOCHU, FamilyMart and the Target Company entered into detailed negotiations and consideration over Tender Offer and terms of the Transactions including the Acquisition Price of Treasury Stock. As a result, in early August, 2017, as ITOCHU and FamilyMart arrived at the conclusion that it would be preferable to delist the Target Company through the Transactions, and after making the Major Shareholders, etc. the only shareholders of the Target Company, increase the voting rights ratios of ITOCHU, etc. and FamilyMart, etc. in the Target Company, ITOCHU and FamilyMart decided on August 3, 2017 to conduct the Tender Offer by the Tender Offerors with the aim of delisting the Target Company.

From the perspective of ensuring the fairness, transparency and objectivity of the Target Company's decision-making process with regard to the Tender Offer and the Transactions including the delisting procedures, on June 9, 2017, the Target Company established a third-party committee with the aim of obtaining resolutions made by the Target Company's board of directors to express its opinions concerning the execution of the Transactions including the Tender Offer (hereinafter referred to as the "Resolution of Opinions") and other relevant opinions in the event of other decision making. For details about the third-party committee, see "(c) Establishing an independent third-party committee of Target Company and obtaining opinions (recommendation)" under "(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer" in the section "② Background of the calculation" under "(4) Basis of calculation of the Tender Offer price" in section "2. Outline of the Tender Offer," below. For the process of and reasons for the decision made by the Target Company with respect to the Transactions, please refer to the Press Release stating the Opinions of Target Company.

As a result, on August 3, 2017, as for the opinion of the Target Company at the present time in light of the above, the Target Company resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Target Company accept the Render Offer if it is commended.

In addition, the Target Company made a board of directors resolution stating that the Target Company is in favor of the Tender Offer and recommending that the shareholders of the Target Company accept the Tender Offer. In conjunction with this, the Target Company resolved that upon sufficiently meeting conditions including that the resolution has been publicly announced, the expression of opinions has not been withdrawn, necessary procedures and handling in accordance with Japanese and overseas competition laws have been completed and the waiting period, if any, has elapsed, that the Tender Offer be conducted promptly, and that in light of the fact that it is difficult to accurately predict the time taken for procedures, etc. with Japanese and overseas competition authorities, through the abovementioned board of directors, the Target Company further resolved with respect to the third-party committee that when the Tender Offer is commenced, to consider whether there are no changes to the opinions expressed by the third-party committee established by the Target Company towards the board of directors of the Target Company as of August 3, 2017 and if there are no changes towards the board of directors of the Target Company to consult to that effect and if there are changes to share the opinions after those changes, and in light of those opinions, to express opinions regarding the Tender Offer.

For details concerning the decision-making process followed by the Target Company, see "(e) Unanimous approval of directors who do not have interests in the Target Company and unanimous approval of corporate auditors who do not have interests in the Target Company" under "(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer" in the section "② Background of the calculation" under "(4) Basis of calculation of the Tender Offer price" in section "2. Outline of the Tender Offer," below.

② **Management policy beyond the Tender Offer**

If the Tender Offerors are unable to acquire all of the Target Shares in the Tender Offer, they will implement the series of procedures specified in section "(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition" and delist the shares of the Target Company while leaving the Major Shareholders, etc. as the only shareholders of the Target Company. After delisting the shares of the Target Company, the management will shift to a system in which the ratio of voting rights in the Target Company held by the Major Shareholders, etc. will be the Final Voting Rights Ratio through a method determined by ITOCHU, FamilyMart and SMBC in separate consultations, and the Target Company will be an equity method affiliated company of ITOCHU, etc., FamilyMart, etc., and SMBC.

For the management system of the Target Company after the completion of the Transaction, ITOCHU and FamilyMart have agreed in the Shareholder Agreement to the right of ITOCHU, FamilyMart and SMBC to nominate officers for the purpose of taking measures to achieve the effects specified in the above section "① Background and purpose of the decision to undertake the Tender Offer and the decision-making process" in cooperation with SMBC and building an appropriate management system for this purpose. As of August 3, 2017, the officers of the Target Company comprise four officers from SMBC, three officers from the related parties of ITOCHU (including one officer from ITOCHU (Note) and two officers from ITOCHU who are also officers of ITOCHU), two officers from FamilyMart who are also officers of FamilyMart, as well as three outside officers. The parties have agreed under the Shareholder Agreement that after the execution of the Transaction: (1) the total number of the directors of the Target Company shall be five or more (which number excludes the outside directors appointed pursuant to (ii) below), and (i) ITOCHU, FamilyMart and SMBC may nominate candidates for directors in accordance with the ratios of their voting rights in the Target Company (however, ITOCHU may nominate at least two candidates for directors, FamilyMart may nominate at least two candidates for directors and SMBC may nominate at least one candidate for one director), and (ii) if the board of directors of the Target Company requests to have outside directors, ITOCHU, FamilyMart and SMBC shall nominate candidates for outside directors agreed to upon consultation between them; (2) there shall be one representative director of the Target Company, and whichever of ITOCHU, FamilyMart and SMBC has the highest ratio of voting rights in the Target Company shall nominate the candidate for such representative director; (3) the total number of auditors of the Target Company shall be three (however, ITOCHU, FamilyMart and SMBC may change the number upon agreement), and ITOCHU, FamilyMart and SMBC shall each nominate one candidate for auditor; and (4) ITOCHU, FamilyMart and SMBC have acknowledged that the number of directors and auditors whom ITOCHU, FamilyMart and SMBC have the right to nominate is as described in (1) and (3) above is based on the Final Voting Rights Ratio, and if the ratios of the voting rights of ITOCHU, FamilyMart and SMBC are changed from the Final Voting Rights Ratio, the number of directors and auditors whom ITOCHU, FamilyMart and SMBC have the right to nominate shall be adjusted. The specific timing, candidates, and other details of the officers to be nominated by ITOCHU, FamilyMart and SMBC are yet to be determined. The details of the management system of the Target Company, including these matters, will be determined through consultations with the Target Company following the Tender Offer.

(Note) The officer is from ITOCHU, and this does not include one current director of FamilyMart.

(3) Matters concerning important agreements related to the Tender Offer

ITOCHU and FamilyMart have signed the Shareholder Agreement dated August 3, 2017 with SMBC to undertake the Tender Offer. In the Shareholder Agreement, SMBC agreed not to offer the Non-target Shares in the Tender Offer.

