

May 15, 2017

To whom it may concern

Company name: DAIKYO INCORPORATED
Representative: Akira Yamaguchi,
Representative Executive Officer,
President
Securities code: 8840
Listing: First Section, Tokyo Stock Exchange
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**Announcement Regarding Change in the Number of Shares Constituting One Full Unit of Stock,
Share Consolidation and Partial Amendment of the Articles of Incorporation**

DAIKYO INCORPORATED (“the Company”) hereby announces that, at the meeting of the Board of Directors held on May 15, 2017, a decision was reached to submit proposals to the 93rd Ordinary General Meeting of Shareholders of the Company, to be held on June 22, 2017, with respect to a change in the number of shares constituting one full unit of stock, share consolidation and partial amendment of the Articles of Incorporation. Details are as follows.

The Board decision in the foregoing paragraph includes submission of the same proposals to the general meetings of class shareholders of common stock and of Class 1 preferred stock.

1. Change in the number of shares constituting one full unit of stock

(1) Reason for the change

In support of the initiative undertaken by the Japanese stock exchanges to move toward a single trading unit of 100 shares, as per their “Action Plan for Consolidating Trading Units”, the Company has decided to change the number of the Company’s shares constituting one full unit of stock from 1,000 shares to 100 shares, effective October 1, 2017.

(2) Details of change

Effective October 1, 2017, the number of shares of common stock and Class 1 preferred stock of the Company constituting one full unit of stock will be changed from 1,000 shares to 100 shares.

(3) Conditions for change

The change will be subject to the approval, at the 93rd Ordinary General Meeting of Shareholders as well as general meetings of class shareholders of common stock and Class 1 preferred stock to be held on June 22, 2017, of the proposals set forth hereunder in “2. Share consolidation” and “3. Partial amendment of the Articles of Incorporation”, to take effect on October 1, 2017.

2. Share consolidation

(1) Purpose of share consolidation

In conjunction with the change in the number of shares constituting one full unit of stock from 1,000 shares to 100 shares, as set forth above in item “1. Change in the number of shares constituting one full unit of stock”, the Company has decided to undertake a consolidation of the Company’s shares, pursuant to which every 10 shares will be consolidated into 1 share (hereafter, “share consolidation”), in order to maintain the level of the investment unit (price per trading unit) of the Company’s shares.

(2) Details of share consolidation

i. Class of shares to be consolidated

Common shares and Class 1 preferred shares

ii. Method and ratio of consolidation

On October 1, 2017, shares held by shareholders who are registered or recorded in the latest Shareholder Registry as of the end of the day on September 30, 2017, will be consolidated at the ratio of 10 shares to 1 share.

iii. Decrease in the number of shares resulting from consolidation

Number of issued shares before share consolidation (as of March 31, 2017)	Common shares	843,542,737
	Class 1 preferred shares	10,000,000
Decrease in the number of shares due to share consolidation (Note)	Common shares	759,188,464
	Class 1 preferred shares	9,000,000
Total number of issued shares after share consolidation (Note)	Common shares	84,354,273
	Class 1 preferred shares	1,000,000

(Note)The figures for “Decrease in the number of shares due to share consolidation” and “Total number of issued shares after share consolidation” are theoretical values calculated based on the total number of issued shares before the share consolidation and the consolidation ratio.

iv. Number of issuable shares after share consolidation

On condition that the share consolidation takes effect, the number of issuable shares of the Company will be changed to 116,240,000 shares (from 1,162,400,000 shares before the share consolidation). Please refer to “3. Partial amendment of the Articles of Incorporation” below for details.

v. Impact, etc., of share consolidation

While the total number of the Company’s issued shares will be reduced to one-tenth following the share consolidation, the amount of net assets per share will increase tenfold because the net assets, etc., will not change. The asset value of the shares of the Company therefore will not change except for changes caused by stock market fluctuations or other factors.

(3) Treatment of fractional shares

If any fractional shares should result from the share consolidation, the Company will sell all such fractional shares and distribute the proceeds to shareholders who held the fractional shares, prorated to the fractions of shares held, pursuant to the provisions of Article 235 of the Companies Act.

(4) Decrease in the number of shareholders due to share consolidation

The composition of shareholders as of March 31, 2017, is as follows.

