October 30, 2014

(Translated from the Japanese original)

Company Name:	IT Holdings Corporation
Representative:	Norio Maenishi, President
Stock Listing:	First Section of the Tokyo Stock Exchange
Stock Code:	3626
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Notification regarding Commencement of Tender Offer for Shares of Subsidiary AGREX INC. (Code 4799)

IT Holdings Corporation (the "Tender Offeror" hereafter) hereby gives notice that at a meeting of its board of directors held on October 30, 2014 a resolution was passed as follows to acquire common shares (the "Shares of the Target" hereafter) and stock acquisition rights (defined in "2. Overview of the Acquisition, Etc.," "(3) Price of Tender Offer," "2) Stock Acquisition Rights"; the same applies hereafter) of AGREX INC. (First Section of Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange" hereafter), Code: 4799), the "Target" hereafter) through a tender offer (the "Tender Offer" hereafter) based on the Financial Instruments and Exchange Act (Act No. 25 of 1948, including subsequent amendments, the "Act" hereafter.)

Particulars

1. Purpose of the Acquisition, Etc.

(1) Overview of the Tender Offer

As of October 30, 2014, the Tender Offeror holds 5,254,000 shares (Note) of the Shares of the Target and the Target is a consolidated subsidiary of the Tender Offeror. However, on this occasion, the Tender Offeror resolved at a meeting of its board of directors held on October 30, 2014 to conduct the Tender Offer as part of transactions (the "Transaction" hereafter) to acquire all of the common shares (excluding treasury shares held by the Target) and all of the stock acquisition rights of the Target listed on the First Section of the Tokyo Stock Exchange for the purpose of making the Target a wholly-owned subsidiary of the Tender Offeror.

(Note) Based on the total number of 10,500,000 issued common shares of the Target as of September 30, 2014 stated in the Consolidated Financial Results for the Second-Quarter of the Fiscal Year Ending March 31, 2015 (prepared pursuant to Japanese GAAP) (the "Second-Quarter Fiscal 2015 Financial Results" hereafter), this represents a ratio of 50.61% of the resulting number of shares (10,380,998 shares) after deducting the number of treasury shares (119,002 shares) held by the Target as of September 30, 2014 stated in the Second-Quarter Fiscal 2015 Financial Results (the

"Shareholding Ratio" hereafter; rounded to the second decimal place; the same calculation applies hereafter for ratios unless special treatment has been stipulated.)

As the Tender Offeror has not set a maximum or minimum for the number of shares to be purchased under the Tender Offer, it will acquire all tendered share certificates, etc. Based on the Tender Offer, if the Tender Offeror is unable to acquire all of the issued common shares of the Target (excluding the treasury shares held by the Target), and if the number after adding the total number of common shares of the Target that are tendered in the Tender Offer to the number of shares held by the Tender Offeror (5,254,000) reaches a ratio of two-thirds (6,920,666 shares) of 10,380,998 shares (the "Percentage of Tender" hereafter), which is the number derived after deducting the number of treasury shares (119,002 shares) held by the Target as of September 30, 2014 that is stated in the Second-Quarter Fiscal 2015 Financial Results from the total number of 10,500,000 issued common sharess of the Target as of September 30, 2014 stated in the Second-Quarter Fiscal 2015 Financial Results, the Tender Offeror will request the Target to implement a series of procedures stated in "(4) Policy on Restructuring, etc. (matters related to the so-called two-step acquisition) after the Tender Offer has been made." Furthermore, the Tender Offeror plans to acquire all of the common shares of the Target (excluding the treasury shares held by the Target), and if the Transaction is implemented, the common shares of the Target will be delisted after the prescribed procedures have been carried out.

In addition, according to the "Notification of Expression of Opinion Concerning Support for the Tender Offer for the Company's Shares Made by Its Controlling Shareholder, IT Holdings Corporation, and Recommendation to Tender the Company's Shares" dated October 30, 2014 that was released by the Target (the "Press Release of the Target" hereafter), the Target resolved at a meeting of its board of directors held on October 30, 2014 to express its opinion in support of the Tender Offer, to recommend that the shareholders of the Target tender their shares in the Tender Offer, and to entrust the decision on whether to tender the Stock Acquisition Rights in the Tender Offer or not to the holders of the Stock Acquisition Rights. For details regarding the above, please refer to "2. Overview of the Acquisition, etc.", "(4) Basis for Calculation of Acquisition Price," "2) Background to Calculation" "(v) Approval of all Directors and Company Auditors without any conflicts of interest at the Target"

(2) Background Leading to Determination to Implement Tender Offer, Purpose, Decision-making Process and Management Policy after Completion of the Tender Offer

1) Background, etc. Leading to Determination to Implement Tender Offer

The Tender Offeror was established as a Joint Holding Company through a joint share transfer aimed at management integration with TIS Inc. ("TIS" hereafter) and INTEC Holdings, Ltd. in April 2008. The Tender Offeror is a corporate group based on independent prime contractors that belong to the IT field, which play an important role in terms of social infrastructure, including TIS and INTEC Inc. Its basic management policy is to display the group's comprehensive strengths while increasing the individuality of each company, to endeavor to enhance management efficiency and expand the scope of operations, and to maximize corporate value. The group is comprehensively expanding information businesses such as IT infrastructure services, financial IT services and industrial IT services.

At present, the Tender Offeror Group (which comprises mainly the Tender Offeror, 46 consolidated subsidiaries and 11 equity-method affiliated companies) is tackling management challenges after launching its Second Medium-Term Management Plan (the fiscal year ending March 31, 2013 to the fiscal year ending March 31, 2015), whose basic concepts are "Top-Line Emphasis" "as One Company," and "Enterprising and Bold," in the fiscal year before last, with the aim of becoming an IT corporate group where the Tender Offer Group as a whole is able to achieve reforms. The Tender Offeror Group determined its group management policy for the fiscal year ending March 31, 2015, the final year of the Plan, as follows, and the Tender Offeror Group is striving to steadily promote the Plan and improve its corporate value.

- Top-Line Emphasis: Prioritize profit amount and profit margin and secure top line to achieve targets
- as One Company: Focus on groupwide management highlighting solid communication practices respected throughout the Group
- Enterprising and Bold: Energize process of turning business activities into marketable services and further globalize business presence

Recently, to indicate the determination to unify the Tender Offeror Group, we decided to integrate the Group's brands. Since June 2014, each company in the Tender Offeror Group has used a single corporate logo, and based on the common brand message "Go Beyond," we are solidifying the Group's unity even more and taking a new step forward.

On the other hand, the Target was established as JAPAN Management Consultant Co., Ltd. with the business purpose of information processing services centered on data entry and clerical work in 1965. Then, in 2002, it became a consolidated subsidiary of TIS, triggered by the fact that TIS acquired a majority of its common shares (shareholding ratio of 50.61%). (Owing to the implementation of an absorption-type split ---TIS became the splitting company and the Tender Offeror became the successor company in the absorption-type split, which was aimed at the reorganization of the Group formation and became effective on October 1, 2008, the Shareholding Ratio of the Tender Offeror relating to the common shares of the Target as of October 30, 2014 is 50.61%, as the Tender Offeror succeeded all of the common shares that TIS held on October 1, 2008.) Subsequently, the Target was publicly listed on the JASDAQ market in 2002, and then its shares were listed on the Second Section of the Tokyo Stock Exchange in 2004 and listed on the First Section of the Tokyo Stock Exchange in 2006.

Since its establishment, the Target has developed three core businesses: (i) business process outsourcing (BPO), which entails the aggregated outsourcing of customers' operations; (ii) software solutions, which support the resolution of issues with packaged software; and (iii) system integration, which entails integrated support from system construction to operation. The Target has provided services that effectively combine these in a one-stop form.

Going forward, the management environment surrounding the Tender Offeror Group is expected to continue to improve mainly due to growth in customers' IT investment needs associated with a moderate recovery in economic conditions. However, competition is projected to intensify, including diversification of the forms of use of IT at companies and initiatives to address the paradigm shift of the industry, as well as the need to secure competent staff and enhance project management efficiency. Amid this environment, in regard to the BPO business, demand for business outsourcing that contributes to an improvement in corporate management, such as business innovation and cost reduction at companies, is expanding.

In light of this situation, the Tender Offeror has considered the ideal form of the operations of the entire Tender Offeror Group from various angles since January 2014. As part of this, the Tender Offeror came to the conclusion in late June 2014 that it was essential in the currently tough management environment to enhance the efficiency of management by concentrating BPO operations dispersed around the Tender Offeror Group in the Target, reinforcing business operations, and creating an optimal management organization for the overall Tender Offeror Group so that the Tender Offeror Group can grow and develop further.

2) Process of Decision-making

In this environment, the Tender Offeror made a proposal relating to the Transaction to the Target in late June 2014, and using this proposal as an opportunity, the Tender Offeror and the Target each initiated actions to realize an improvement in the corporate value of the Tender Offeror Group, based on the fundamental concepts of the Second Medium-Term Management Plan. Specifically, the Tender Offeror appointed Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. ("Mitsubishi UFJ Morgan Stanley Securities" hereafter) as its financial advisor and third-party appraiser that is independent from the Tender Offeror and the Target, and appointed TMI Associates as its legal advisor. In addition, the Target appointed Daiwa Securities Co. Ltd. ("Daiwa Securities" hereafter) as its financial advisor and third-party appraiser that is independent from the Tender Offeror and the Target, and appointed City-Yuwa Partners as its legal advisor. Then, during the period from early July 2014 until the public notification of the Tender Offer, the two parties conducted discussions on several occasions regarding various measures and the terms and conditions of the Transaction with the aim of further enhancing the corporate value of the Target and the Tender Offeror Group.