In the Shareholder Agreement, ITOCHU, FamilyMart and SMBC have agreed that ① if the Tender Offer is concluded and ITOCHU, etc. and FamilyMart, etc. are unable to acquire all of the Target Shares, ITOCHU, etc. and FamilyMart, etc. will request that the Target Company undertake the Delisting Procedures and if the Delisting Procedures are requested, that the Target Company undertake all actions necessary for the Delisting Procedures, including the exercise of voting rights for approval, at an extraordinary general meeting of shareholders of the Target Company held for the Delisting Procedures; ② after the Delisting Procedures take effect, SMBC will sell the Shares Sold by SMBC to the Target Company according to the Acquisition of Treasury Stock and undertake all actions necessary for the Acquisition of Treasury Stock, including the exercise of voting rights for approval, at an extraordinary general meeting of shareholders of the Target Company held for the Acquisition of Treasury Stock; and ③ after the completion of the Tender Offer, ITOCHU, etc., FamilyMart, etc. and SMBC will separately agree on the method and conditions for a transfer, split or other transaction of the shares of the Target Company (hereinafter referred to as the "Voting Rights Ratio Adjustment Transaction") and undertake the Voting Rights Ratio Adjustment Transaction if such transaction is necessary for adjusting the ratios of the voting rights of the Major Shareholders, etc. in the Target Company the Final Voting Rights Ratio, and SMBC will provide all cooperation necessary to undertake the Voting Rights Ratio Adjustment Transaction as SMBC or a director sent from SMBC to the Target Company if the methods and conditions of the Voting Rights Ratio Adjustment Transaction are agreed upon. (In addition, the parties have agreed in the Shareholders Agreement on the right of ITOCHU, FamilyMart and SMBC to nominate officers of the Target Company as described in "② Management policy beyond the Tender Offer" in "(2) Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer.")

Note that the Shareholder Agreement provides that ITOCHU and FamilyMart may compel their own wholly owned subsidiaries to conduct the Tender Offer, and incorporates a substitution of terms clause for the necessary substitutions in the event ITOCHU and FamilyMart compel their own wholly owned subsidiaries to conduct the Tender Offer. The details listed above are after this substitution of terms clause has been applied.

(4) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer

In light of the fact that as of August 3, 2017, the Target Company is an equity method affiliate, that the total of the Ownership Ratios of the Tender Offerors' parent companies ITOCHU and FamilyMart as well as SMBC was. already more than two-thirds at 77.51% before commencement of the Tender Offer, and that it is possible a structural conflict of interest state could develop at the Target Company in considering the Transactions including the Tender Offer, and from the perspectives of ensuring the fairness of the Tender Offer price, eliminating arbitrariness in the decision-making process of the Transactions including the Tender Offer and avoiding conflicts of interest, ITOCHU, FamilyMart and the Target Company, have each undertaken measures such as those listed below. Also note that although the Tender Offerors for their part have not set any so-called Majority of Minority lower limit on the intended tender offers, since the measures described in items (a) through (f) below have been undertaken by the Tender Offeror' parent companies ITOCHU and FamilyMart as well as the Target Company, it is believed that the interests of the minority shareholders of the Target Company have been given adequate consideration.

(a) Obtaining a stock valuation report from an independent third-party valuation firm by ITOCHU and FamilyMart, etc.
(b) Obtaining a stock valuation report from an independent third-party valuation firm by the Target Company
(c) Establishing an independent third-party committee of the Target Company and obtaining opinions (a written report)
(d) Counsel from an independent law firm for the Target Company
(e) Unanimous approval of directors who do not have interests in the Target Company and unanimous approval of corporate auditors who do not have interests in the Target Company
(f) Measures to ensure purchase opportunities from other tender offerors

See the below section "(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer" under "② Background of the calculation" under "(4) Basis of calculation of the Tender Offer price" under "2. Outline of the Tender Offer" for details of the above.

(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition

As described in the above section "(1) Overview of the Tender Offer," the Tender Offerors will undertake the Tender Offer for the purpose of making the Major Shareholders, etc. the only shareholders of the Target Company and delisting the Target Company. If the Tender Offerors are unable to acquire all of the Target Shares in the Tender Offer, ITOCHU, etc., FamilyMart, etc. and SMBC intend to implement a series of procedures to make the Major Shareholders, etc. the only shareholders of the Target Company through the following method after the completion of the Tender Offer.

After the completion of settlement for the Tender Offer, ITOCHU and FamilyMart will promptly request the Target Company to consolidate its shares ("Reverse Stock Split") and hold an extraordinary general meeting of shareholders, whose agenda includes a revision of the Articles of Incorporation to abolish the provision for the number of shares per unit ("Extraordinary General Meeting of Shareholders"), on the condition that the Reverse Stock Split takes effect. ITOCHU, etc., FamilyMart, etc. and SMBC will agree to proposals for such agenda items at the Extraordinary General Meeting of Shareholders. ITOCHU, etc., FamilyMart, etc. and SMBC will not additionally acquire shares of the Target Company from the shareholders of the Target Company (excluding ITOCHU, etc., FamilyMart, etc. and SMBC) when undertaking the Reverse Stock Split after the Tender Offer.

The shareholders of the Target Company who have agreed to the proposal for the Reverse Stock Split at the Extraordinary General Meeting of Shareholders will hold the shares of the Target Company in the number according to the percentage of the Reverse Stock Split approved at the Extraordinary General Meeting of Shareholders on the day when the Reverse Stock Split takes effect. If fractions of a share result from the Reverse Stock Split, the proceeds from, for instance, the sale of the shares of the Target Company equivalent to the total number of such fractions (any fraction of a share in the total number will be rounded down; hereinafter the same applies) to the Target Company or the Major Shareholders, etc. will be paid to the shareholders of the Target Company by following the procedures specified in Article 235 of the Companies Act (Act No. 86 of 2005, including subsequent revisions; hereinafter the same applies) and other relevant laws and regulations. The selling price of the shares of the Target Company in the number equivalent to the total number of such fractions will be calculated so that the amount paid to the shareholders of the Target Company (excluding the Target Company and the Major Shareholders, etc.) who did not subscribe to the Tender Offer as a result of such sale will be the same as the price derived by multiplying the number of the shares of the Target Company held by the shareholders by the

Tender Offer price. With the calculation, the shareholders in question will be requested to make a claim to the court for the permission of voluntary sale.

While the ratio of the Reverse Stock Split is undetermined as of the date of this announcement, the number of shares of the Target Company held by the shareholders of the Target Company who did not subscribe to the Tender Offer (excluding the Target Company and the Major Shareholders, etc.) will be a fraction of a share so that only the Major Shareholders, etc. will hold the Target Shares.

If the Reverse Stock Split is implemented pursuant to the provisions of the Companies Act for the purpose of protecting the rights of minority shareholders related to the Reverse Stock Split, in which the number of shares will have fractions of a share as a result of the Reverse Stock Split, the shareholders of the Target Company may request the purchase of all of the fractions of a share in their own shares at a fair price and request that the court determine the price of the shares of the Target Company pursuant to the provisions of Items 4 and 5 of Article 182 of the Companies Act and other relevant laws. As stated above, the number of the shares of the Target Company held by the shareholders of the Target Company who did not subscribe to the Tender Offer (excluding the Target Company and Major Shareholders, etc.) will be a fraction of a share as a result of the Reverse Stock Split. Any shareholder who opposes the Reverse Stock Split will therefore be able to request that the share price be determined pursuant to the provisions of Items 4 and 5 of Article 182 of the Companies Act and other relevant laws. The purchase price when the above request is made will ultimately be determined by the court.

