



September 26, 2024

To all parties concerned,

Company FUJI SOFT INCORPORATED
 Representative Satoyasu Sakashita, President &
 Representative Director
 (Ticker code: 9749 TSE Prime Market)
 Contact General Manager of Corporate Shinsuke Konishi
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(Amendment) Partial Amendment to “Notice regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by FK Co., Ltd. and Recommendation to Tender Shares”

The Notice regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by FK Co., Ltd. and Recommendation to Tender Shares announced by the Company on September 4, 2024 has been partially amended, so we hereby give notice as follows.

As described in the “(Amendment) Notice Regarding Amendment to “Notice Regarding the Commencement of Tender Offer for the Shares of FUJI SOFT INCORPORATED (Securities Code: 9749) by FK Co., Ltd.” Following Submission of Amendment Statement to the Tender Offer Registration Statement by FK Co., Ltd.” announced by FK Co., Ltd. (the “Offeror”) on September 19, 2024, the Offeror has decided to remove the minimum number of shares to be purchased in the tender offer by the Offeror (the “Tender Offer” or the “First Tender Offer”) and to commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed.

We hereby announce that, in a resolution passed on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting), the Board of Directors of the Company has decided to continue to express an opinion in support of the Tender Offer (First Tender Offer) and to continue to recommend that the Company’s shareholders and Stock Acquisition Rights Holders tender their Company Share Certificates in the Tender Offer (First Tender Offer). The Board of Directors has not yet made a decision on its opinion regarding the Second Tender Offer and it plans to determine its opinion upon the commencement of the Second Tender Offer.

The parts that are to be amended are underlined.

Details

3. Details, Grounds and Reasons for the Opinion on the Tender Offer

(1) Details of the Opinion

(Before revisions)

<Omitted>

Please note that the resolutions of the Board of Directors made on August 8, 2024, and today were made in the manner set out in “(g) Approval of All Directors With No Interest in the Company and Opinion of No Objection of All Company Auditors With No Interest in the Company” in “(6) Measures to Ensure Fairness in the Tender Offer such as Measures to Ensure Fairness in the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

(After revisions)

<Omitted>

Please note that the resolutions of the Board of Directors made on August 8, 2024, and on September 4, 2024 were made in the manner set out in “(g) Approval of All Directors With No Interest in the Company and Opinion of No Objection of All Company Auditors With No Interest in the Company” in “(6) Measures to Ensure Fairness in the Tender Offer such as Measures to Ensure Fairness in the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

Following that, in connection with the decision by the Offeror on September 19, 2024 to remove the minimum number of shares to be purchased and to commence the Second Tender Offer (defined in “(a) Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion” below, hereinafter the same) as soon as practicably possible after the First Tender Offer is completed and settlement is completed, the Company carefully reexamined and discussed the terms of the Tender Offer while respecting to the utmost the contents of the opinion dated September 24, 2024 received from the Special Committee (for the specific contents of that opinion, see “(d) Establishment of an Independent Special Committee by the Company and Obtaining a Report from the Special Committee” in “(6) Measures to Ensure Fairness in the Tender Offer such as Measures to Ensure Fairness in the Tender Offer Price and Measures to Avoid Conflicts of Interest” below). As a result, given that there are no circumstances where it would be judged that the above amendments to the tender offer terms would impair the fairness of the procedures, the Board of Directors passed a resolution on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting) to continue to express an opinion in support of the Tender Offer and to continue to recommend that the Company’s shareholders and Stock Acquisition Rights Holders tender their Company Share Certificates in the Tender Offer. The Board of Directors has not yet made a decision on its opinion regarding the Second Tender Offer and it plans to determine its opinion upon the commencement of the Second Tender Offer.

The above resolution of the Board of Directors passed on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting) was made in the manner set out in “(g) Approval of All Directors With No Interest in the Company and Opinion of No Objection of All Company Auditors With No Interest in the Company” in “(6) Measures to Ensure Fairness in the Tender Offer such as Measures to Ensure Fairness in the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

(2) Grounds and Reasons for Opinion

(a) Overview of the Tender Offer

(Before revisions)

The Offeror is a stock company established on July 26, 2024, the principal business of which is to acquire and own the Company Share Certificates through the Tender Offer, and to control and manage the business activities of the Company after the completion of the Tender Offer. As of today, all of its issued shares are owned by FK Holdings Co., Ltd. (“Offeror Parent Company”), a stock company established on July 26, 2024. In addition, as of today, FK Investment L.P. (“KKR Fund”), a limited partnership established under the laws of Ontario, Canada on July 24, 2024, which is indirectly operated by Kohlberg Kravis Roberts & Co. L.P. (including affiliates and related funds; “KKR”), an investment advisory firm established under the laws of Delaware, U.S.A., owns all of the issued shares of the Offeror Parent Company. The Offeror, the Offeror Parent Company, and the KKR Fund do not own the Company Shares as of today.