In late July 2014, when this process occurred, the Tender Offeror and the Target agreed that it was important to attempt to develop an optimal business strategy for the entire Tender Offeror Group by positioning the Target as the core entity of the BPO business in the Tender Offeror Group and making effective use of the strengths and latent growth potential of the Target. In addition, they reached the conclusion that it was necessary to restructure the capital relationship in the Tender Offeror Group so as to enable a business and functional reorganization to be carried out agilely and flexibly, and that turning the Target into a wholly-owned subsidiary at an early stage would enable even stronger cooperation and an improvement in the corporate value of the Target and the Tender Offeror Group.

Moreover, the Tender Offeror and the Target shared the view that the Transaction would remove the possibility of a latent conflict of interest problem relating to the parent-child listing and that it would enable the management and administration organization of the Target and the Tender Offeror Group to be made more efficient and slimmed down by alleviating the listing cost burden of the Target. They also shared the view that positioning the Target as the core entity for the development of the BPO business, which is projected to grow, and concentrating the BPO operations dispersed among the Tender Offeror Group would lead to the reinforcement of the Target's business operations.

According to the Press Release of the Target, the Target adopted various measures described in the following "(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Prevent Conflicts of Interest" after receiving the proposal related to the Transaction, including the Tender Offer, from the Tender Offeror. Then, based on legal advice received from City-Yuwa Partners, the legal advisor, as well as the contents of the equity value analysis obtained from Daiwa Securities, the financial advisor, and advice received from that company, the Target conducted discussions and investigations prudently from the viewpoint of improving corporate value in regard to the terms of the Transaction while paying maximum respect to the contents of a report ("the Report" hereafter) submitted by a third-party committee, which was established on September 18, 2014 as the Target's consultative body to consider proposals related to the Transaction.

Previously, the Target attempted to strengthen cooperation with each company in the Tender Offeror Group in the BPO business, based on the Tender Offeror Group policy, in which "as One Company" is a basic concept. However, while the current capital relationship was maintained, the plan to concentrate the BPO operations of the Tender Offeror Group in the Target was not achieved, as there are limits on a bold business and functional reorganization that could potentially have a negative impact on the shareholders of each company in the Tender Offeror Group, including the Target, in the short term. Against this backdrop, as the Target received the above-mentioned proposal relating to the Transaction, including the Tender Offer, from the Tender Offeror, the Target considered it prudently based on the contents of the Report and consequently reached the conclusion that it was essential to restructure the capital relationship in the Tender Offeror Group in order to enable an agile and flexible business and functional reorganization.

In addition, the Target reached the conclusion that strengthening business operations by concentrating the operating base and management resources in the Tender Offeror Group related to BPO operations in the Target, enhancing the strategic role and positioning within the Tender Offeror Group of the Target as the core entity of the BPO business, which is a priority business in the Tender Offeror Group, and attempting to speed up decision-making by making the Target a wholly-owned subsidiary of the Tender Offeror would be beneficial in improving the corporate value of the Target. Therefore, the Target decided to declare its support for the Tender Offer.

Furthermore, based on discussions and negotiations on several occasions related to the equity value of the Target's common shares between the Tender Offeror and the Target that were conducted from October 2014 onward, the Tender Offeror determined an acquisition price per share for the Target's common shares in the Tender Offer (the "Tender Offer Price" hereafter) that will be sufficient for the Target to conclude that a reasonable premium has been offered to the Target's shareholders. Regarding this point, the Target concluded that the Tender Offer would provide an opportunity to sell shares at a price with a reasonable premium for the Target's shareholders in light of the following: according to the Press Release of the Target, the Target determined that the Tender Offer Price (i) as stated in the following "2. Overview of the Acquisition, etc.", "(4) Basis for Calculation of Acquisition Price," "2) Background to Calculation," "(ii) Acquisition of equity value analysis from third-party appraiser for the Target," exceeds the range of calculation results based on the average market method and the comparable company analysis method and is within the range of calculation results based on discounted cash flow analysis (the "DCF Analysis" hereafter), among the calculation results of the equity value of the Target's common shares produced by Daiwa Securities; (ii) it is considered that the Tender Offer Price is within a reasonable range, as a premium of roughly 33.8% (rounded to the first decimal place; the same calculation applies to the calculation of premiums hereafter) has been added to the closing price of ¥1,069 for the Target's common shares on the Tokyo Stock Exchange on October 29, 2014, the trading day before the date of the announcement of the Tender Offer, a premium of roughly 32.2% has been added to the simple average closing price of ¥1,082 (rounded to the nearest yen; the same calculation applies to the calculation of share prices hereafter) for the Target's common shares during the past month (September 30, 2014 to October 29, 2014), a premium of roughly 30.5% has been added to the simple average closing price of ¥1,096 during the past three months (July 30, 2014 to October 29, 2014), and a premium of roughly 32.3% has been added to the simple average closing price of ¥1,081 during the past six months (April 30, 2014 to October 29, 2014); (iii) it was recognized that consideration had been given to the interests of minority shareholders, such as the adoption of measures to eliminate any conflict of interest stated in the following "(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Prevent Conflicts of Interest;" and (iv) the price was determined after the adoption of measures to eliminate the conflicts of interest mentioned above and after conducting discussions and negotiations on several occasions between the Target and the Tender Offeror that were equivalent to discussions and negotiations in a transaction between independent parties.

In contrast, with regard to the acquisition price of the Stock Acquisition Rights, the Target has not requested a third-party appraiser to calculate the value of the Stock Acquisition Rights, in view of the following. Firstly, the Stock Acquisition Rights were all issued as stock options to Directors; and secondly, in terms of conditions relating to the exercise of rights pertaining to the Stock Acquisition Rights, exercise conditions have been attached, such as the ability to exercise Stock Acquisition Rights only during a period of 10 days from the day following the day when Stock Acquisition Right holders lose their positions as Directors of the Target. Therefore, even if the Tender Offeror acquires the Stock Acquisition Rights through the Tender Offer, it will not be able to exercise them.

Moreover, through the above-mentioned discussions, while taking into account the intention to make the Target a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror resolved to conduct the Tender Offer at its board of directors meeting held on October 30, 2014, with the aim of enhancing the corporate value of the Target and the Tender Offeror Group.

3) Management Policy after the Transaction

If the Percentage of Tender reaches two-thirds or more (6,920,666 shares or more in terms of the number of shares), the Tender Offeror aims to "bolster competitiveness by means of a functional reorganization within the Tender Offeror Group" and "enhance the efficiency of consolidated management through optimization of the entire Tender Offeror Group" in order for each company in the Tender Offeror Group to cooperate while leveraging their respective strengths and to realize an improvement in the corporate value of the Tender Offeror Group, which aims to be an IT corporate group that can accomplish reforms in an integrated manner. Specifically, the following measures will be implemented.

- "Bolster competitiveness by means of a functional reorganization within the Tender Offeror Group"

First, after the implementation of the Transaction, during the period of the Third Medium-Term Management Plan from Fiscal 2016, ended March 31, 2016 onward, we will reinforce business operations by positioning the Target as the core entity for the development of the BPO market, which is expected to grow, and concentrating BPO operations, which are dispersed among the Tender Offeror Group, in the Target. In addition, we will accomplish a seamless value chain from upstream operations such as consulting to BPO and accomplish the kind of functional deployment that will enable the provision of one-stop services as a group.

- “Enhance the efficiency of consolidated management through optimization of the entire Tender Offeror Group”

We aim to improve financial efficiency through the management of flexible funding and capital policy, reduce the cost of operation, and generate business synergies after the implementation of the Transaction.

However, if the Percentage of Tender does not reach two-thirds or more (6,920,666 shares or more), the Tender Offeror intends to postpone requesting the Target to implement a series of procedures stated in the “(4) Policy on Restructuring, etc. after the Tender Offer (matters related to the so-called two-step acquisition)”. Moreover, regardless of whether the Percentage of Tender reach two-thirds or more or not (6,920,666 shares or more), as regards the management organization of the Target going forward, the Tender Offeror will respect the Target’s existing management policy, principles and corporate culture. In addition, no decision has been made to change the composition of Directors or regarding any other policy that will exert any other significant impact on the management policy of the Target.

(3) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Prevent Conflicts of Interest

As mentioned in “(1) Overview of the Tender Offer” above, the Tender Offeror regards the Target as a consolidated subsidiary, and in view of the fact that consideration of the Transaction at the Target could produce a structural conflict of interest situation, the Tender Offeror and the Target have implemented the kind of measures below as measures to ensure the fairness of the Tender Offer Price and measures to prevent any conflict of interest.

1) Acquisition of an equity value analysis from an independent third-party appraiser for the Tender Offeror

2) Acquisition of an equity value analysis from an independent third-party appraiser for the Target

3) Establishment of an independent third-party committee for the Target

4) Advice from an independent law firm for the Target

5) Approval of all Directors and Company Auditors without any conflicts of interest at the Target

6) Guarantee of objective conditions that will ensure the appropriateness of the price and the fairness of the Tender Offer

For details regarding the above, please refer to the following “2. Overview of the Acquisition, etc.”, “(4) Basis for Calculation of Acquisition Price,” “1) Basis of Calculation” and “2) Background to Calculation”.