The above procedures may require a certain amount of time to be implemented depending on the revisions of relevant laws, the status of the interpretation, etc. of relevant laws by the authorities, the shareholding ratios of the Major Shareholders, etc. after the Tender Offer, the status of the shares of the Target Company held by the shareholders of the Target Company other than the Major Shareholders, etc., and other factors. There is also a possibility that the above procedures will be changed to other methods that have mostly the same effects. In such a case, too, a method of ultimately paying money to each shareholder of the Target Company who did not subscribe to the Tender Offer (excluding the Target Company and the Major Shareholders, etc.) will be adopted. The amount of money paid to each shareholder in such a case will be calculated so that it is the same as the price determined by multiplying the Tender Offer price by the number of shares of the Target Company held by each shareholder. The Target Company will announce the specific procedures and timing of implementation in the above case as soon as they are determined.

The Tender Offer is not intended to solicit the approval of the shareholders of the Target Company. In addition, the shareholders of the Target Company are responsible for consulting with a tax practitioner for themselves concerning the handling of tax affairs in the subscription to the Tender Offer or the above procedures.

(6) Likelihood of delisting and the reasons

The shares of the Target Company are listed on the TSE 1st Section. Because the Tender Offerors have not set a maximum limit for the number of shares to be purchased in the Tender Offer, the shares of the Target Company may be delisted depending upon the results of the Tender Offer after following the prescribed procedures pursuant to the delisting standards of the TSE. Even if the case does not correspond to the delisting standards at the time of the completion of the Tender Offer, the Major Shareholders, etc. plan to undertake a series of procedures to leave the Major Shareholders, etc. As the only shareholders of the Target Company pursuant to applicable laws as stated in the above section "(5) Policies for reorganization, etc. after the Tender Offer, items related to so-called two-step acquisition," and the shares of the Target Company in such a case will be delisted through the prescribed procedures in accordance with the delisting standards of the TSE. The shares of the Target Company will not be traded on the TSE 1st Section after the delisting.

2. Outline of the Tender Offer

(1) Outline of the Target Company

1) Name	Pocket Card Co., Ltd.
2) Location	1-5-9 Shiba, Minato-ku, Tokyo
3) Title and Name of Representative	Keiichi Watanabe, President and Representative Director
4) Business Lines	Brokerage of comprehensive credit purchase

		Brokerage of individual credit purchase Credit card cash advance Loans Insurance agency business
5)	Capital	14,374 million yen (as of May 31, 2017)
6)	Date of Incorporation	May 1982
7)	Major Shareholders and Percentage of Shareholdings (ratio of the total number of issued common shares as of February 28, 2017)	Sumitomo Mitsui Banking Corporation 35.03 % ITOCHU Corporation 26.64 % FamilyMart Co., Ltd. 14.80 % Japan Trustee Services Bank, Ltd. 3.34 % The Master Trust Bank of Japan Ltd. 1.57 % BNP PARIBAS Securities Services Luxembourg/JASDEC/HENDERSON HHF SICAV 1.41 % (standing proxy: Tokyo Branch, The Hongkong and Shanghai Banking Corporation) Aioi Nissay Dowa Insurance Co., Ltd. 0.53 % Goldman Sachs International 0.51 % (standing proxy: Goldman Sachs Securities Co., Ltd.) JP Morgan Chase Bank 385640 0.46 % (standing proxy: Settlement Sales Dept., Mizuho Bank, Ltd.) UBS AG London A/CIPB Segregated Client Account (standing proxy: Citibank Japan Ltd.) 0.45 %
8)	Relationship between the Listed Companies and the Target Company	
	Capital Relationship	ITOCHU holds 21,130,000 shares (27.00%) of the Target Company. FamilyMart holds 11,739,000 shares (15.00%) of the Target Company.
	Personal Relationship	ITOCHU has assigned Shuichi Kato as an outside director and Kenichi Kijima as an outside auditor to the Target Company. In addition, two employees of ITOCHU are on secondment to the Target Company. FamilyMart has assigned its officers Hiroaki Tamamaki as an outside director and Yasuhisa Saito as an outside auditor to the Target Company. In addition, three employees of FamilyMart are on secondment to the Target Company.
	Transactional Relationship	There are transactions concerning advertising for members and credit fee payment services between FamilyMart and the Target Company. There are transactions concerning point exchange services between ITOCHU and the Target Company.
	Status as Related Party	The Target Company is an equity method affiliate of ITOCHU and FamilyMart and is therefore considered to be a related party of ITOCHU and FamilyMart

(2) Schedule, etc.

The Tender Offer shall be conducted immediately after the following conditions are met:

① the Target Company's board meeting has made a resolution declaring its intention to agree to the Tender Offer and it encourages the Target Company's shareholders to make a bid for the Tender Offer; and any resolution withdrawing such resolution or any resolution in contradiction thereof has not been made;

② the required procedures have been completed and the necessary steps have been taken based on the competition laws of Japan and any foreign country concerned; and the waiting period, if any, is over (Note)

As of August 3, 2017, the Tender Offerors aim to start the Tender Offer in mid-November 2017. However, it is difficult to forecast exactly how long it will take to obtain the necessary permits from Japanese and foreign regulators. A detailed schedule for the Tender Offer will be disseminated quickly once it is finalized.

(Note) In addition to conditions ① and ② above, the Tender Offer shall also be subject to the following conditions:

③ the Target Company is not subject to notification, legal action or other proceedings from a judicial or government agency prohibiting or restricting commencement of the Tender Offer or any other transactions; and is not subject to a ruling or equivalent from a judicial or government agency prohibiting or restricting commencement of the Tender Offer or any other transactions.

④ there are no undisclosed material facts relating to the Target Company (as stipulated under Article 166, Clause 2 of the Financial Instruments and Exchange Act), or facts relating to tender offers (as stipulated under Article 167, Clause 2 of the Financial Instruments and Exchange Act).

(3) Tender Offer price

1,072 yen per share of common stock

(4) Basis of calculation of the Tender Offer price

① **Basis of calculation**

ITOCHU and FamilyMart requested Nomura Securities, a third-party calculation agent independent of ITOCHU, FamilyMart, the Tender Offerors, SMBC, and the Target Company, to calculate the value of the shares of the Target Company. Nomura Securities is not a related party of ITOCHU, FamilyMart, the Tender Offerors, SMBC, or the Target Company, and does not have any significant interest in the Tender Offer.

Upon considering the methods of calculation for the Tender Offer, Nomura Securities estimated the value of the shares of the Target Company using the average market price method since the shares of the Target Company were publicly traded and the comparable company comparison method since the presence of multiple publicly traded companies comparable to the Target Company allowed the estimation of the share value of the Target Company. Nomura Securities also used the dividend discount model (hereinafter referred to as “DDM”) method, a technique for analyzing stock value by discounting the profit attributable to shareholders, after considering the internal reserves, etc. necessary to maintain equity capital calculated from an assumed equity ratio required for the stable business operation of the Target Company, to present value based on the cost of capital in order to apply the status of future business activities to the assessment. On August 2, 2017, ITOCHU and FamilyMart received a stock valuation report for the shares of the Target Company (hereinafter referred to as the “Tender Offeror Stock Valuation Report”). ITOCHU and FamilyMart have not received a fairness opinion on the price of the Tender Offer from Nomura Securities.