	Number of Shareholders (% of total)	Number of Shares Held (% of total)
All shareholders	20,448 (100.0%)	843,542,737 (100.0%)
Shareholders holding fewer than 10 shares	167 (0.8%)	334 (0.0%)
Shareholders holding 10 shares or more	20,281 (99.2%)	843,542,403 (99.9%)

The 167 shareholders who each hold fewer than 10 shares (holding, collectively, 334 shares as of March 31, 2017) will lose their status as shareholders after the share consolidation. However, procedures are available to the shareholders holding fractional shares to be taken before the share consolidation takes effect, to request that the Company sell the amount of shares necessary to constitute one full unit of stock (in accordance with Article 194, Paragraph 1 of the Companies Act and the provisions of Article 9 of the Articles of Incorporation of the Company), and procedures to be taken to request that the Company purchase shares constituting less than one full unit of stock (pursuant to the provisions of Article 192, Paragraph 1 of the Companies Act). For details, please contact your securities company or the Company's administrator of shareholder registry.

(5) Conditions for share consolidation

The share consolidation is subject to the approval, at the Ordinary General Meeting of Shareholders, the general meetings of class shareholders of common stock and of Class 1 preferred stock to be held on June 22, 2017, of the proposal concerning share consolidation, and approval also of the proposal set forth below in "3. Partial amendment of the Articles of Incorporation", and will take effect on October 1, 2017.

3. Partial amendment of the Articles of Incorporation

(1) Purpose of the amendment of the Articles of Incorporation

As explained in "1. Change in the number of shares constituting one full unit of stock" above, in support of the initiatives undertaken by the Japanese securities exchanges as presented in their "Action Plan for Consolidating Trading Units", the number of shares constituting one full unit of stock will be changed to 100 shares for all classes of the Company's stock as stipulated in Article 7 of the Articles of Incorporation. Additionally, in consideration of the decrease in the total number of issued shares resulting from the share consolidation as described in "2. Share consolidation" above, changes will also be made to the number of issuable shares stipulated in Article 6 as well as to provisions relating to Class 1 preferred stock dividends and allocations of residual assets stipulated in Article 12 of the Articles of Incorporation.

(2) Details of the amendment of the Articles of Incorporation

Details of the amendments are as follows.

(Underlines reflect the amendments.)

Current Articles of Incorporation	Proposed Changes
<p>Article 6. Number of Issuable Shares The Company is authorized to issue <u>1,162,400,000</u> shares, of which <u>1,152,400,000</u> are shares of common stock and <u>10,000,000</u> are shares of class 1 preferred stock.</p> <p>Article 7. Number of Shares Constituting One Full Unit of Stock One unit of common stock and one unit of class 1 preferred stock of the Company shall be <u>1,000</u> shares each.</p> <p>Article 12. Class 1 Preferred Stock The details of class 1 preferred stock that the Company issues are as follows.</p> <p>1. Dividends of Surplus Where the Company pays dividends of surplus (in this chapter, hereinafter, “Year-End Dividends”) as of the annual record date of March 31, determined in Article 38, it shall pay shareholders holding class 1 preferred stock (hereinafter, “Class 1 Preferred Stock Shareholders”) or registered pledgees of such stock (hereinafter, “Registered Pledgees of Class 1 Preferred Stock”) up to <u>40 yen</u> per share of class 1 preferred stock per year before paying those holding shares of common stock (hereinafter, “Regular Shareholders”) or registered pledgees of such stock (hereinafter, “Registered Pledgees of Common Stock”), the amount for such dividends of surplus being determined through a resolution of the Board of Directors when issuing class 1 preferred stock (hereinafter, “Class 1 Preferred Stock Dividends”).</p> <p>If the Year-End Dividends to Class 1 Preferred Stock Shareholders or Registered Pledgees of Class 1 Preferred Stock do not reach the Class 1 Preferred Stock Dividends amounts in a business year, the shortfall shall not carry over</p>	<p>Article 6. Number of Issuable Shares The Company is authorized to issue <u>116,240,000</u> shares, of which <u>115,240,000</u> are shares of common stock and <u>1,000,000</u> are shares of class 1 preferred stock.</p> <p>Article 7. Number of Shares Constituting One Full Unit of Stock One unit of common stock and one unit of class 1 preferred stock of the Company shall be <u>100</u> shares each.</p> <p>Article 12. Class 1 Preferred Stock The details of class 1 preferred stock that the Company issues are as follows.</p> <p>1. Dividends of Surplus Where the Company pays dividends of surplus (in this chapter, hereinafter, “Year-End Dividends”) as of the annual record date of March 31, determined in Article 38, it shall pay shareholders holding class 1 preferred stock (hereinafter, “Class 1 Preferred Stock Shareholders”) or registered pledgees of such stock (hereinafter, “Registered Pledgees of Class 1 Preferred Stock”) up to <u>400 yen</u> per share of class 1 preferred stock per year before paying those holding shares of common stock (hereinafter, “Regular Shareholders”) or registered pledgees of such stock (hereinafter, “Registered Pledgees of Common Stock”), the amount for such dividends of surplus being determined through a resolution of the Board of Directors when issuing class 1 preferred stock (hereinafter, “Class 1 Preferred Stock Dividends”).</p> <p>If the Year-End Dividends to Class 1 Preferred Stock Shareholders or Registered Pledgees of Class 1 Preferred Stock do not reach the Class 1 Preferred Stock Dividends amounts in a business year, the shortfall shall not carry over</p>