(4) Policy on Restructuring, etc. after the Tender Offer (matters related to the so-called two-step acquisition)

As the Tender Offeror has not set a maximum or minimum for the number of shares to be purchased under the Tender Offer, it will acquire all tendered share certificates, etc. If the Tender Offeror is unable to acquire all of the issued common shares of the Target (excluding the treasury shares held by the Target), even though the Tender Offer has been made, and if the Percentage of Tender reaches two-thirds or more (6,920,666 shares or more), the Tender Offeror intends to acquire all of the issued common shares of the Target (excluding the treasury shares held by the Target) through the series of procedures below after the Tender Offer has been made.

Specifically, after the Tender Offer has been made, the Tender Offeror intends to ask the Target to hold an extraordinary meeting of shareholders (the “Extraordinary Shareholders Meeting” hereafter) that will include the proposals to 1) partially change the Target’s Articles of Incorporation to make it possible to issue shares in different classes to common shares and thereby make the Target a company with class shares as prescribed in the Companies Act of Japan (Act No. 86 of 2005; including subsequent amendments; the same applies hereafter), 2) partially change the Target’s Articles of Incorporation to make all common shares issued by the Target (meaning the provision regarding matters prescribed in Article 108.1.7 of the Companies Act; the same applies hereafter) subject to class-wide call, and 3) issue the Target’s shares of a different class in exchange for the class-wide call of the Target’s common shares.

In addition, if proposal 1) above is approved at the Extraordinary Shareholders Meeting and the partial change to Articles of Incorporation relating to 1) above takes effect, the Target will become a company with class shares as prescribed in the Companies Act. Moreover, in order to make the partial change to the Articles of Incorporation relating to proposal 2) above take effect, it will be necessary to adopt a resolution relating to the approval of proposal 2) above at the Extraordinary Shareholders Meeting as well as a resolution to hold a class shareholders meeting comprising shareholders that hold the common shares of the Target that are subject to class-wide call, based on Article 111.2.1 of the Companies Act. Therefore, the Tender Offeror intends to ask the Target to hold a class shareholders meeting (the “Class Shareholders Meeting” hereafter) that includes the proposal 2) above to partially change the Articles of Incorporation on the same day as the Extraordinary Shareholders Meeting.

Note that if the above proposals at the Extraordinary Shareholders Meeting and Class Shareholders Meeting are submitted, the Tender Offeror plans to endorse each of the above proposals at the above mentioned shareholders meeting and class shareholders meeting.

In the event that the above procedures are each executed, all common shares issued by the Target (excluding the treasury shares held by the Target) will be acquired by the Target due to the common shares becoming subject to a class-wide call, and different class shares of the Target, as consideration for the aforesaid acquisition of common shares, will be issued to the Target’s shareholders (excluding the Target). However, shareholders who are entitled, in accordance with the processes of Article 234 of the Companies Act and other applicable laws and regulations, to fractions of less than one share in the aforesaid issuance of the Target's shares, will be issued cash acquired from the sale of a quantity of the Target's shares corresponding to the aggregate of the aforesaid fractions of one share (if the total number includes a fraction of less than one share, that fraction will be omitted). Note that the amount of cash delivered to the aforesaid shareholders, which will be the proceeds resulting from the sale of the Target's shares of a different class corresponding to the total number of fractional shares, is planned to be calculated so that it is equivalent to the Tender Offer Price multiplied by the number of common shares of the Target that were held by applicable shareholders, and it is then planned to petition the court for the Target to conduct a sale by private contract. Moreover, the contents and number of the Target's shares of a different class delivered as consideration for the aforesaid acquisition of the common shares subject to class-wide call have not been determined as of October 30, 2014, but in order for the Tender Offeror to hold all of the Target's common shares (excluding the treasury shares held by the Target), it is planned to make a decision to the effect that the number of shares that is delivered to all shareholders who did not apply for the Tender Offer other than the Tender Offeror is a fraction of less than one share.

Note that it is not planned to apply for a public listing of the different class of shares of the Target that will be issued as consideration for the acquisition of the Target's common shares that are subject to class-wide call.

As provisions in the Companies Act that are provided to protect the rights of minority shareholders in relation to procedures 1) to 3) above, in the event that the Articles of Incorporation are partially changed to make all of the common shares issued by the Target subject to a class-wide call as described in 2) above, shareholders hold the right to demand the Target to buy the shares they hold pursuant to the provisions of Articles 116 and 117 in the Companies Act, and other related laws and regulations, and if a resolution has been passed at the Extraordinary Shareholders Meeting to make a class-wide call of all shares subject to a class-wide call as described in 3) above, shareholders can petition for a determination of the acquisition price of the aforesaid shares pursuant to the provisions of Article 172 of the Companies Act, and other related laws. However, the price per share at which the Target purchases shares from shareholders and the price per share at which the Target acquires shares by these methods are ultimately decided in a court of law. Moreover, when acquisition by means of the class-wide call takes effect, it may be determined that a petition to determine the acquisition price under Article 117.2 of the Companies Act lacks eligibility.

However, in regard to procedures 1) to 3) above, it is necessary for a resolution to be passed by a majority of two-thirds or more of the voting rights of shareholders present at a general shareholders meeting and the Class Shareholders Meeting of the Target that meet the respective quorums prescribed under the Companies Act and the Target's Articles of Incorporation. Therefore, if the Percentage of Tender reaches two-thirds or more (6,920,666 shares or more), the Tender Offeror will request the Target to implement procedures 1) to 3) above, but if the Percentage of Tender is less than two-thirds (less than 6,920,666 shares), the Tender Offer will be made, but the Tender Offeror intends to postpone the request to implement procedures 1) to 3) above, and if the request by the Tender Offeror is not made and procedures 1) to 3) above are not carried out by the Target, it is planned to maintain the listing of the Target's common shares on the First Section of the Tokyo Stock Exchange. Furthermore, even if the Percentage of Tender reaches two-thirds or more (6,920,666 shares or more), it may take some time for implementation or a change may arise in the method of implementation, depending on the holding status of the common shares of the Target by the Tender Offeror after the Tender Offer and the holding status of the common shares of the Target by shareholders of the Target other than the Tender Offeror, such as the status of the interpretation of authorities regarding related laws and regulations. However, even if procedures 1) to 3) above are changed, the Tender Offeror intends to ultimately hold all of the Target's common shares (excluding the treasury shares held by the Target) by delivering only cash to shareholders that did not subscribe to the Tender Offer (excluding the Tender Offeror). With regard to the amount of cash to be delivered to the aforesaid shareholders in this case as well, it is planned to calculate the amount so that it is equivalent to the Tender Offer Price multiplied by the number of common shares of the Target that the aforesaid shareholders held. If the Tender Offeror asks the Target to implement procedures 1) to 3) above, the Tender Offeror plans, in principle, to ask the Target to commence procedures 1) to 3) above promptly after the completion of the Tender Offer, to hold the Extraordinary Shareholders Meeting and the Class Shareholders Meeting by February 2015, and to complete procedures 1) to 3) above. The Tender Offeror will discuss the specific procedures and their implementation timing, etc. in the above case with the Target, and the Target plans to promptly announce the details once a decision is made.

However, if the Percentage of Tender is less than two-thirds (less than 6,920,666 shares), the Tender Offeror does not plan to acquire additional common shares of the Target, and regardless of whether the Percentage of Tender reaches two-thirds or more (6,920,666 shares or more) or not, in regard to the Target's management organization, the Tender Offeror will respect the Target's existing management policy, principles and corporate culture. In addition, no decision has been made to change the composition of Directors or regarding any other policy that will exert a significant impact on the management policy of the Target.

Furthermore, if the Tender Offer has been made but, as a result, all the Stock Acquisition Rights have not been acquired and they remain without the Stock Acquisition Rights being exercised after the Tender Offer as well, the Tender Offeror plans to ask the Target to carry out procedures that are necessary for the implementation of the Transaction, such as acquisition of the Stock Acquisition Rights and encouragement of Stock Acquisition Rights holders to surrender the Stock Acquisition Rights after the Tender Offer has been made.

However, the Tender Offer does not solicit the endorsement of shareholders of the Target at the Extraordinary Shareholders Meeting and the Class Shareholders Meeting.

The Tender Offeror plans to request the cancellation of all treasury shares held by the Target from the expiry of the Tender Offer period onward, but the timing of this has not been decided, and the Tender Offeror will decide this after holding discussions with the Target going forward.

(5) Likelihood of Delisting and Reasons Therefor

The common shares of the Target are listed on the First Section of the Tokyo Stock Exchange as of October 30, 2014, but the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, and depending on the outcome of the Tender Offer, the common shares of the Target may be delisted through predetermined procedures in accordance with the delisting standards of the Tokyo Stock Exchange. Moreover, even if the aforesaid standards are not met upon completion of the Tender Offer, when the Tender Offeror has acquired all of the issued common shares of the Target (excluding the treasury shares held by the Target) and procedures to make the Target a wholly-owned subsidiary of the Tender Offeror have been implemented, as described above in “(4) Policy on Restructuring, etc. after the Tender Offer (matters related to the so-called two-step acquisition),” due to the fact the Tender Offer has been made and the Percentage of Tender has reached two-thirds or more (6,920,666 shares or more), the common shares of the Target will be delisted through prescribed procedures. On the other hand, if the Tender Offeror postpones its request for the implementation of procedures to make the Target a wholly-owned subsidiary because the delisting standards of the Tokyo Stock Exchange are not met upon the completion of the Tender Offer and the Percentage of Tender is less than two-thirds (less than 6,920,666 shares), it is planned to continue to list the common shares of the Target on the First Section of the Tokyo Stock Exchange.