According to Nomura Securities, the following are the methods used to calculate the share value of the Target Company and the ranges of value per share of the Target Company estimated based on these methods.

Average market price method:	670 yen to 745 yen
Comparable company comparison method:	400 yen to 741 yen
DDM method:	963 yen to 1,304 yen

In the average market price method, Nomura Securities set August 1, 2017, as the record date, and estimated that the range of per-share-value of the Target Company was between 670 yen and 745 yen based on the closing stock price, 713 yen, of the Target Company on the TSE 1st Section on the record date, the simple average of the closing prices of the previous five days, 724 yen, (rounded off to the nearest yen; the same applies to the following calculations of the simple averages of closing prices in the stock market), the simple average of the closing prices in the previous month, 745 yen, the simple average of the closing prices in the previous three months, 724 yen and the simple average of the closing prices in the previous six months, 670 yen.

In the comparable company comparison method, Nomura Securities calculated the share value of the Target

Company through the comparison with financial indicators of market stock prices, profitability, etc., and estimated that the range of the per-share-value of the Target Company was from 400 yen to 741 yen.

In the DDM method, Nomura Securities assumed the equity ratio that the Target Company would need for its stable business operation after February 2018 based on the profitability and investment plans in the business plan for the period between March 1, 2017 and February 28, 2022 prepared by the Target Company, publicly available information, and other factors, calculated the stock value of the Target Company by discounting the profit attributable to shareholders after considering the internal reserves, etc. necessary to maintain equity capital calculated from the assumed equity ratio, and estimated the range of per-share-value of the Target Company to be between 963 yen and 1,304 yen.

Taking comprehensively into account the results of due diligence of the Target Company performed by ITOCHU and FamilyMart, in addition to the results of the Tender Offeror Stock Valuation Report submitted by Nomura Securities, the premiums provided in share pricing in the past cases of tender offers for share certificates, etc. by parties other than the issuers, approval or disapproval of the board of directors of the Target Company for the Tender Offer, trends in the market price of the Target Company shares in the last six months, etc. and the results of consultations and negotiations with the Target Company, on August 3, 2017, ITOCHU and FamilyMart ultimately decided and agreed between the parties that the Tender Offer price should be 1,072 yen per share.

The per-share price of the Target Company, 1,072 yen, constituting the Tender Offer price is the amount derived from adding a premium of 50.77% to the closing price, 711 yen, of the Target Company shares on the TSE 1st Section on August 2, 2017, the day before the announcement of the Tender Offer, 44.28% to the simple average closing price, 743 yen, of the months prior to August 2, 2017, 48.07% to the simple average closing price, 724 yen, of the three months prior to August 2, 2017, and 59.76% to the simple average closing price, 671 yen, of the six months prior to August 2, 2017.

② **Background of the calculation**

(i) Process of determining the Tender Offer price

ITOCHU and FamilyMart held deliberations and examinations with regard to the growth strategy of the Target Company from early October 2016. In early March 2017, they commenced deliberations and examinations with SMBC regarding increasing the ratio of voting rights in the Target Company held by ITOCHU and FamilyMart, and regarding delisting the Target Company by making the Major Shareholders the only shareholders.

In early April 2017, ITOCHU and FamilyMart proposed commencing specific deliberations and examinations as soon as possible, with an eye to delisting the Target Company by making the Major Shareholders the only shareholders, and increasing voting rights in the Target Company held by the Major Shareholders to a sufficient ratio to make final decisions.

Thereafter, from early May to early July 2017, ITOCHU and FamilyMart carried out due diligence with regard to the Target Company, and sought advice from Nomura Securities, in its capacity as financial advisor to both companies, and from Nishimura & Asahi, in its capacity as legal advisor to ITOCHU and FamilyMart. ITOCHU and FamilyMart proposed examining the feasibility, conditions and method of the Transaction, including the significance and purpose of the Transaction and subsequent management policy, as soon as possible, and on June 7, 2017 submitted an outline of the purpose, significance, method and conditions of the Transaction to the Target Company.

ITOCHU and FamilyMart held deliberations with SMBC on numerous occasions from early May to early July 2017, concerning specific the method of the Transaction, the acquisition price for shares in the Target Company, and other conditions. In early July 2017, an agreement was reached with SMBC that the price for the Acquisition of Treasury Stock would be 1,072 yen, on that condition that SMBC acquires shares subject to sale via Acquisition of Treasury Stock after procedures for the delisting of the Target Company come into effect. Thereafter, ITOCHU and FamilyMart submitted an official proposal regarding the Transaction, including the Tender Offer and Acquisition of Treasury Stock, and related conditions on July 10, 2017.

As a result of repeated negotiations and examinations between ITOCHU, FamilyMart and the Target Company regarding conditions for the Transaction, including prices for the Tender Offer and the Acquisition Price of Treasury Stock, on August 1, 2017 the parties came to the conclusion that through this transaction, the Target Company should be delisted and the Major Shareholders, etc. should be made the only shareholders of the Target Company, and subsequently, the voting rights ratios of ITOCHU, etc. and FamilyMart, etc. in the Target Company should be increased. Therefore, ITOCHU and FamilyMart decided on the date of this document, to undertake the Tender Offer conducted by the Tender Offerors for the purpose of delisting the Target Company and determined the Tender Offer price through the following process.

(a) Obtaining a stock valuation report from an independent third-party valuation firm

ITOCHU and FamilyMart used the Tender Offeror Stock Valuation Report submitted by Nomura Securities, a third-party calculation agent independent of the Tender Offerors, ITOCHU, FamilyMart, SMBC, and the Target Company, as a reference in calculating the Tender Offer price. Nomura Securities is not a related party of the Tender Offerors, ITOCHU, FamilyMart, SMBC, or the Target Company, and does not have any significant interest in the Tender Offer. ITOCHU and FamilyMart have not received a written opinion on the Tender Offer price or the fairness of the Tender Offer price from Nomura Securities.

(b) Outline of the opinion

Nomura Securities used the average market price method, comparable company comparison method, and DDM method to estimate the Target Company's share price, and the following are the ranges of the per-share prices of the Target Company calculated with these methods.

Average market price method:	670 yen to 745 yen
Comparable company comparison method:	400 yen to 741 yen
DDM method:	963 yen to 1,304 yen

(c) Process of determining the Tender Offer price, taking the opinion into account

As stated in the above section "① Basis of calculation" in "(4) Basis of calculation of the Tender Offer price," ITOCHU and FamilyMart comprehensively considered, in addition to the results presented in the Tender Offeror Stock Valuation Report submitted by Nomura Securities on August 2, 2017, the results of due diligence, premiums provided in share pricing in the past cases of tender offers for share certificates, etc. by parties other than the issuers, approval or disapproval of the board of directors of the Target Company for the Tender Offer, trends in the market price of the Target Company shares in the previous six months at the time, prospects of subscription to the Tender Offer, etc. and the results of consultations and negotiations with the Target Company. As a result, ITOCHU and FamilyMart have decided by mutual agreement, on the date of this document, that the Tender Offer price should be 1,072 yen per share.