<Omitted>

(5) no event has occurred that could have a material adverse effect on the business, financial condition, management situation, assets, liabilities, cash flow or future prospects of the Company group (as defined in “(i) Business Environment of the Company” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” below; the same shall apply hereinafter), or on relevant economic or market conditions, and no other events have occurred in the Tender Offer Group that are reasonably considered by the Offeror to have a material impact on the Offeror decision to commence the Tender Offer;

<Omitted>

In the Tender Offer, the Offeror has set 33,658,500 shares (Ownership Ratio: 53.22%) as the minimum number of shares to be purchased, and if the total number of the shares, etc. tendered in the Tender Offer (“Tendered Shares”) is less than the minimum number of shares to be purchased (33,658,500 shares), the Offeror will not purchase any of the Tendered Shares. On the other hand, as the Offeror aims to take the Company private by acquiring all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and all of the Stock Acquisition Rights, the Offeror has not set a maximum number of shares to be purchased in the Tender Offer, and if the total number of Tendered Shares equals to or exceeds the minimum number of shares to be purchased, which is 33,658,500 shares, the Offeror will purchase all of the Tendered Shares. The minimum number of shares to be purchased, which is 33,658,500 shares, is the number of shares derived by multiplying the number of voting rights for the Total Number of Shares after Taking into Account the Potential Shares of the Company as of June 30, 2024 (632,382 voting rights) by 53.25% (336,744 voting rights; rounded up to the nearest whole number), after deducting the number of voting rights (159 voting rights) for the number of Restricted Shares held by directors of the Company (totaling 15,937 shares, Ownership Ratio: 0.03%)(Note 8), and then multiplying such number of voting rights by 100 (42,142,900 shares), the share unit of the Company.

The reasons for setting the minimum number of shares to be purchased are as follows.

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As stated above, while some passive index management funds will not tender their shares in the Tender Offer, after the completion of the Tender Offer, if a proposal on the Share Consolidation (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” below) is submitted to the Extraordinary General Shareholders Meeting (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” below), some of them may vote in favor of the proposal, and as it generally can be inferred that they will exercise their voting rights in favor of the proposal at the general meeting of shareholders proposed after the company expresses its support for the proposal, even if the number of Company shares held by the Offeror after completion of the Tender Offer is the minimum number of shares to be purchased, it is expected that the Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation will reach 61.45% in terms of the ownership ratio (Note 11). Furthermore, considering the number of Company Shares required for the approval of the proposal on the Share Consolidation being at a level equivalent to the ratio (approximately 61.44%) calculated by multiplying 92.16%, which is the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Company (rounded to the nearest three decimal places; the same shall apply hereinafter in the calculation of the voting rights ratio) by two-thirds, which is the voting rights ratio required for the approval of a special resolution at the general shareholders meeting, it is estimated that the level of the number of Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation (approximately 61.45%) will exceed the voting rights ratio of 61.44%, and in light of this, the Offeror expects that the requirements for the approval of the proposal on the Share Consolidation will be satisfied.

Based on the information above, the Tender Offer has set the number of voting rights of the Company to be held by the Offeror after the Tender Offer as at least equal to 53.22% of the total voting rights of the Company in order to ensure the stable completion of the Tender Offer and maximize the likelihood of the success of the Transaction and to ensure that the voting rights of the Company held by the Offeror will reach a level at which the proposal on the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, even if the Offeror does not own two-thirds of the voting rights of all shareholders of the Company after the Tender Offer.

(Note 8) Although the Restricted Shares cannot be tendered in the Tender Offer due to transfer restrictions attached thereto, at the meeting of the Board of Directors of the Company held August 8 2024, a resolution was passed to express an opinion in favor of the Tender Offer, on the assumption of the delisting. At the time of such resolution, all of the directors voted in favor. It is therefore expected that if the Tender Offer is completed, it is likely that the Squeeze-out Procedure (as defined below) will be supported, and thus in determining the minimum number of shares to be purchased, the number of voting rights for the Restricted Shares is deducted.