In addition, trading of common stock of the Target will become unavailable on the Tokyo Stock Exchange after the delisting.

(6) Matters Concerning Important Agreements relating to the Tender Offer between Shareholders of the Tender Offeror and the Target

Not applicable.

2. Overview of the Acquisition, Etc.

(1) Outline of the Target

1)	Name	AGREX INC.	
2)	Location	Shinjuku Sumitomo Bldg. 2-6-1, Nishi-shinjuku, Shinjuku-ku, Tokyo	
3)	Position and name of representative	Katsunori Yamaguchi, President and Representative Director	
4)	Business activities	Comprehensive information technology services, primarily BPO, software solutions and system integration	
5)	Paid-in capital	1,292,192,400 yen (as of June 30, 2014)	
6)	Date of establishment	September 9, 1965	
7)	Major shareholders and shareholding ratios (as of March 31, 2014)	IT Holdings Corporation	50.0%
		AGREX Employee Stock Ownership Plan	5.4%
		Japan Trustee Services Bank, Ltd.	2.9%
		The Dai-ichi Life Insurance Company, Limited	1.0%
		(standing proxy: Trust & Custody Services Bank, Ltd.) Hiroshi Hatori	0.8%
		Bank of New York GCM Client Accounts JPRD ISG FE-AC (standing proxy: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	0.8%
		Tokio Marine & Nichido Fire Insurance Co., Ltd.	0.8%
		Katsunori Yamaguchi	0.6%
		Mototsugu Suzuki	0.6%
		The Master Trust Bank of Japan, Ltd.	0.4%

8)	Relationship between Tender Offeror and Target	
	Capital relationship	The Tender Offeror holds 5,254,000 shares, equivalent to 50.04% of the total number of issued shares (10,500,000 shares) of the Target.
	Personal relationships	As of October 30, 2014, one Director of the Target is concurrently serving as an executive officer of the Tender Offeror.
	Business relationship	The Tender Offeror has borrowed funds from the Target.
	Possibility of being regarded as a related party	The Target is a consolidated subsidiary of the Tender Offeror and corresponds to a related party of the Tender Offeror.

(Note) The above Shareholding Ratios are the same as those stated in the Target's 50th Term Financial Statements (the "50th Term Financial Statements" hereafter) filed on June 19, 2014.

(2) Schedule, Etc.

1) Schedule

Resolutions by board of directors	October 30, 2014 (Thursday)
Date of Public Notice of Commencement of the Tender Offer	October 31, 2014 (Friday) Electronic notification will be conducted and this will be stated in the Nihon Keizai Shimbun. (Electronic notification address: http://disclosure.edinet-fsa.go.jp/)
Tender Offer notification submission date	October 31, 2014 (Friday)

2) Initial period of the Tender Offer in the registration

From October 31, 2014 (Friday) to December 15, 2014 (Monday) (30 business days)

3) Possibility of extending the above period upon request of the Target

Not applicable.

(3) Price of Tender Offer

1) 1,430 yen per share of common stock

2) Stock Acquisition Rights

(i) One yen per option of stock acquisition rights issued on August 20, 2008 ("1st Issue of Stock Acquisition Rights" hereafter), based on resolution at board of directors meeting of the Target held on July 24, 2008.

(ii) One yen per option of stock acquisition rights issued on August 20, 2009 ("2nd Issue of Stock Acquisition Rights" hereafter), based on resolution at board of directors meeting of the Target held on July 24, 2009.

(iii) One yen per option of stock acquisition rights issued on August 20, 2010 (“3rd Issue of Stock Acquisition Rights” hereafter), based on resolution at board of directors meeting of the Target held on July 29, 2010.

(iv) One yen per option of stock acquisition rights issued on August 19, 2011 (“4th Issue of Stock Acquisition Rights” hereafter), based on resolution at board of directors meeting of the Target held on July 29, 2011.

(v) One yen per option of stock acquisition rights issued on August 20, 2012 (“5th Issue of Stock Acquisition Rights” hereafter), based on resolution at board of directors meeting of the Target held on July 27, 2012.

(vi) One yen per option of stock acquisition rights issued on August 20, 2013 (“6th Issue of Stock Acquisition Rights” hereafter), based on resolution at board of directors meeting of the Target held on July 26, 2013.

(vii) One yen per option of stock acquisition rights issued on August 20, 2014 (“7th Issue of Stock Acquisition Rights” hereafter; the 1st Issue of Stock Acquisition Rights, 2nd Issue of Stock Acquisition Rights, 3rd Issue of Stock Acquisition Rights, 4th Issue of Stock Acquisition Rights, 5th Issue of Stock Acquisition Rights, and 6th Issue of Stock Acquisition Rights are referred to in general as “the Stock Acquisition Rights” hereafter), based on resolution at board of directors meeting of the Target held on July 25, 2014

(4) Basis for Calculation of Acquisition Price

1) Basis of Calculation

(i) Common shares

To serve as a reference when determining the Tender Offer Price, the Tender Offeror requested an equity value analysis of the common shares of the Target from Mitsubishi UFJ Morgan Stanley Securities, which is a third-party appraiser that is independent from the Tender Offeror and the Target and also the financial advisor of the Tender Offeror in early July 2014 (note that Mitsubishi UFJ Morgan Stanley Securities does not correspond to a related party of the Tender Offeror or the Target and does not have any material conflict of interest that should be mentioned in relation to the Tender Offer.)

To calculate the equity value of the Target’s common shares, Mitsubishi UFJ Morgan Stanley Securities used the average market share price method, the comparable company analysis method and discounted cash flow analysis (the “DCF Analysis” hereafter), and the Tender Offeror received the equity value analysis from Mitsubishi UFJ Morgan Stanley Securities on October 29, 2014. (However, the Tender Offeror did not obtain an assessment on the fairness of the Tender Offer Price (a Fairness Opinion.) The range of valuations per share of common stock of the Target calculated according to each method above is as follows.

Average market share price method	1,061 yen to 1,097 yen
Comparable company analysis method	934 yen to 1,251 yen
DCF Analysis	1,252 yen to 1,552 yen

First, under the average market share price method, Mitsubishi UFJ Morgan Stanley Securities calculated the range per share of common stock of the Target as 1,061 yen to

1,097 yen, based on 1,061 yen as the closing price of the common stock of the Target on the Tokyo Stock Exchange on the record date of October 28, 2014; 1,085 yen (rounded to the nearest yen, the same applies hereafter to the calculation of share prices) as the simple average closing price for ordinary transactions during the most recent month (September 29, 2014 to October 28, 2014); 1,097 yen as the simple average closing price for ordinary transactions during the most recent three months (July 29, 2014 to October 28, 2014); and 1,081 yen as the simple average closing price for ordinary transactions during the most recent six months (April 30, 2014 to October 28, 2014.)

Next, under the comparable company analysis method, Mitsubishi UFJ Morgan Stanley Securities calculated the range per share of common stock as 934 yen to 1,251 yen through an evaluation of the Target's equity value based on a comparison of market share prices and financial indicators such as the earnings of listed companies engaged in relatively similar businesses to those of the Target.

Finally, based on the DCF analysis, Mitsubishi UFJ Morgan Stanley Securities calculated the range per share of common stock of the Target as 1,252 yen to 1,552 yen after analyzing enterprise value and equity value by discounting free cash flows that the Target is expected to generate in the future by a certain discount rate to arrive at the net present value. That analysis was based on the Target's estimated future profits from the fiscal year ending March 31, 2015 and beyond, taking into consideration the Target's business plans, most recent business performance, publicly available information and other contributing factors.

(Note) When calculating the equity value of the Target's common shares, Mitsubishi UFJ Morgan Stanley Securities used, in principle, information provided by the Tender Offeror and the Target and publicly available information, assumed that such data and information were all correct and complete, and did not independently verify their accuracy and completeness. In addition, it did not independently evaluate and assess the assets and liabilities (including off-book assets and liabilities and other contingent liabilities) of the Target's affiliated companies, and did not request an appraisal or assessment from a third-party organization. Furthermore, it assumed that the information regarding the financial forecasts of the Target was reasonably prepared based on the best estimates and judgments that can be obtained at the present time by the management of the Target. The calculation by Mitsubishi UFJ Morgan Stanley Securities reflects the above information up to October 28, 2014.

The Tender Offeror took into account the contents and analysis results stated in the equity valuation analysis received from Mitsubishi UFJ Morgan Stanley Securities and comprehensively considered factors such as whether the board of directors of the Target would accept the Tender Offer; the results of due diligence in relation to the Target; market share price movements of the Target's common shares during the most recent six months; examples of premiums added to tender offer prices in past examples of tender offers for shares by entities other than issuers; and the expected number of subscriptions to the Tender Offer. Furthermore, after concluding that presenting to the existing shareholders of the Target a purchase price with a reasonable premium added to the market price of the Target's common shares that was likely to reflect the current financial and market environment would be reasonable, the final Tender Offer Price was determined at 1,430 yen at the meeting of the board of directors held on October 30, 2014.