(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer

(a) Obtaining a stock valuation report from an independent third-party valuation firm by ITOCHU and FamilyMart

ITOCHU and FamilyMart received Tender Offeror Stock Valuation Report dated August 2, 2017, from by Nomura Securities. See the above section "1) Basis of calculation" under "(4) Basis of calculation of the Tender Offer price" for details.

(b) Obtaining a stock valuation report from an independent third-party valuation firm by Target Company

According to the Press Release stating the Opinions of Target Company, Target Company has requested PwC Advisory LLC (hereinafter referred to as “PwC”), a financial advisor and third-party calculation agent independent of Target Company, Tender Offerors, ITOCHU, FamilyMart and SMBC for the valuation of Target Company shares and obtained a stock valuation report dated August 2, 2017, from PwC to ensure the fairness of the decision-making process for Tender Offer price (1,072 yen per share of Target Company) presented by ITOCHU and FamilyMart. Target Company purportedly has not received a fairness opinion on Tender Offer price (1,072 yen per share of Target Company). PwC is not a related party of Target Company, Tender Offerors, ITOCHU, FamilyMart or SMBC and does not have any significant interest in Tender Offer. PwC has reportedly used the market price method since Target Company shares have a market price, based on the idea that the value of Target Company shares should be evaluated multilaterally and on the assumption that Target Company is a going concern, after considering the calculation methods to be selected to determine the value of Target Company shares from multiple stock value calculation methods. PwC has also reportedly used the DDM method, to calculate the per-share value of Target Company. The comparable company comparison method has not been used, supposedly due to limited comparability of Target Company’s business and profitability with other companies.

The following are purportedly the ranges of value per share of Target Company estimated based on the above methods

Market price method	:	From 671 yen to 743 yen
DDM method	:	From 786 yen to 1,112 yen

In the market price method, PwC is said to have set August 2, 2017, as the record date for calculating Target Company’s share, and estimated that the range of per-share-value of Target Company was between 671 yen and 743 yen based on the closing stock price, 711 yen, of Target Company on the Tokyo Stock Exchange on the record date, the simple average of the closing prices of the previous month, 743 yen, the simple average of the closing prices in the previous three months, 724 yen, and the simple average of the closing prices in the previous six months, 671 yen.

In the DDM method, PwC has reportedly estimated the range of per-share-value of Target Company to be between 786 yen and 1,112 yen by discounting the free cash flow attributable to shareholders, which are expected to be generated in and after the second quarter of the fiscal year ending February 28, 2018, to present value by a discount rate based on shareholder equity costs, on the assumption of the business plan of Target Company prepared by Target Company (for five years between the fiscal year ending February 28, 2018, and the fiscal year ending February 28, 2022), the latest business trends and current and future earnings forecasts. The discount rate used is 8.5% to 9.7%, with sustainable value calculated based on a sustainable growth rate of 1.6% using the perpetual growth rate method. The financial forecasts based on the business plan of Target Company on the assumption of the DDM method are presented below.

(Millions of yen)

	FY ending Feb., 28, 2018 (Note 1)	FY ending Feb., 28, 2019	FY ending Feb., 29, 2020	FY ending Feb., 28, 2021	FY ending Feb., 28, 2022
Operating Revenue	29,261	40,862	42,889	44,486	45,882
Operating Income (Note 2)	4,494	8,000	9,302	9,795	10,688
Net Income	2,900	5,345	6,249	6,590	7,325

(Note 1) Nine months from June 2017 to February 2018.

(Note 2) Business years in which significant year-on-year changes in profit are expected are included. More specifically, a large decrease in interest refund-related expenses and a consequent large increase in profit are expected in the fiscal year ending February 28, 2018, and the fiscal year ending February 28, 2019, due to signs of a reduction in claims for interest refunds in the short term.

(Note 3) The above financial forecasts reportedly do not include the effects expected from measures taken after Transaction.

(c) Establishing an independent third-party committee of Target Company and obtaining opinions (recommendation)

According to the Press Release stating the Opinions of Target Company, on June 9, 2017, Target Company established a third-party committee consisting of Mr. Shinsuke Matsumoto (attorney at law, Nakamura Tsunoda Matsumoto Law Office) and Mr. Mitsuhiro Hisajima (certified public accountant, Yamada Business Consulting Co., Ltd.), who were outside experts independent of the Target Company and Major Shareholders, and Mr. Kazuo Nagatani (attorney at law, Nagatani & Partners), who was an independent outside director of Target Company (the members of the third-party committee reportedly have not changed since its establishment) and entrusted the third-party committee to inquire (a) whether the objectives of Transaction were rightful and rational, (b) whether the fairness of the procedures for Transaction was ensured, (c) whether the legitimacy and validity of the conditions of Transaction were guaranteed and (d) whether Transaction was not disadvantageous to the minority shareholders of Target Company (hereinafter referred to as the “Inquiries”) and submit written answers to these questions to the board of directors of Target Company for the purpose of eliminating arbitrariness and ensuring the fairness, transparency and objectivity of the decision-making process of Target Company.

The company reports that the third-party committee held a total of 7 meetings between June 9 and August 1, 2017, and conducted careful deliberations and examination of Inquiries. More specifically, the third-party committee supposedly conducted careful and comprehensive examination particularly of the above inquiries (a) or (b) first based on the materials and information provided by Target Company and Major Shareholders, etc. On the assumption of such examination, on this date, the third-party committee purportedly submitted a recommendation stating that, as a result of examination and evaluation as described in the following points (i) through (iv), the board of directors of Target Company did not consider the Transaction to be disadvantageous to the minority shareholders of the Target Company.

(i) Appropriateness and reasonableness of the purpose of the Transaction (Inquiries (a))

The Target Company is proceeding with change in the profit structure from the cashing business to the shopping business while the business environment has become stricter due to expansion and spread of debit, pre-paid, electronic money and other payment means other than credit, sharp change in the payment market due to development of fintech and reduction of the domestic market due to the decreasing birthrate and aging population. Famima T Card issued by jointly with FamilyMart is extremely important as the leader in the shopping business of the Target Company. In addition, in the other existing businesses, the ratio of the investees or client companies of ITOCHU and FamilyMart is high.

From the above, it is rational to strengthen the business relationship between ITOCHU and FamilyMart, further stabilize and expand the Famima T Card business, expand the business with Itochu's group companies and defend against competing companies within the group through the Transaction.

In addition, given the expectation of intensifying competition due to expand and spread of payment means other than credit, change in the payment market duet to development of fintech and reduction of the domestic market due to the decreasing birthrate and aging population, it is rational to prepare for promotion of new financial service/fintech/overseas business through the Transaction.

The purpose of the Transaction is to secure such synergy, etc. The Transaction is considered to contribute to the maintenance and increase of the future corporate value of the Target Company. The purpose of the transaction is recognized as appropriate and reasonable.

(ii) Fairness of the procedures for the Transaction (Inquiries (b))

For the Transaction, to ensure an opportunity for appropriate judgment by shareholders, the process, etc. for conclusion of the transaction is fully disclosed and the specifics of interests which the directors have in the transaction are fully explained. In addition, the objecting shareholders are granted the right to demand purchase of shares in a squeeze-out after the tender offer. The price in the case of a squeeze-out is the same as the tender offer price. This information will be disclosed by the disclosing materials, etc.