<p>to the next business year. The Company shall not pay Year-End Dividends exceeding the amount for Class 1 Preferred Stock Dividends to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>2. Dividends Other Than Year-End Dividends to Class 1 Preferred Stock Shareholders</p> <p>The Company shall not pay dividends of surplus other than Year-End Dividends to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>3. Allocations of Residual Assets to Class 1 Preferred Stock Shareholders</p> <p>When allocating residual assets, the Company shall pay <u>400 yen</u> per share of class 1 preferred stock to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock before paying Regular Shareholders or Registered Pledges of Common Stock. The Company shall not allocate any residual assets other than those stated in the preceding paragraph to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>4. Voting Rights of Class 1 Preferred Stock Shareholders</p> <p>Unless otherwise provided for by laws and regulations, Class 1 Preferred Stock Shareholders shall not have voting rights at General Meetings of Shareholders. <u>Since April 1, 2004</u>, however, Class 1 Preferred Stock Shareholders have been able to exercise voting rights at General Meetings of Shareholders until a Board of Directors' meeting or Ordinary General Meeting of Shareholders resolves that Class 1 Preferred Stock</p>	<p>to the next business year. The Company shall not pay Year-End Dividends exceeding the amount for Class 1 Preferred Stock Dividends to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>2. Dividends Other Than Year-End Dividends to Class 1 Preferred Stock Shareholders</p> <p>The Company shall not pay dividends of surplus other than Year-End Dividends to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>3. Allocations of Residual Assets to Class 1 Preferred Stock Shareholders</p> <p>When allocating residual assets, the Company shall pay <u>4,000 yen</u> per share of class 1 preferred stock to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock before paying Regular Shareholders or Registered Pledges of Common Stock. The Company shall not allocate any residual assets other than those stated in the preceding paragraph to Class 1 Preferred Stock Shareholders or Registered Pledges of Class 1 Preferred Stock.</p> <p>4. Voting Rights of Class 1 Preferred Stock Shareholders</p> <p>Unless otherwise provided for by laws and regulations, Class 1 Preferred Stock shareholders will not have voting rights at General Meetings of Shareholders. However, in the event <u>there is no resolution of the Board of Directors</u> with regard to Class 1 Preferred Stock Shareholders receiving preferred dividends as Year-End Dividend, Class 1 Preferred Stock Shareholders will be able to exercise voting rights from the time of the</p>
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Shareholders shall receive preferred dividends as Year-End Dividends, in the event that no reported item or proposal with regard to Class 1 Preferred Stock Shareholders receiving preferred dividends as Year-End Dividends is submitted to the Ordinary General Meeting of Shareholders, or from the time of the conclusion of such meeting where a proposal concerning Class 1 Preferred Stock Shareholders receiving preferred dividends is dismissed.

5. Consolidating or Splitting Class 1 Preferred Stock, Etc.

Consolidating or Splitting Class 1 Preferred Stock, Etc.

Unless otherwise provided for by laws and regulations, the Company shall neither consolidate nor split class 1 preferred stock. The Company shall not give Class 1 Preferred Stock Shareholders the rights to receive an allotment of offered shares or stock acquisition rights.

6. Put Options for Class 1 Preferred Stock

Class 1 Preferred Stock Shareholders can exercise put options for class 1 preferred stock during the eligible period for exercising put options and along with the conditions determined, through a resolution of the Board of Directors when issuing class 1 preferred stock. In such cases, the Company will exchange shares of class 1 preferred stock for shares of common stock as determined through the relevant resolution.