The Tender Offer Price per share of 1,430 yen represents a premium of 33.8% (rounded to the second decimal place, the same applies for the calculation of premiums hereafter) on the closing price of 1,069 yen for the common shares of the Target based on ordinary transactions on the Tokyo Stock Exchange on October 29, 2014, which is the business day immediately preceding the date of the public notification of the commencement of the Tender Offer by the Tender Offeror. It also represents a premium of 32.2% on the simple average of 1,082 yen for closing share prices based on ordinary transactions during the past month (September 30, 2014 to October 29, 2014), 30.5% on the simple average of 1,096 yen for closing share prices based on ordinary transactions during the past three months (July 30, 2014 to October 29, 2014), and 32.3% on the simple average of 1,081 yen for closing share prices based on ordinary transactions during the past six months (April 30, 2014 to October 29, 2014).

(ii) Stock Acquisition Rights

Firstly, the Stock Acquisition Rights were all issued as stock options to Directors; and secondly, in terms of conditions relating to the exercise of rights pertaining to the Stock Acquisition Rights, exercise conditions have been attached, such as the ability to exercise Stock Acquisition Rights only during a period of 10 days from the day following the day when Stock Acquisition Right holders lose their positions as Directors of the Target. Moreover, regarding the acquisition of share options by means of transfer, in view of the fact that approval by means of a resolution by the board of directors of the Target is required, the Tender Offeror will be unable to exercise these options, even if it acquires the Stock Acquisition Rights through the Tender Offer. Therefore, the Tender Offeror decided on a price of one yen per option as the price for the purchase of the Stock Acquisition Rights. Note that, in determining the price for the purchase of the Stock Acquisition Rights, the Tender Offeror did not obtain a valuation report from a third-party appraiser.

2) Background to Calculation

(Background Leading to Determination of Tender Offer Price)

Since its establishment, the Target has developed three core businesses: (i) BPO, which entails the aggregated outsourcing of customers' operations; (ii) software solutions, which support the resolution of issues with packaged software; and (iii) system integration, which entails integrated support from system construction to operation. The Target has provided services that effectively combine these in a one-stop form.

Going forward, the management environment surrounding the Tender Offeror Group is expected to continue to improve mainly due to growth in customers' IT investment needs associated with a moderate recovery in economic conditions. However, competition is projected to intensify, including diversification of the forms of use of IT at companies and initiatives to address the paradigm shift of the industry, as well as the need to secure competent staff and enhance project management efficiency. Amid this environment, in regard to the BPO business, demand for business outsourcing that contributes to an improvement in corporate management, such as business innovation and cost reduction at companies, is expanding.

In light of this situation, the Tender Offeror has considered the ideal form of the operations of the entire Tender Offeror Group from various angles since January 2014. As part of this, the Tender Offeror came to the conclusion in late June 2014 that it was essential in the currently tough management environment to enhance the efficiency of management by concentrating BPO operations dispersed around the Tender Offeror Group in the Target, reinforcing business operations, and creating an optimal management organization for the overall Tender Offeror Group so that the Tender Offeror Group can grow and develop further.

Moreover, through discussions on several occasions between the Tender Offeror and the Target, which were conducted from early July 2014 until the announcement of the Tender Offer, while taking into account the intention to make the Target a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror resolved to conduct the Tender Offer at its board of directors meeting held on October 30, 2014, with the aim of enhancing the corporate value of the Target and the Tender Offeror Group (for details relating to this decision, please refer to "1. Purpose of the Acquisition, Etc.", "(2) Background Leading to Determination to Implement Tender Offer, Purpose, Decision-making Process and Management Policy after Tender Offer.")

The Tender Offeror took into account the contents and analysis results stated in the equity valuation analysis received from Mitsubishi UFJ Morgan Stanley Securities and comprehensively considered factors such as whether the board of directors of the Target would accept the Tender Offer; the results of due diligence in relation to the Target; market share price movements of the Target's common shares during the most recent six months; examples of premiums added to tender offer prices in past examples of tender offers for shares by entities other than issuers; and the expected number of subscriptions to the Tender Offer. Furthermore, after concluding that presenting to the existing shareholders of the Target a purchase price with a reasonable premium added to the market price of the Target's common shares that was likely to reflect the current financial and market environment would be reasonable, the final Tender Offer Price was determined at 1,430 yen at the meeting of the board of directors held on October 30, 2014.

(Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Prevent Conflicts of Interest)

(i) Acquisition of an equity value analysis from a third-party appraiser for the Tender Offeror

Please refer to "(4) Basis for Calculation of Acquisition Price," "2) Background to Calculation" above.

(ii) Acquisition of an equity value analysis from a third-party appraiser for the Target

According to the Press Release of the Target, the board of directors of the Target requested the calculation of the equity value of the common shares of the Target from Daiwa Securities, which is a financial advisor as a third-party appraiser that is independent from the Target and the Tender Offeror, in order to ensure fairness in the process of decision-making regarding the Tender Offer Price that was indicated by the Tender Offeror, and obtained the equity value analysis on October 29, 2014. However, the Target has not received an opinion regarding the fairness of the Tender Offer Price (Fairness Opinion) from Daiwa Securities.

Based on the request from the Target, Daiwa Securities performed the calculation by using the average market share price method, an objective calculation method based on the market price that will be formed in the capital market, reflecting various factors such as the profitability, asset characteristics, and future potential of the Target; the comparable company analysis method, which calculates the equity value through a comparison of market share prices and financial indicators such as the profitability of listed companies engaged in relatively similar businesses to those of the Target; and DCF Analysis, which calculates the equity value by taking into consideration assumptions that are considered reasonable, such as earnings forecasts and investment plans based on the business plans of the Target, and then discounting free cash flows that the Target is expected to generate in the future by a certain discount rate corresponding to business risk to arrive at the net present value. The range of values per share of the common stock of the Target that Daiwa Securities calculated based on the above methods are as follows.

Average market share price method	1,069 yen to 1,096 yen
Comparable company analysis method	905 yen to 1,387 yen
DCF method	1,342 yen to 1,712 yen

Under the average market share price method, using October 29, 2014, the analysis preparation date, as the record date, the range of value per share of the common stock of the Target was calculated as 1,069 yen to 1,096, based on the closing price of 1,069 yen for the common shares of the Target on the Tokyo Stock Exchange; the simple average of 1,082 yen for closing share prices during the past month; the simple average of 1,096 yen for closing share prices during the past three months; and the simple average of 1,081 yen for closing share prices during the past six months.

Under the comparable company analysis method, after considering similarity with BPO operations, the major business of the Target, Daiwa Securities extracted, among publicly listed companies in Japan, Toppan Forms Co., Ltd., Trans Cosmos Co., Ltd., Moshi Moshi Hotline, Inc., Prestige International Inc., and Comtec Inc. as similar companies, and using EBITDA multiples, calculated the value per share of the common stock of the Target as 905 yen to 1,387 yen.

Using the DCF Analysis, Daiwa Securities evaluated the enterprise value by taking into account assumptions that are considered reasonable, such as earnings forecasts and investment plans based on business plans from the fiscal year ending March 31, 2015 to the fiscal year ending March 31, 2018, which were prepared by the Target, and then discounting free cash flows that the Target is expected to generate in the future by a certain discount rate corresponding to business risk to arrive at the net present value. It adopted a discount rate of 7.59% to 9.37%, and in calculating the going concern value, it used the constant-growth rate model and calculated the perpetual growth rate as 0.50% to 1.00%.

The financial forecasts based on the Target’s business plans that were used as the assumptions for the DCF Analysis calculation are as follows. In regard to these financial forecasts, there are no fiscal years for which large changes in profit have been projected. Moreover, among synergies that are expected to be realized from the execution of the Transaction, based on the assumption that the Transaction will be executed, these financial forecasts reflected a reduction in listing maintenance costs stemming from the delisting of the Target and various expenses that the Target will incur in relation to the

Transaction. However, the effects of various measures after the Transaction are not reflected in these financial forecasts, as it is difficult at present to specifically estimate their impact on earnings.

(Millions of yen)

	Fiscal 2015 (March 31, 2015) (9 months)	Fiscal 2016 (March 31, 2016)	Fiscal 2017 (March 31, 2017)	Fiscal 2018 (March 31, 2018)
Net sales	25,201	32,560	33,560	34,660
Operating profit	1,298	1,373	1,528	1,703
EBITDA	1,706	1,880	1,988	2,131
Free cash flow	311	1,044	956	1,025

Daiwa Securities does not correspond to a party that is related to the Tender Offeror or the Target and does not have any significant conflict of interest that should be mentioned in regard to the Transaction, including the Tender Offer.

Moreover, the target of the Tender Offer includes the Stock Acquisition Rights, but the Stock Acquisition Rights were all issued as stock options to Directors, and in terms of conditions relating to the exercise of rights pertaining to the Stock Acquisition Rights, exercise conditions have been attached, such as the ability to exercise Stock Acquisition Rights only during a period of 10 days from the day following the day when Stock Acquisition Right holders lose their positions as Directors of the Target. Therefore, even if the Tender Offeror acquires the Stock Acquisition Rights through the Tender Offer, it will not be able to exercise them, and in view of this, the Target has not requested a third-party appraiser to calculate the value of the Stock Acquisition Rights.