In addition, to exclude arbitrariness from the decision-making process, the actions have been taken, or are planned to be taken, including the following:

- the consultation with the third-party committee of the appropriateness and conditions of Transactions;
- decision-making concerning Transaction that fully reflects the third-party committee's report;
- approval of all directors and auditors who do not have any special interest in the agenda items concerning Transaction;
- obtaining advice from an independent legal advisor on decision-making methods or other items, and disclosure of the name of the legal advisor;
- obtaining a stock valuation report from an independent third-party valuation firm by the Target Company; and
- obtaining a stock valuation report from an independent third-party valuation firm by ITOCHU and FamilyMart.

No particular unreasonableness was found with regard to the business plan and the calculation methods on which the stock valuation report issued by the independent third-party valuation firm, which the Target Company obtained, was based on, as well as the results of such stock valuation report.

Furthermore, from the perspective of ensuring objective circumstances that secure the appropriateness of the price, it is considered that the measures ensuring purchase opportunities from other tender offerors have been taken, on the ground that the period of offering under the Tender Offer (hereinafter referred to as the "Tender Offer Period") is set to be 30 business days, which is a relatively long period of time, and the Target Company and the Tender Offerors have not entered into any agreement that restricts other tender offerors making a contact or the like with the Target Company.

Although the Tender Offer will not have a lower limit on the number of shares to be purchased relating to a majority of minority condition, the third-party committee did not conclude that this would necessarily result in Transactions damaging the interests of the minority shareholders because:

- Under Transactions, the fairness of the Tender Offer would be adequately ensured by other measures as considered above; and
- As stated below, the legitimacy and reasonableness of the conditions of Transactions are guaranteed.

In addition, the third-party committee's opinion with respect to the legitimacy and reasonableness of the Acquisition of Treasury Stock was as follows:

- As stated above, the purpose of Transactions is the maintenance and improvement of the corporate value of the Target Company;
- As stated below, the conditions of Transactions would not be disadvantageous to the minority shareholders since the legitimacy and reasonableness of those conditions are guaranteed; and
- It is not practical to implement a tender offer to treasury stocks by the Target Company instead of the Acquisition of the Treasury Stock. Further, the Final Voting Rights Ratio could be certainly achieved if all of the Target Company's shares to be sold by SMBC are obtained and also the Target Company would acquire its treasury stocks from SMBC after confirming the number of share certificates subscribed for in the Tender Offer and the Target Company's issued shares after the delisting takes effect (after subtracting the number of the Target Company's treasury stock at the time). Taking these items into considerations, it is obvious that (i) there was no intention of granting the tax advantage solely to SMBC by

implementing the Acquisition of Treasury Stock and (ii) the Acquisition of the Treasury Stock would not violate or otherwise evade the principle of equal treatment of shareholders, and would not contradict the purport of that principle.

Although there might be an opinion that it would be desirable to offer an opportunity to the minority shareholders who are corporate entities whereby they could enjoy tax advantages by implementing a tender offer to treasury stocks by the Target Company, it was noted that it would be practically difficult to implement such a tender offer to treasury stocks considering the capital adequacy ratio and financing in the future of the Target Company. Thus, the third-party committee concluded that it would not be practical to implement a tender offer to treasury stocks.

Based on the above, the fairness of the procedures for the Transactions was ensured.

(iii) Guarantee of appropriateness and adequacy of the conditions for the Transaction (Inquiries (c))

Recent precedents held that when a stock company acquires the class share subject to class-wide call at the same price as that for purchase after tender offer according to the procedures generally considered fair, unless any special circumstances large enough to recognize unexpected change in the conditions on which the transaction is based apply, the court should judge that the acquisition price for the shares above should be the same as the price for purchase, etc. in the tender offer above. The transaction assumed in the precedents above is different from the Transaction. But the same logic will essentially apply. Therefore, in the Transaction, as described in (ii) above, the Tender Offer is considered to be conducted according to the "procedures generally considered fair." Accordingly, the price of the Tender Offer will be fair.

In addition, the negotiation between ITOCHU, FamilyMart and SMBC was conducted several times from early June to early July in 2017. SMBC has the same interests as the seller with those of minority shareholders in the Transaction. The Acquisition Price of Treasury Stock is the price agreed upon as a result of the said negotiations among the independent entities. The price for the Tender Offer, which is the same as the said price, is considered to fully reflect the interests of the shareholders.

In addition, the price for the Tender Offer is one that exceeds the upper limit of the result of the market price method and is close to the upper limit of the result of the DDM method in the stock valuation report obtained by the Target Company.

The level of the premium of the price for the Tender Offer is 43.6% to the monthly average stock price on the basis of July 7, 2017, 52.9% to the three-month average stock price and 64.7% to the six-month average stock price, above 1,050 yen, the highest stock price of the Target Company in the past ten years (since 2007) (continuous session), as well as above the average value of the tender offer transactions closing from January 1, 2016 to July 7, 2017 (41% to the monthly average, 45% to the three-month average and 44% to the six-month average), and the median of the same (34% to the monthly average, 40% to the three-month average and 37% to the six-month average). It is on a par with the recent cases.

From the above, it is considered that appropriateness and adequacy is ensured for the price for the Tender Offer, the amount of money paid to the shareholders having fractions less than one share in the Reverse Stock Split in which the same price as that for the Tender Offer will be applied and the Acquisition Price of Treasury Stock.

(iv) Disadvantages of minority shareholders (Inquiries (d))

As described in (i) through (iii) above, no problems are recognized in the Inquiries (a) through (c). Therefore, the Transaction will not cause any disadvantage to the minority shareholders of the Target Company.

(d) Counsel from an independent law firm for Target Company

According to the Press Release stating the Opinions of Target Company, Target Company has appointed Torikai Law Office as an independent outside legal advisor and receives legal advice of the law office for the decision-making process, methods and other matters of note concerning Tender Offer in order to ensure transparency and fairness of the decision-making process, etc. of the board of directors of Target Company in connection with Tender Offer. Torikai Law Office is not a related party of Target Company or Major Shareholders, etc. and does not have any significant interest in Tender Offer.

(e) Unanimous approval of directors who do not have interests in the Target Company and unanimous approval of corporate auditors who do not have interests in the Target Company

According to the Press Release stating the Opinions of Target Company, the board of directors of Target Company carefully discussed and examined the series of procedures, including Tender Offer, and conditions of Tender Offer, taking into account a stock valuation report and legal advice of Torikai Law Office, while respecting the recommendation of the third-party committee to the maximum extent.

As a result, Target Company reportedly concluded (i) that the corporate value of Target Company would increase through Transaction including Tender Offer, (ii) that Tender Offer price and other conditions of Tender Offer were rational for the shareholders of Target Company, and that (iii) the fairness of the procedures pertaining to the Tender Offer has been secured, and that the Tender Offer would thus provide the shareholders of Target Company with reasonable opportunities to sell their shares. At the meeting of the board of directors of Target Company held on August 3, 2017, all directors, excluding outside directors, Mr. Shuichi Kato and Mr. Hiroaki Tamamaki, reportedly held a deliberation, and upon unanimous agreement adopted a resolution to the effect that it was the current opinion of the Target Company that if the Tender Offer was commenced it would express an opinion endorsing the Tender Offer and would recommend that the shareholders of the Target Company tender their shares in the tender offer, and that it would express an opinion regarding the Tender Offer again at such time as the Tender Offer was commenced.