7. Call Provisions for Class 1 Preferred Stock

For class 1 preferred stock on which put options have not been exercised during the eligible period determined in the preceding paragraph, the Company can exercise call provisions on a date that the Board of

Ordinary General Meeting of Shareholders for the relevant fiscal year until a Board of Directors' meeting resolves that Class 1 Preferred Stock Shareholders will receive preferred dividends as Year-End Dividends.

5. Allotment of Offered Shares Etc. to Class 1 Preferred Stock Shareholders

Unless otherwise provided for by laws and regulations, the Company shall neither consolidate nor split class 1 preferred stock. The Company shall not give Class 1 Preferred Stock Shareholders the rights to receive an allotment of offered shares or stock acquisition rights.

6. Put Options for Class 1 Preferred Stock

Class 1 Preferred Stock Shareholders can exercise put options for class 1 preferred stock during the eligible period for exercising put options and along with the conditions determined, through a resolution of the Board of Directors when issuing class 1 preferred stock. In such cases, the Company will exchange shares of class 1 preferred stock for shares of common stock as determined through the relevant resolution.

7. Call Provisions for Class 1 Preferred Stock

For class 1 preferred stock on which put options have not been exercised during the eligible period determined in the preceding paragraph, the Company can exercise call provisions on a date that the Board of

<p>Directors sets on and after the following day of the last day of that period (hereinafter, “call provision maturity date”). In this case, for Class 1 Preferred Stock Shareholders the Company can exchange the number of shares of common stock, which is calculated by dividing the amount equivalent to the amount payment per share of class 1 preferred stock by the average (<u>rounded to the second decimal place</u>) of daily closing prices of the Company’s common stock (including quotations) on the Tokyo Stock Exchange for 30 consecutive trading days (excluding days without a closing price), beginning on the 45th trading day before the call provision maturity date for class 1 preferred stock. If, however, the relevant average price is <u>60 yen</u> or more and below the amount that the Board of Directors determined when resolving to issue class 1 preferred stock, the Company shall make an exchange for the number of shares of common stock obtained after dividing an amount equivalent to payment per share of class 1 preferred stock by the amount determined through a resolution of the Board of Directors.</p> <p>Fractions of one unit resulting from calculations of the above number of shares of common stock shall be handled in line with Article 234 of the Companies Act.</p> <p>8. Statute of Limitations for Class 1 Preferred Stock</p> <p>Payments of class 1 preferred stock dividends shall be in keeping with the provisions of Article 39.</p> <p>Article 19. Class Shareholders’ Meetings</p> <p>1. The provisions of Article 15 and Article 17 shall apply to Class Shareholders’ Meetings.</p> <p>2. Resolutions of the Class Shareholders’ Meetings, as provided for in Article 324, Paragraph 2 of the Companies Act, may be</p>	<p>Directors sets on and after the following day of the last day of that period (hereinafter, “call provision maturity date”). In this case, for Class 1 Preferred Stock Shareholders the Company can exchange the number of shares of common stock, which is calculated by dividing the amount equivalent to the amount payment per share of class 1 preferred stock by the average (<u>rounded to the first decimal place</u>) of daily closing prices of the Company’s common stock (including quotations) on the Tokyo Stock Exchange for 30 consecutive trading days (excluding days without a closing price), beginning on the 45th trading day before the call provision maturity date for class 1 preferred stock. If, however, the relevant average price is <u>600 yen</u> or more and below the amount that the Board of Directors determined when resolving to issue class 1 preferred stock, the Company shall make an exchange for the number of shares of common stock obtained after dividing an amount equivalent to payment per share of class 1 preferred stock by the amount determined through a resolution of the Board of Directors. Fractions of one unit resulting from calculations of the above number of shares of common stock shall be handled in line with Article 234 of the Companies Act.</p> <p>8. Statute of Limitations for Class 1 Preferred Stock</p> <p>Payments of class 1 preferred stock dividends shall be in keeping with the provisions of Article 39.</p> <p>Article 19. Class Shareholders’ Meetings</p> <p><u>1. The provisions of Article 14 shall apply to Class Shareholders’ Meetings which to be held on the same day with Ordinary General Meeting of Shareholders.</u></p>
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<p>adopted by not less than two-thirds of the votes held by attending shareholders representing at least one-third of the votes of shareholders with voting rights.</p>	<p><u>2.</u> The provisions of Article 15 and Article 17 shall apply to Class Shareholders' Meetings.</p> <p><u>3.</u> Resolutions of the Class Shareholders' Meetings, as provided for in Article 324, Paragraph 2 of the Companies Act, may be adopted by not less than two-thirds of the votes held by attending shareholders representing at least one-third of the votes of shareholders with voting rights.</p>
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(3) Conditions for amendment of the Articles of Incorporation

Partial amendment of the Articles of Incorporation will take effect on October 1, 2017, subject to the approval of the proposal concerning partial amendment of the Articles of Incorporation as well as the proposal regarding "2. Share consolidation" described above, at the Ordinary General Shareholders Meeting and general meetings of class shareholders of common stock and of Class 1 preferred stock to be held on June 22, 2017.