(iii) Establishment of an independent third-party committee for the Target

According to the Press Release, in order to exclude arbitrariness in the decision-making of the Target relating to the Tender Offer and to establish a decision-making process that is fair, transparent and objective, the board of directors of the Target established a third-party committee that is composed of members that include external experts and are independent from the Tender Offeror and the Target. It selected three members for the third-party committee, namely, Omou Yamazaki, who is independent from the Tender Offeror and the Target as a member of the third-party committee (Chairman, Certified Public Accountant, Licensed Tax Accountant and Representative Director of GG Partners), Hiroshi Kuniya (outside Company Auditor at the Target) and Koki Tada (Attorney, Partner at Hayabusa Asuka Law Offices). In addition, the Target initially selected these three persons and has not changed the members of the third-party committee. As the premise for considering the contents of the opinion that the Target should declare in relation to the Tender Offer, the board of directors of the Target resolved that the third-party committee should advise regarding the following: (a) the rationality of the objective of the Transaction (including consideration of whether the Transaction will contribute to the corporate value of the Target); (b) the appropriateness of the terms and conditions of the Transaction (including the appropriateness of the Tender Offer Price and the consideration for the two-step acquisition that is planned after the Tender Offer as well as the investigation process and course of negotiations relating to the Transaction; (c) the transparency and fairness of the Transaction procedures (including consideration regarding the interests of the Target’s shareholders); and (d) whether the Transaction will be disadvantageous to minority shareholders of the Target or not (referred to in general as the "Terms of Reference" hereafter.)

The third-party committee held a total of five meetings from September 24, 2014 to October 29, 2014, and prudently considered the Terms of Reference.

Specifically, in relation to the investigation concerned, the third-party committee first received an explanation from the Target based on various materials submitted by the Target regarding the contents of the proposals made by the Tender Offeror, the objective of the Transaction, and the specific details of the corporate value of the Target, which is expected to improve due to the Transaction. Then it received an explanation regarding the management organization and policies after the Transaction and the various terms and conditions of the Transaction, received an explanation regarding the business plans of the Target, and conducted a question and answer session regarding these. In addition, the third-party committee received an explanation from the Tender Offeror regarding the contents of the proposals made by the Tender Offeror, the objective of the Transaction, the specific details of the corporate value of the Target, which is expected to improve due to the Transaction, the management organization and policies after the Transaction and the various terms and conditions of the Transaction. It then conducted a question and answer session regarding these. Furthermore, the third-party committee received an explanation from Daiwa Securities regarding the calculation of the equity value of the common shares of the Target, based on the equity value analysis that Daiwa Securities submitted to the Target, and conducted a questions and answer session regarding these. After receiving the respective explanations and contents of questions and answers, the third-party committee engaged in prudent investigations repeatedly from the viewpoint of enhancing the corporate value of the Target.

As a result of these investigations, the third-party committee submitted the Report containing the following to the board of directors of the Target on October 29, 2014 based on the Terms of Reference. (a) The Transaction is likely to contribute to an improvement in the corporate value of the Target and its objective is reasonable because in order to strengthen the competitiveness of the Tender Offeror Group, including the Target, a business and functional reorganization of the Tender Offeror Group is necessary, the Transaction will enable an agile and flexible business and functional reorganization, and concentrating the operating base and management resources in the Tender Offeror Group related to BPO operations at the Target will lead to the reinforcement of the Target's operations. (b) It is planned to calculate the amount of cash delivered at the time of the two-step acquisition so that it is equivalent to the Tender Offer Price multiplied by the number of common shares of the Target that were held by shareholders and, regarding the conditions of the Tender Offer as well, a comparatively long Tender Offer period has been established. Moreover, the Tender Offer Price is considered to be reasonable in view of the following: [i] among the results of the calculation of the equity value of the common shares of the Target by Daiwa Securities, the price exceeds the range of calculation results based on the average market share price method and the comparable company analysis method, and is within the range of the calculation results based on the DCF Analysis; [ii] it is a price to which a reasonable premium has been added in comparison with recent cases of the same type; and [iii] earnest negotiations were conducted between the Target and the Tender Offeror, and the price was increased from the initially proposed price. In addition to the previous factors, the conditions of the

Transaction are reasonable, as the price was decided after sufficiently adopting measures to eliminate any conflict of interest. (c) The procedures of the Transaction are transparent and fair in light of the fact that Directors holding a conflict of interest with the Target did not participate in the decision-making process relating to the Transaction, an independent advisor was appointed, and the equity value analysis was also obtained from a third-party appraiser. Therefore, (d) it can be accepted that the Transaction will not disadvantage the minority shareholders of the Target.

(iv) Advice from an independent law firm for the Target

According to the Press Release of the Target, the Target received legal advice regarding the decision-making process, the decision-making method and other points to bear in mind in relation to the expression of an opinion regarding the Tender Offer from City-Yuwa Partners, its legal advisor that is independent from the Tender Offeror and the Target, in order to ensure transparency and rationality in the decision-making process related to the Transaction, including the Tender Offer.

(v) Approval of all Directors and Company Auditors without any conflicts of interest at the Target

According to the Press Release of the Target, the board of directors of the Target conducted discussions and investigations prudently from the viewpoint of whether the Transaction would be able to improve the corporate value of the Target or not and whether the Tender Offer Price and other terms and conditions for the Transaction were reasonable or not, while paying maximum respect to the contents of the Report obtained from the third-party committee, and in consideration of the legal advice obtained from City-Yuwa Partners and the contents of equity value analysis finally obtained from Daiwa Securities, the third-party appraiser.

As a result, the board of directors of the Target concluded the following regarding the Transaction: [i] it is beneficial in terms of improving the corporate value of the Target; [ii] the Tender Offer Price and other terms and conditions are reasonable with respect to the shareholders of the Target, and the Tender Offer will provide an opportunity for the shareholders of the Target to sell their shares at a price with a reasonable premium.

Then, at a meeting of the board of directors held October 30, 2014, the Target resolved to declare its opinion of support for the Tender Offer and to recommend to the Target's shareholders that they subscribe to the Tender Offer.

Moreover, with regard to the Stock Acquisition Rights, the Target has not requested a third-party appraiser to calculate the value of the Stock Acquisition Rights, in view of the following. Firstly, the Stock Acquisition Rights were all issued as stock options to Directors; and secondly, in terms of conditions relating to the exercise of rights pertaining to the Stock Acquisition Rights, exercise conditions have been attached, such as the ability to exercise Stock Acquisition Rights only during a period of 10 days from the day following the day when Stock Acquisition Right holders lose their positions as Directors of the Target. Therefore, even if the Tender Offeror acquires the Stock Acquisition Rights through the Tender Offer, it will not be able to exercise them. In addition, as the Tender Offeror did not examine the appropriateness of the acquisition price for the Stock Acquisition Rights, it resolved to entrust the decision of whether to subscribe to the Tender Offer or not to the holders of the Stock Acquisition Rights.

At the board of directors meeting mentioned above, all Directors apart from Jousaku Yanai ("Mr. Yanai", hereafter) an outside Director of the Target, passed the resolution concerned unanimously. In addition, all the Company Auditors (of the three Company Auditors, three Company Auditors were in attendance) (of whom three are outside Company Auditors) attended the above board of directors meeting and expressed the opinion that they had no objection to the resolution concerned. However, as Mr. Yanai is concurrently serving as an executive officer of the Tender Offeror and is at risk of having a conflict of interest with the Target in regard to the Transaction, he did not participate at all in the deliberation and resolution of the agenda related to the Transaction, including the Tender Offer, at the above board of directors meeting of the Target and did not take any part in the discussions and negotiations with the Tender Offeror from the standpoint of the Target, due to his position as a person with special interests.

(vi) Guarantee of objective conditions that will ensure the appropriateness of the price and the fairness of the Tender Offer

The Tender Offeror has set the tender offer period of the Tender Offer (the "Tender Offer Period" hereafter) at 30 business days, while the shortest period set forth by law is 20 business days. By setting the Tender Offer Period at a comparatively long period, the Tender Offeror intends to ensure an opportunity for the shareholders of the Target and the holders of stock acquisition rights associated with the Stock Acquisition Rights to make appropriate decisions regarding the acceptance of the Tender Offer, as well as to ensure an opportunity for persons other than the Tender Offeror to make competing purchases related to the common shares of the Target and the Stock Acquisition Rights and thereby guarantee the fairness of the Tender Offer Price.

Further, there are no agreements between the Tender Offeror and the Target which may restrict communications, etc. between persons proposing a competing purchase and the Target such as an agreement including provisions for the protection of transactions which may prohibit communications between the Target and persons proposing a competing purchase.

In such a way, the Tender Offeror has paid consideration to ensuring the fairness of the Tender Offer by ensuring an opportunity for competing purchases, in tandem with the establishment of the above Tender Offer Period.

In addition, the Tender Offeror has not set a minimum number of shares to be purchased in the Tender Offer, but even though it has not set a minimum number of shares to be purchased, it believes it has sufficiently considered the interests of minority shareholders through measures (i) to (vi) above, which aim to ensure the fairness of the Tender Offer.

(5) Number of Share Certificates, etc. to be Purchased

Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
5,210,898 (shares)	— (shares)	— (shares)

(Note 1) No maximum or minimum number of shares to be purchased has been set in the Tender Offer, so the Tender Offeror will purchase all of the tendered share certificates, etc.