The outside directors of Target Company, Mr. Shuichi Kato and Mr. Hiroaki Tamamaki, concurrently hold the positions of Chief Operating Officer, Financial and Insurance Services Division of ITOCHU and Director of FamilyMart, respectively. To avoid the suspicion of a conflict of interest and ensure the fairness of Transaction, they reportedly did not participate in any of the deliberations on agenda items that concerned Transaction, including Tender Offer, in the above meeting of the board of directors of Target Company and have not participated in any of the consultations and negotiations with ITOCHU and FamilyMart from the position of Target Company.

Of the four auditors of Target Company, Mr. Shuichi Sano, a full-time auditor, and Ms. Yasuko Yamashita, an independent outside auditor, reportedly attended the above meeting of the board of directors and expressed no objection to the above resolution. Of the outside auditors of Target Company, Mr. Kenichi Kijima and Mr. Yasutoshi Saito concurrently hold the positions of CFO, ICT & Financial Business Company of ITOCHU, and Senior Executive Officer of FamilyMart, respectively. To avoid the suspicion of a conflict of interest and ensure the fairness of Transaction, they purportedly did not participate in any of the deliberations on agenda items that concerned Transaction, including Tender Offer, in the above meeting of the board of directors of Target Company.

(f) Measures to ensure purchase opportunities from other tender offerors

Tender Offerors plan to set the Tender Offer Period as 30 business days, which is longer than the statutory required shortest period of 20 business days. Tender Offerors intend to provide the shareholders of Target Company with adequate decision-making opportunities by setting a relatively long Tender Offer Period and to ensure opportunities for parties other than Tender Offerors for making competing purchases of Target Company's shares in order to maintain the appropriateness of Tender Offer price.

In addition, the Target Company reportedly has not entered into any agreement with ITOCHU, etc. or FamilyMart in which competing tender offers, etc. are restricted from having contact with the Target Company (such as agreements containing transaction protection clauses prohibiting the Target Company from having contact with competing tender offers, etc.) and has taken care to ensure the fairness of the

Tender Offer by setting the above tender offer period and by securing opportunities for competing tender offers, etc.

(iii) Relationships with the valuation firm

Nomura Securities, the financial advisor (valuation firm) of ITOCHU and FamilyMart, is not a related party of Major Shareholders, etc. or Target Company and does not have any significant interest in Tender Offer.

(5) Number of share certificates, etc. scheduled to be purchased

Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
17,593,440 shares	– shares	– shares

(Note 1) No maximum or minimum number of share certificates, etc. to be purchased is specified in Tender Offer, and all tendered shares, etc. will be purchased. As presented in the number of shares to be purchased, the number of share certificates etc. to be purchased will be 17,593,440, derived by subtracting the sum total of the number of shares held by ITOCHU (21,130,000), the number of shares held by FamilyMart (11,739,000), and the number of shares held by SMBC (27,788,000) and the number of treasury shares held by Target Company (1,073,404) from the number of shares outstanding as of May 31, 2017 (79,323,844), indicated in Target Company's summary of financial results for the first quarter.

(Note 2) Odd-lot shares are also subject to Tender Offer. If shareholders exercise their right to request the purchase of shares less than one unit in accordance with the Companies Act, Target Company may purchase such shares during Tender Offer Period pursuant to the procedures specified by the law.

(Note 3) The treasury shares held by Target Company will not be acquired through Tender Offer.

(Note 4) Through Transaction, Tender Offerors plan to ultimately set the voting rights of ITOCHU, etc. in Target Company to be 46% and the voting rights of FamilyMart, etc. to be 34%. If the total number of tendered shares, etc. is 15,771,806 or below, the total number of tendered shares, etc. will be divided into two and each half will be purchased by GIT and FamilyMart's wholly owned subsidiary (any fraction of share in the number of shares to be purchased by GIT will be rounded up, and any fraction of a share in the number of shares to be purchased by a wholly owned subsidiary of FamilyMart will be rounded down to the nearest whole share). If the total number of tendered shares, etc. exceeds 15,771,806, 15,771,806 shares will be divided into two and each half will be purchased respectively by GIT and FamilyMart's wholly owned subsidiary, and the tendered shares, etc. exceeding 15,771,806 shares will be purchased by FamilyMart's wholly owned subsidiary.

(6) Changes in the Shareholding Ratio of Share Certificates, etc. as a Result of the Tender Offer

Number of voting rights represented by share certificates, etc. held by the Tender Offerors before the Tender Offer	None	(Shareholding Ratio of Share Certificates, etc. before the Tender Offer: 0.00%)
Number of voting rights represented by share certificates, etc. held by specially related parties before the Tender Offer	606,570 units	(Shareholding Ratio of Share Certificates, etc. before the Tender Offer: 77.52%)
Number of voting rights represented by share certificates, etc. held by the Tender Offerors after the Tender Offer	175,934 units	(Shareholding Ratio of Share Certificates, etc. after the Tender Offer: 22.48%)
Number of voting rights represented by share certificates, etc. held by specially related parties after the Tender Offer	606,570 units	(Shareholding Ratio of Share Certificates, etc. after the Tender Offer: 77.52%)

Number of voting rights held by all shareholders of the Target Company	781,886 units	

(Note 1) The "Number of voting rights represented by share certificates, etc. held by specially related parties before the Tender Offer" and the "Number of voting rights represented by share certificates, etc. held by specially related parties after the Tender Offer" is the number of voting rights held by ITOCHU and FamilyMart, who are the persons set forth in Item 1, Paragraph 7, Article 27-2 of the Financial Instruments and Exchange Act, and SMBC, who is the person set forth in Item 2 of the said Paragraph. In addition, the Tender Offerors will confirm the share certificates, etc. of the Target Company held by specially related parties before commencement of the Tender Offer. If it is necessary to correct the "number of voting rights represented by share certificates, etc. held by specially related parties before the Tender Offer" and the "number of voting rights represented by share certificates, etc. held by specially related parties after the Tender Offer" above, the corrected information will be disclosed upon commencement of the Tender Offer.

(Note 2) The "Number of voting rights held by all shareholders of the Target Company" is the number of voting rights held by all shareholders (with one trading unit being 100 shares) as of February 28, 2017 as described in the Target Company's first quarter report for the 36th term submitted on July 18, 2017. However, since fractional shares (other than treasury stock less than one unit held by the Target Company) are also included in the scope of the Tender Offer, the "Shareholding Ratio of Share Certificates, etc. before the Tender Offer" and the "Shareholding Ratio of Share Certificates, etc. after the Tender Offer" are calculated with the number of shares as of May 31, 2017 (78,250,440 as described in the Target Company's financial statements for the first quarter of FYE 2018) as a denominator after subtracting the number of the Target Company's treasury stock (1,073,404) from the total number of the Target Company's issued shares as of May 31, 2017 (79,323,844) as described in Target Company's financial statements for the first quarter of FYE 2018; and with the corresponding number of voting rights being 782,504.