4. Schedule

(1) Resolution at the Board of Directors meeting	May 15, 2017
(2) Ordinary General Meeting of Shareholders, general meetings of class shareholders of common stock and Class 1 preferred stock	June 22, 2017 (provisional)
(3) Public announcement on share consolidation	September 15, 2017 (provisional)
(4) Last trade date in trading unit of 1,000 shares	September 26, 2017 (provisional)
(5) First trade date in trading unit of 100 shares	September 27, 2017 (provisional)
(6) Effective date of change in the number of shares constituting one full unit of stock	October 1, 2017 (provisional)
(7) Effective date of share consolidation	October 1, 2017 (provisional)
(8) Effective date of amendment of the Articles of Incorporation	October 1, 2017 (provisional)

(Reference)

As described above, the effective date of the change in the number of shares constituting one full unit of stock, share consolidation and amendment of the Articles of Incorporation will be October 1, 2017.

However, stock exchange trading of the Company's shares by shareholders on and after September 27, 2017 will be in the trading unit that assumes the above items taking effect (i.e. the trading unit after share consolidation, or 100 shares), in consideration of transfer procedure following the trades.

(Reference) Q&As related to the change in the number of shares constituting one full unit and share consolidation

Q1 What is share consolidation and what is meant by a change in the number of shares constituting one full unit?

A1 Share consolidation involves consolidating multiple number of shares into a fewer number of shares.

The number of shares constituting one full unit refers to a unit of shares that forms the basis for the number of voting rights at general meetings of shareholders and class shareholders, and is also used as a trading unit in stock exchange transactions.

The Company plans to undertake a 1-for-10 share consolidation and change the number of shares constituting one full unit from 1,000 shares to 100 shares.

Q2 What are the purposes of share consolidation and changes in the number of shares constituting one full unit?

A2 All the stock exchanges in Japan are promoting the initiative to move toward a single trading unit of 100 shares, based on their “Action Plan for Consolidating Trading Units”. The Company respects the intent of the plan and has decided to change the number of the Company’s shares constituting one full unit of stock, from 1,000 shares to 100 shares.

In conjunction with the change in the number of shares constituting one full unit, the Company will undertake a 1-for-10 share consolidation, for the purpose of maintaining the level of the price per trading unit of the Company’s shares.

Q3 How will the numbers of shares held by shareholders and their voting rights be affected?

A3 The number of shares held by each shareholder after the share consolidation will be the number of shares obtained by multiplying the number of shares registered or recorded in the latest Shareholder Registry as of the end of the day on September 30, 2017 by one-tenth (rounded down to the nearest whole share). The number of voting rights will be one (1) vote per 100 shares held after the share consolidation.

Below are some specific examples of the changes in the number of shares held and the number of voting rights before and after the effective date of the changes.

Example	Before the effective date of the changes		After the effective date of the changes		
	Number of shares held	Number of voting rights	Number of shares held	Number of voting rights	Fractional shares
1	3,000	3	300	3	none
2	1,500	1	150	1	none
3	1,385	1	138	1	0.5
4	342	none	34	none	0.2
5	7	none	0	none	0.7

If any fraction of a share should arise as a result of share consolidation (as in examples 3, 4 and 5

above), the Company will sell all such fractional shares and pay the proceeds to shareholders whose shares become fractions of shares, in proportion to their respective fractions. The payment will be made from around late November to early December 2017.

Please note that where a shareholder holds shares as in examples 3, 4 or 5, the shareholder can avoid the creation of fractional shares by making use either of the procedures to request the Company, prior to the effective date of share consolidation, to sell the shareholder such amount of shares as will be necessary to constitute one full unit of stock, or to purchase shares constituting less than one full unit of stock.

For details, please contact your securities company or the Company's administrator of shareholder registry.

Shareholders who hold fewer than 10 shares prior to the effective date (as in example 5 above) will lose their status as shareholders, as all the shares in their holding will become fractional shares.

Q4 Will the share consolidation have any impact on asset value?