(Note 2) The Tender Offeror does not intend to acquire the treasury shares held by the Target through the Tender Offer.

(Note 3) The number of shares to be purchased indicates the maximum number of shares of the Target that the Tender Offeror will acquire through the Tender Offer. The applicable number of shares to be purchased will be the total number of issued and outstanding common shares of the Target as of September 30, 2014 (10,500,000 shares) stated in the Second-Quarter FY2015 Financial Results, with the addition of the number of shares of the Target that are the object of 68 options in the 1st issue of stock acquisition rights, 96 options in the 2nd issue of stock acquisition rights, 107 options in the 3rd issue of stock acquisition rights, 100 options in the 4th issue of stock acquisition rights, 165 options in the 5th issue of stock acquisition rights, and 169 options in the 6th issue of stock acquisition rights as of March 31, 2014, which were stated in the Financial Statements for the 50th Term, and 134 options in the 7th issue of stock acquisition rights as of August 20, 2014, which were stated in the "Notification Concerning Issuance of Stock Options (Stock Acquisition Rights)" announced on August 20, 2014 (83,900 shares in aggregate, for a total of 10,583,900 shares), and with the deduction of treasury shares held by the Target as of September 30, 2014 (119,002 shares), which were stated in the Second-Quarter FY2015 Financial Results and the number of shares held by the Tender Offeror (5,254,000 shares) as of October 30, 2014.

(Note 4) The Stock Acquisition Rights may be exercised by the end of the Tender Offer Period, but the common shares of the Target that are issued and delivered as a result of such exercise shall also be the target of the Tender Offer.

(Note 5) Shares of less than one unit shall also be eligible for the Tender Offer. In addition, the Target may purchase its own shares during the Tender Offer Period, pursuant to applicable ordinances, if shareholders holding shares of less than one unit exercise their right to request the purchase of their shares in accordance with laws and ordinances.

(6) Changes in Shareholdings due to the Purchase

Number of voting rights represented by share certificates, etc. held by the Tender Offeror before the Purchase	52,540 shares	Shareholding Ratio of 50.21% before the Purchase
Number of voting rights represented by share certificates, etc. held by Special Related Parties before the Purchase	3,031 shares	Shareholding Ratio of 2.90% before the Purchase
Number of voting rights represented by share certificates, etc. to be purchased	52,108 shares	Shareholding Ratio of 100% after the Purchase

Number of voting rights of all shareholders of the Target	103,799 shares	

(Note 1) The “Number of voting rights represented by share certificates, etc. to be purchased” indicates the number of voting rights represented by the number of shares to be purchased (5,210,898 shares) in the Tender Offer.

(Note 2) The “Number of voting rights represented by share certificates, etc. held by Special Related Parties before the Purchase is the total number of voting rights represented by share certificates, etc. owned by each Special Related Party (including share certificates, etc. relating to each case mentioned in each item of Article 7.1 of the Cabinet Order for the Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; including subsequent amendments; referred to as the “Order” hereafter) but excluding shares held by parties that are excluded from Special Related Parties based on Article 3.2.1 of the “Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer” (Ordinance of the Ministry of Finance No. 38 of 1990; including subsequent amendments; referred to as the “Cabinet Office Ordinance” hereafter) with respect to the calculation of the ownership ratio of share certificates, etc. under each item of Article 27-2.1 of the Act among treasury shares held by the Target and Special Related Parties.) However, in the case of the Tender Offer, as share certificates, etc. held by special related parties (but excluding treasury shares held by the Target) are also eligible for the Tender Offer, in the case of calculation of the “Shareholding Ratio after the Purchase,” the “Number of voting rights represented by share certificates, etc. held by special related parties before the purchase” has not been included in the numerator.

(Note 3) The “Number of voting rights of all shareholders of the Target” is the number of voting rights of all shareholders, etc. as of March 31, 2014 indicated in the quarterly report for the first quarter of the 51st Term filed by the Target on August 7, 2014. However, in the case of the Tender Offer, as shares of less than one unit and the Stock Acquisition Rights are also eligible for the Tender Offer, with respect to the calculation of the “Shareholding Ratio before the Purchase” and the “Shareholding Ratio after the Purchase,” the number of voting rights (104,648) in relation to 10,464,898 shares, which represents the total number of issued and outstanding common shares of the Target as of September 30, 2014 (10,500,000 shares) stated in the Second-Quarter FY2015 Financial Results, with the addition of the number of shares of the Target that are the object of 68 options in the 1st issue of stock acquisition rights, 96 options in the 2nd issue of stock acquisition rights, 107 options in the 3rd issue of stock acquisition rights, 100 options in the 4th issue of stock acquisition rights, 165 options in the 5th issue of stock acquisition rights, and 169 options in the 6th issue of stock acquisition rights as of March 31, 2014, which were stated in the Financial Statements for the 50th Term, and 134 options in the 7th issue of stock acquisition rights as of August 20, 2014, which were stated in “Notification Concerning Issuance of Stock Options (Stock Acquisition Rights)” announced on August 20, 2014 (83,900 shares in aggregate, for a total of 10,583,900 shares), and with the deduction of treasury shares held by the Target as of September 30, 2014 (119,002 shares), which were stated in the Second-Quarter FY2015 Financial Results, has been calculated as the denominator.

(Note 4) Figures indicating the “Shareholding Ratio before the Purchase” and the “Shareholding Ratio after the Purchase” have been rounded to two decimal places.

(7) Tender Offer Cost: 7,451,584,140 yen

(Note) The “Tender Offer Cost (yen)” indicates the product of the number of shares to be purchased (5,210,898 shares) and the Tender Offer Price per share (1,430 yen).

(8) Method of Settlement

1) Name and Location of Head Office of Financial Instruments Business Operator or Banks, etc., in Charge of Settlement of the Tender Offer

Mitsubishi UFJ Morgan Stanley Securities 5-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo

kabu.com Securities Co., Ltd. (Subagent) 3-2, Otemachi 1-chome, Chiyoda-ku, Tokyo

2) Settlement Commencement Date

December 22, 2014 (Monday)

3) Method of Settlement

Notice of any purchase through the Tender Offer will be sent without delay after the expiration of the Tender Offer Period to the address or location of the tendering shareholder (in the case of a non-Japanese shareholder, to its standing proxy). Delivery by the Subagent will be carried out electronically via the post-log-in screen.

Purchases will be made in cash. The proceeds relating to share certificates, etc. purchased will be sent by the Tender Offer Agent or Subagent to the location specified by the tendering shareholder (in the case of a non-Japanese shareholder, to its standing proxy) without delay from the settlement commencement date onward, based on the instructions of the tendering shareholder (in the case of a non-Japanese shareholder, to its standing proxy.)

4) Method of Return of Share Certificates, etc.

In the event that the Tender Offeror does not purchase all of the tendered shares in accordance with the conditions described in “2) Conditions of Withdrawal of Tender Offer, Details thereof and Method of Disclosing the Withdrawal” in “(9) Other Conditions and Methods of the Tender Offer” below, the Tender Offeror will return the share certificates, etc. promptly after the settlement commencement date (if the Tender Offer is withdrawn, the date of withdrawal.) Shares will be returned by restoring the record to the status immediately before the shares were tendered, and in the case of the Stock Acquisition Rights, documents submitted when tendering the Stock Acquisition Rights will be respectively returned by delivery to the tendering shareholder (in the case of a non-Japanese shareholder, to its standing proxy) or sent to the address of the tendering shareholder (in the case of a non-Japanese shareholder, to that of its standing proxy) based on the instructions of the tendering shareholder.

(9) Other Conditions and Methods of the Tender Offer

1) Conditions and Details in Each Item of Article 27-13.4 of the Act

The Tender Offeror has not set a maximum or minimum number of share certificates, etc. to be purchased. The Tender Offeror will purchase all of the tendered share certificates, etc.

2) Conditions of Withdrawal of Tender Offer, Details thereof and Method of Disclosing the Withdrawal

Upon the occurrence of any event falling under the provisions of Article 14.1, Items 1.*1* through 1.*9* and Items 1.*12* through 1.*18*, Item 3.*1* through 3.*8* and 3.*10*, and Article 14.2, Items 3 through 6 of the Order, the Tender Offeror may withdraw the Tender Offer. In the Tender Offer, "events equivalent to the events set forth in Items 3.*1* through 3.*9*," as prescribed in Article 14.1, Item 3.*10* of the Order, refers to the following case: where it is found that there is a false statement regarding, or an omission of, a material matter to be stated, in the statutory disclosure documents which the Target submitted in the past, and where the Tender Offeror was not aware of the false statement or omission and, despite using due care, was unable to be aware of the false statement or omission.

If it intends to withdraw the Tender Offer, the Tender Offeror will give an electronic public notice and provide notice thereof in the Nihon Keizai Shimbun. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Office Ordinance and give public notice immediately after the announcement.

3) Conditions of Reduction of Tender Offer Price and Method of Disclosure of Reduction

Under the provisions of Article 27-6.1, Item 1 of the Act, if the Target conducts any act set out in Article 13.1 of the Order during the Tender Offer Period, the Tender Offeror may reduce the Tender Offer Price in accordance with the standards prescribed in Article 19.1 of the Cabinet Office Ordinance.