(Note 3) The "Shareholding Ratio of Share Certificates, etc. before the Tender Offer" and the "Shareholding Ratio of Share Certificates, etc. after the Tender Offer" have been rounded to two decimal places.

(7) Tender Offer Cost: 18,860,167,680 yen

Note: The Tender Offer Cost is the Tender Offer Price (1,072 yen) multiplied by the Number of Shares to Be Purchased (17,593,440 shares).

(8) Other Conditions and Methods of the Tender Offer

① **Other Conditions and Methods of the Tender Offer**

The method of settlement, the date of the public notice of the commencement of the Tender Offer, and other conditions and methods of the Tender Offer will be announced once determined. Nomura Securities will be appointed as the tender offer agent.

② **Other**

The Tender Offer shall not, directly or indirectly, be conducted in or targeted at the United States. Moreover, the U.S. postal mail service or any other method or means of interstate or international commerce (including but not limited to telephone, telex, facsimile, e-mail and Internet communication) shall not be used to conduct the Tender Offer, and the Tender Offer shall not be conducted through any U.S. stock exchange facility. In addition, no application for this Tender Offer shall be made by any of the abovementioned methods or means through the abovementioned facilities, or from the United States. Further, the tender offer notification relating to this Tender Offer or the related tender documents shall not be sent or distributed to, in or from the United States by mail or any other method. Any application for the Tender Offer that is in violation of any of the abovementioned restrictions, either directly or indirectly, shall not be accepted.

When applying for the Tender Offer, shareholders (or standing proxies in the case of non-Japanese shareholders, etc.) may be required to provide the Tender Offer Agent with representations and warranties stating the following.

Tendering shareholders shall not be located in the United States at the time of applying for the Tender Offer or at the time of sending an application form for the Tender Offer. The tendering shareholders shall not, directly or indirectly, receive or send any information (including its copies) related to the Tender Offer to, in or from the United States. The tendering shareholders shall not use, directly or indirectly, in connection with the tendering of shares or the signature and submission of the application form for the Tender Offer, the U.S. postal mail service or any other method or means of interstate or international commerce (including but not limited to telephone, telex, facsimile, e-mail and Internet communication) or any U.S. stock exchange facility. The tendering shareholders shall not be those acting as an agent, entrustee or delegate, without discretion, of another person (except where such other person provides the relevant shareholders with all instructions relating to the tender from outside the United States).

3. Policies after the Tender Offer and Future Outlook

With respect to the Policies after the Tender Offer, please refer to the abovementioned “(2) Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer” in “1. Objectives of the Tender Offer.”

4. Other Information

(1) Existence of an Agreement between the Tender Offeror and the Target Company or Directors and Details of Any Such Agreement

① Existence of an Agreement between the Tender Offerors and the Target Company or Directors and Details of Any Such Agreement

According to the Target Company, at the board of directors meeting held on August 3, 2017, the Target Company resolved to express its opinion, as of August 3, 2017, in favor of the Tender Offer and to recommend that the shareholders of the Target Company accept the Tender Offer if it is commenced, as well as to express its opinion again on the Tender Offer when it is actually commenced. For details of the process of the said decision-making of the Target Company, please refer to the abovementioned “(e) Unanimous approval of directors who do not have interests in the Target Company and unanimous approval of corporate auditors who do not have interests in the Target Company” in “(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer” in “② Background of the calculation” in “(4) Basis of calculation of the Tender Offer Price” in “2. Outline of the Tender Offer.”

② Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer

Regarding the background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer, please refer to the abovementioned “(2) Background and purpose of the decision to undertake the Tender Offer as well as management policies after the Tender Offer” in “1. Objectives of the Tender Offer.”

③ Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer

As for measures to Ensure the Fairness of the Tender Offer Price and Avoid Conflicts of Interests and Measures to Ensure the Fairness of the Tender Offer, please refer to the abovementioned “(ii) Measures to ensure the fairness of the Tender Offer price and to avoid conflicts of interests and measures to ensure the fairness of Tender Offer” in “② Background of the calculation” in “(4) Basis of calculation of the Tender Offer price” in “2. Outline of the Tender Offer.”

(2) Other information deemed necessary for investors to determine whether or not to participate in the Tender Offer

[Dividends and shareholder benefits]

The Target Company reported that it resolved to revise its dividend forecast for the fiscal year ending February 2018 announced on April 13, 2017, not to pay both interim and year-end dividends for the said fiscal year, and to abolish its shareholder benefits program after the said fiscal year, subject to the conclusion of the Tender Offer. For details, please refer to the "Announcement in Relation to Revision of Dividend Forecast for the 36th term ending February 2018 and Abolition of Shareholder Benefits Program" released on August 3, 2017 by the Target Company.

[Solicitation Regulations]
This press release is intended to publicly announce the Tender Offer and was not prepared for the purpose of soliciting the sale of share certificates and other securities. If you wish to make an offer to sell your shares, please be sure to read the explanatory document for the Tender Offer before making the offer at your own judgment. This press release shall neither be, nor constitute a part of, a solicitation of an offer to sell or an offer to purchase any securities, and neither this press release (or any part thereof) nor its distribution shall be interpreted to be the basis of any agreement in relation to the Tender Offer, and this press release may not be relied on at the time of entering into any such agreement.

[Future Prospects]
This press release may contain forward-looking terms such as “expect,” “assume,” “intend,” “plan,” “believe,” and “suppose” to state the future business of ITOCHU and FamilyMart. These terms are based on the business outlook of the Company as of today’s date and may therefore change depending on future conditions. Accordingly, as for the information in this press release, the company shall not be liable to update these terms to reflect actual business results or any changes in various circumstances and conditions.

[U.S. Regulations]
The Tender Offer shall not, directly or indirectly, be conducted in or targeted at the United States. Moreover, the U.S. postal mail service or any other method or means of interstate or international commerce (including but not limited to telephone, telex, facsimile, e-mail and Internet communication) shall not be used to conduct the Tender Offer, and the Tender Offer shall not be conducted through any U.S. stock exchange facility. In addition, no application for this Tender Offer shall be made by any of the abovementioned methods or means through the abovementioned facilities, or from the United States. Further, the press release relating to this Tender Offer or the related tender documents shall not be sent or distributed to, in or from the United States by mail or any other method. Any application for the Tender Offer that is in violation of any of the abovementioned restrictions, either directly or indirectly, shall not be accepted.
Solicitation for the purchase of securities or any other equivalents shall not be made to U.S. residents or within the United States, and the Company will not accept any such solicitation that is sent from U.S. residents or from within the United States.

[Other Countries]
In some countries or regions, the announcement, issuance or distribution of this press release may be restricted by laws and regulations. In such cases, please take note of such restrictions and comply with them. This press release does not constitute an offer for the purchase of shares nor a solicitation of an offer for the sale of shares in relation to the Tender Offer, and is to be considered solely as the distribution of information materials.