A4 Because the Company's assets and stated capital will remain unchanged after the share consolidation, the amount of net assets per share will increase tenfold although the number of shares held by a shareholder will be one-tenth the original number. Therefore, there will be no change to the asset value of the shares of the Company aside from changes due to stock market fluctuations or other factors. With respect to share prices, they will in theory be 10 times the levels prior to the share consolidation.

Q5 Will there be any impact on minimum investment amount?

A5 In theory, the minimum investment amount will not change.

(For reference) Estimation based on the closing price of March 31, 2017 (¥221):

Before share consolidation

$$\begin{aligned} & ¥221 \text{ (share price)} \times 1,000 \text{ shares (number of shares constituting one full unit)} \\ & = ¥221,000 \text{ (minimum investment amount)} \end{aligned}$$

After share consolidation

$$\begin{aligned} & ¥2,210 \text{ (share price)} \times 100 \text{ shares (number of shares constituting one full unit)} \\ & = ¥221,000 \text{ (minimum investment amount)} \end{aligned}$$

Q6 Will dividends decrease with the decrease in the number of shares held?

A6 Although the number of shares held by a shareholder will be one-tenth after the share consolidation, the Company will set dividends per share after taking into consideration the 1-for-10 ratio after the effective date of the share consolidation. Consequently, aside from other factors such as changes in business performance, the total dividends of each shareholder after the share consolidation will not be affected. However, with respect to shares constituting less than one full unit (i.e. 10 shares), because they will become fractional shares after the share consolidation, the Company will sell all such fractional shares and distribute the proceeds to shareholders who held the fractional shares prorated to the fractions of shares held.

Q7 Are there any procedures that shareholders must take?

A7 No special procedures are necessary.

However, with respect to shares constituting less than one full unit (i.e. 10 shares), because these will become fractional shares after the share consolidation, the Company will sell all such fractional shares and distribute the proceeds to shareholders who held the fractional shares prorated to the fractions of shares held.

Shareholders who held fewer than 10 shares prior to the share consolidation will lose their status as shareholders.

Q8 Will the Company accept requests to sell or purchase shares constituting less than one full unit of stock even after the share consolidation?

A8 For shareholders who own shares constituting less than one full unit of stock that cannot be traded in the market, there are procedures to request the Company to sell to them the number of shares needed to make up one full unit or to request the Company to purchase from them their shares that are less than one full unit. Such procedures are available for their use after the share consolidation in the same way as they are prior to share consolidation taking effect. For details, please contact your securities company or the Company's administrator of shareholder registry whose details are given below.(*)

Q9 Is there any way to dispose of the fractional shares on this occasion?

A9 Your securities dealer will take the request (for the Company to purchase shares constituting less than one full unit of stock). Request for the Company to purchase fractional shares based on the current number of shares constituting one full unit (1,000 shares) may be made until Monday, September 25, 2017. Request for purchase of fractional shares based on the new share unit (100 shares) will be accepted after the effective date of the changes.

Shareholders without an account with a securities company are advised to contact the Company's administrator of the shareholder registry, whose details are given below.(*). (Please note that shares constituting less than one full unit of stock cannot be traded in the market.)

Q10 Will there be a period when trades will be suspended?

A10 There will not be any period of trade suspension. However, because of the number of days required for transfer of shares following the trades, the last trade date in the current trading unit (1,000 shares) will be Tuesday, September 26, 2017. From Wednesday, September 27, 2017, the new trading unit of 100 shares will be applied and the effects of share consolidation will be reflected in the share prices from Wednesday, September 27, 2017.

Q11 What is the specific schedule going forward?

A11 The summary (provisional) schedule is as follows:

June 22, 2017 (Thu)	Ordinary General Meeting of Shareholders,
September 15, 2017 (Fri.)	Public announcement on share consolidation
September 26, 2017 (Tue.)	Last trade date in trading unit of 1,000 shares
September 27, 2017 (Wed.)	First trade date in trading unit of 100 shares
October 1, 2017 (Sun.)	Effective date of share consolidation, change in the number of shares constituting one full unit of stock, and change in the number of issuable shares

(*)

The Company's Shareholder Registry Administrator:

Mitsubishi UFJ Trust and Banking Corporation

Securities Agency Division

7-10-11 Higashisuna, Koto-ku, Tokyo 137-8081

Tel: 0120-232-711 (toll free)

Inquiries are accepted from 9:00AM to 5:00PM (except for weekends and public holidays)