<Omitted>

(Note 11) As mentioned in Note 8 above, as among the Restricted Shares, the number of shares held by the Company’s directors (ownership ratio: 0.03%) are expected to support the Squeeze-out Procedure if the Tender Offer is completed, in addition to the Company Shares held by the passive index management funds (ownership ratio: approximately 8.2%), the number of the Restricted Shares

(ownership ratio: 0.03%) has been added to 33,658,500 shares (ownership ratio: 53.22%), which is set as the minimum number of shares to be purchased.

The Offeror plans to finance the funds required for the settlement of the Tender Offer by borrowing from financial institutions and through capital contributions and loans from the Offeror Parent Company.

If the Offeror is unable to acquire all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and all of the Stock Acquisition Rights through the Tender Offer, the Offeror intends to implement a series of procedures after the completion of the Tender Offer to make the Offeror the sole shareholder of the Company (“Squeeze-out Procedure”; for details, please refer to “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)”.

As stated above, as the minimum number of shares to be purchased is set at 33,658,500 shares (ownership ratio: 53.22%) in the Tender Offer, if the total number of voting rights of the Company held by the Offeror is less than two-thirds of the total number of voting rights of all shareholders of the Company after the completion of the Tender Offer, it is possible that the proposal for the Share Consolidation to be conducted as part of the Squeeze-out Procedure will not be approved at the Extraordinary General Shareholders Meeting. However, even if approval is not obtained, the Offeror will ultimately acquire all of the Company Shares (including the Company Shares to be delivered through the exercise of the Restricted Shares and the Stock Acquisition Rights and excluding the Company Shares held by the Offeror and treasury shares held by the Company) to take the Company private, and taking into account, among other matters, the status of tenders in the Tender Offer, status of ownership and attributes of the Company Shares, trends in the market share price, and the ratio of voting rights exercised at the Extraordinary General Shareholders Meeting, the Offeror will acquire the Company Shares by all means until the proposal of the Share Consolidation is approved at the general shareholders meeting of the Company to take the Company private. Although there are no assumptions regarding the acquisition at this time, the Offeror will use the market price in the case of an on-market transaction, and in the case of a method other than an on-market transaction, the Offeror will acquire the Company Shares at a price evaluated as being economically equivalent to the Tender Offer Price (defined in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” below) per share, unless there is an event that causes an adjustment to become necessary, such as a share consolidation or a share split by the Company. The specific timing and method of the additional acquisition and the period required for the subsequent approval of the proposal on the Share Consolidation at the general shareholders meeting cannot be determined at this time due to various circumstances, such as market conditions. However, the Offeror intends to make every effort to implement the Share Consolidation as soon as practicable.

(After revisions)

The Offeror is a stock company established on July 26, 2024, the principal business of which is to acquire and own the Company Share Certificates through the First Tender Offer and the tender offer that the Offeror plans to conduct after the completion of the First Tender Offer (the “Second Tender Offer”; the First Tender Offer and the Second Tender Offer are collectively referred to as the “Tender Offers”), and to control and manage the business activities of the Company after the completion of the Tender Offer. As of today, all of its issued shares are owned by FK Holdings Co., Ltd. (“Offeror Parent Company”), a stock company established on July 26, 2024. In addition, as of today, FK Investment L.P. (“KKR Fund”), a limited partnership established under the laws of Ontario, Canada on July 24, 2024, which is indirectly operated by Kohlberg Kravis Roberts & Co. L.P. (including affiliates and related funds; “KKR”), an investment advisory firm established under the laws of Delaware, U.S.A., owns all of the issued shares of the Offeror Parent Company. The Offeror, the Offeror Parent Company, and the KKR Fund do not own the Company Shares as of today.