If it intends to reduce the Tender Offer Price, the Tender Offeror will give an electronic public notice and provide notice thereof in the Nihon Keizai Shimbun. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Office Ordinance and give public notice thereof immediately after the announcement. If the Tender Offer Price is reduced, the Tender Offeror will also purchase at the reduced Tender Offer Price the share certificates, etc. tendered prior to the date of the public notice.

4) Matters Concerning Right of Tendering Shareholders to Cancel Tender

Tendering shareholders may cancel their tender under the Tender Offer at any time during the Tender Offer Period. If a tender agreement with respect to the Tender Offer Agent is canceled, the tendering shareholder must deliver or send a document stating that it wishes to cancel the agreement pertaining to the Tender Offer ("Cancellation Statement") along with the tender offer application acceptance receipt to the head office or a branch office in Japan of the Tender Offer Agent that accepted the application, by 4:00 p.m. on the last day of the Tender Offer Period. The cancellation of an agreement will take effect when the Cancellation Statement is delivered to or reaches the parties specified below. However, the Cancellation Statement sent by the tendering shareholder must reach the parties specified below by no later than 4:00 p.m. on the last day of the Tender Offer Period.

When canceling an agreement tendered via kabu.com Securities Co., Ltd., the Subagent, the tendering shareholder should complete the cancellation procedures by 4:00 p.m. on the last day of the Tender Offer Period via the post-log-in screen in accordance with the method described in “Tender offer (TOB)” (http://kabu.com/item/tob/) on that company’s website (http://kabu.com/).

Agent with Authority to Receive Cancellation Statements
Mitsubishi UFJ Morgan Stanley Securities 5-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo
(or any branch of Mitsubishi UFJ Morgan Stanley Securities in Japan)

However, the Tender Offeror may not make any claim for damages or the payment of a penalty to a tendering shareholder even if that tendering shareholder cancels an agreement. In addition the Tender Offeror will bear the costs of returning tendered share certificates, etc.

5) Method of Disclosure if Conditions, etc. of the Tender Offer are Changed

Unless otherwise prohibited under the provisions of Article 27-6.1 of the Act and Article 13 of the Order, the Tender Offeror may change any terms and conditions concerning the acquisition during the Tender Offer Period.

In this case, the Tender Offeror will give an electronic public notice and provide notice thereof in the Nihon Keizai Shimbun. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Office Ordinance and give public notice thereof immediately after the announcement. If the Tender Offer Price is changed, the Tender Offeror will also purchase the share certificates, etc. tendered prior to the date of the public notice based on the changed acquisition conditions.

6) Method of Disclosure When Submitting an Amendment Statement

If an amendment statement is filed with the Director-General of the Kanto Local Finance Bureau in Japan (except for the cases set forth in the proviso of Article 27-8.11 of the Act), the Tender Offeror will immediately announce the details set out in that amendment statement that relate to the contents of the public notice of the commencement of the Tender Offer, by the method prescribed by Article 20 of the Cabinet Office Ordinance. The Tender Offeror will also immediately change the Tender Offer Explanatory Statement and deliver the amended document to the tendering shareholders who have already received the Tender Offer Explanatory Statement. However, if the changes are only minor in nature, the Tender Offeror will prepare a document stating the reasons for such amendments, the items that have been amended and the amended contents, and deliver that document to the tendering shareholders.

7) Method of Disclosure of Results of Tender Offer

The Tender Offeror will publicly announce the results of the Tender Offer the day after the last day of the Tender Offer Period, in accordance with the provisions of Article 9-4 of the Order and of Article 30-2 of the Cabinet Office Ordinance.

8) Other

This Tender Offer is not being made, either directly or indirectly, in or to the United States. Nor are the U.S. postal service or other means or instrumentality of interstate or international commerce, including but not limited to, telephones, telexes, facsimile transmissions, e-mails or internet communications, being utilized in the Tender Offer. The Tender Offer is also not being made through securities exchange facilities in the United States. The Tender Offeror cannot accept applications to the Tender Offer made by the above methods or means or through the above facilities or from the United States.

The Tender Offer Registration Statement or related purchase documentation will not be delivered or sent by the postal service or any other means in, to, or from the United States. The Tender Offeror will not accept any applications to the Tender Offer that are in violation, directly or indirectly, of the above restrictions.

When applying to the Tender Offer, tendering shareholders (in the case of non-Japanese shareholders, their standing proxy) may be requested to make declarations and warranties to the Tender Offer Agent or Subagent concerning the following.

The tendering shareholder is not resident in the United States at either the time of application or when sending Tender Offer application forms. The tendering shareholder has not, directly or indirectly, received or sent any information (including copies) regarding the Tender Offer in, to or from the United States. The tendering shareholder has not, directly or indirectly, used the U.S. postal service, or any other means or instrumentality of U.S. interstate or international commerce, including, but not limited to, telephones, telexes, facsimile transmissions, e-mails or internet communications, and has not used securities exchange facilities in the United States to sign and deliver Tender Offer application forms. The tendering shareholder is not acting as an agent without discretionary power or as a depositary for others (excluding cases where the person concerned submits all purchase instructions from outside the United States.)

(10) Date of Public Notice of Commencement of the Tender Offer

October 31, 2014 (Friday)

(11) Tender Offer Agent

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. 5-2, Marunouchi 2-chome, Chiyoda-ku, Tokyo

kabu.com Securities Co., Ltd. (Subagent) 3-2, Otemachi 1-chome, Chiyoda-ku, Tokyo

3. Management Policy and Outlook after Completion of the Tender Offer

(1) Management Policy after Completion of the Tender Offer

Please refer to “1. Purpose of the Acquisition, etc.”, “(2) Background Leading to Determination to Implement Tender Offer, Purpose, Decision-making Process and Management Policy after Completion of the Tender Offer”, “(4) Policy on Restructuring, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” and “(5) Likelihood of Delisting and Reasons Therefor”.

(2) Future Outlook

The Tender Offer will have a minimal impact on the consolidated earnings of the Tender Offeror.

4. Other Information

(1) Agreements between the Tender Offeror and the Target or Its Directors

1) Agreements between the Tender Offeror and the Target

According to the Press Release of the Target, the Target resolved at a meeting of its board of directors held on October 30, 2014 to express its opinion in support of the Tender Offer, to recommend that the shareholders of the Target tender their shares in the Tender Offer, and to entrust the decision on whether to tender the Stock Acquisition Rights in the Tender Offer or not to the holders of the Stock Acquisition Rights. For details relating to the decision-making process of the Target in this regard, please refer to the Press Release of the Target and "2. Overview of the Acquisition, etc.", "(4) Basis for Calculation of Acquisition Price" and "2) Background to Calculation".

2) Agreements between the Tender Offeror and Directors of the Target

Not applicable.

3) Background Leading to Determination to Implement Tender Offer, Purpose, Decision-making Process and Management Policy after Completion of the Tender Offer

Please refer to the above "1. Purpose of the Acquisition, etc.", "(2) Background Leading to Determination to Implement Tender Offer, Purpose, Decision-making Process and Management Policy after Completion of the Tender Offer".

4) Measures to Ensure the Fairness of the Tender Offer, such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Prevent Conflicts of Interest

Please refer to the above "2. Overview of the Acquisition, etc.", "(4) Basis for Calculation of Acquisition Price," "1) Basis of Calculation" and "2) Background to Calculation".

(2) Other Information Necessary for Investors to Decide whether to Tender Their Shares in the Tender Offer

1) Release of Second-Quarter Fiscal 2015 Financial Results

The Target released its Second-Quarter Fiscal 2015 Financial Results (prepared pursuant to Japanese GAAP), with the contents below, on October 30, 2014. The status of the consolidated operating results of the Target for this period, based on the above announcement, is shown below. It should be noted that the contents of this announcement have not been audited by an auditing firm under the provisions of Article 193-2.1 of the Act. In addition, the overview of the contents of the announcement is a partial excerpt of the contents that were announced by the Tender Offeror, and the Target is not in a position to independently verify, and has not actually verified, the accuracy and credibility of this announcement. Please refer to the contents of this announcement for details.

(i) Operating Results of AGREX INC. (Consolidated)

Accounting Period	First Two Quarters of the Fiscal Year Ending March 31, 2015 (51st Term)
Net sales	¥15,089,491 thousand
Cost of sales	¥12,713,101 thousand
Selling, general and administrative expenses	¥1,920,035 thousand
Non-operating income	¥21,937 thousand
Non-operating expenses	¥19,444 thousand
Net income (Quarterly)	¥261,448 thousand

(ii) Data per Share (Consolidated)

Accounting Period	Second Quarter of the Fiscal Year Ending March 31, 2015 (51st Term)
Net income per share (Quarterly)	¥25.19
Dividend per share	¥12.00
Net assets per share	¥840.33

2) Revision to Dividend Forecast

At its board of directors meeting held on October 30, 2014, the Target resolved not to pay a year-end dividend for the fiscal year ending March 31, 2015 (Fiscal 2015) and to abolish the shareholder special benefit plan, regardless of whether the Percentage of Tender reaches two-thirds or more or not (6,920,666 shares or more), on the condition that the Tender Offer is made. For details, please refer to the “Notification Concerning Revision to Year-End Dividend Forecast for Fiscal 2015 and Abolition of Shareholder Special Benefit Plan,” which the Target announced on October 30, 2014.

End