<Omitted>

(5) no event has occurred that could have a material adverse effect on the business, financial condition, management situation, assets, liabilities, cash flow or future prospects of the Company group (as defined in “(i) Business Environment of the Company” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” below; the same shall apply hereinafter), or on relevant economic or market conditions, and no other events have occurred in the Tender Offer Group that are reasonably considered by the Offeror to have a material impact on the Offeror

decision to commence the Tender Offer;

<Omitted>

While it is unclear whether Bain Capital (as defined in “(ii) Background of Examinations and Negotiations ” in “(c) Process and Reasons for the Decision-Making of the Company ” below; the same shall apply hereinafter) will make a legally binding proposal in October 2024 and conduct a tender offer, as described in “Notice of Submission of Proposal for Tender Offer for FUJI SOFT INCORPORATED (Securities Code: 9749) by Bain Capital” announced on September 3, 2024 (“Bain Capital Press Release”), as it would be inappropriate that as a result of the market price of the Company Shares exceeding the Tender Offer Price (as defined in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” below; the same shall apply hereinafter), the Tender Offer is not completed, thereby denying an opportunity to sell on the commencement date of settlement of the Tender Offer (October 28, 2024) to the Company shareholders who wish to sell their Company Shares at the Tender Offer Price (“Prospective Selling Shareholders”), and the Stock Acquisition Rights Holders who wish to sell their Stock Acquisition Rights at the Stock Acquisition Right Purchase Price (“Prospective Selling Stock Acquisition Rights Holders”), and thus on September 19, 2024, the Offeror decided to remove the minimum number of shares to be purchased in the First Tender Offer (the “Removal of the Minimum Tender Condition”. With respect to the First Tender Offer, with the exception of the minimum number of shares to be purchased, the principal purchase conditions as stated in the Public Notice for Commencement of Tender Offer submitted by the Offeror on September 5, 2024 remain unchanged.), so that all of the Company Shares and the Stock Acquisition Rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock Acquisition Rights Holders wish to sell can be acquired by the Offeror on the commencement date of settlement of the Tender Offer (October 28, 2024). Furthermore, the Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, will have a certain opportunity secured to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition Rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer (together with the Removal of the Minimum Tender Condition, the “Scheme Change”) as soon as practicably possible after the First Tender Offer is completed and settlement is completed. If a tender offer is commenced by Bain Capital, the Offeror does not plan to tender its Company Shares in such tender offer. In addition, if the Offeror acquires 33,658,500 or more of the Company Shares (Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted. Furthermore, prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Offeror to tender their respective Planned Tender Shares. In addition, as of the submission date of the September 19 Amended Statement, the Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Offeror.

The reasons for deciding on the Removal of the Minimum Tender Condition and to commence the Second Tender Offer at the same tender offer price as the Tender Offer Price are as follows.

On September 3, 2024, Bain Capital issued the Bain Capital Press Release. From the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Company decided on September 4, 2024 to continue granting Bain Capital the opportunity to conduct due diligence during the Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Company and the Special Committee plan to carefully and sincerely consider it. However, the Bain Capital Press Release states Bain Capital may make a legally binding proposal to take the Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Company through an appropriate process and the management of the Company and Bain Capital reach a consensus as to management policy for after the delisting of the Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Company Group’s business, financial situation,

management situation, assets, liabilities, cash flows, or future prospects from the content verified in the Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it is unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Company will use to consider the legally binding proposal if one is made, (c) whether the Company will change its opinion regarding the Tender Offer (a resolution of the board of directors of the Company expressing an opinion in favor of the Offeror and recommending the shareholders and Stock Acquisition Rights Holders tender in the Tender Offer) as a result of such consideration, and (d) the reliability of the schedule set out in the Bain Capital Press Release (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder’s Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to “announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition”. However, since the publication of the Bain Capital Press Release, the market price of the Company Shares has risen sharply, and the Offeror believes that there are concerns that the Company shareholders and Stock Acquisition Rights Holders are being prevented from making rational decisions.

In addition, as of September 3, 2024, the Tender Agreements entered into by the Offeror remain valid, and that given the high likelihood of the Tendering Shareholders tendering in the Tender Offer by the Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Offeror believes that whether or not 3DIP and Farallon will tender in the Tender Offer in accordance with the Tender Agreements is important information for the Company shareholders and Stock Acquisition Rights Holders in making a rational decision as to the feasibility of the Transaction by the Offeror and Bain Capital’s proposal. However, in the Bain Capital Press Release, it is speculated, without providing any concrete evidence, that if the Company changes its opinion on the Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and should be able to tender in a tender offer by Bain Capital. Therefore, the Offeror believes that there are specific concerns that actions may be taken by the Company shareholders and Stock Acquisition Rights Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Company Shares and the Stock Acquisition Rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock Acquisition Rights Holders wish to sell can be acquired by the Offeror on the commencement date of settlement of the Tender Offer (October 28, 2024), on September 19, 2024, the Offeror decided on the Removal of the Minimum Tender Condition. Furthermore, the Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, will have a certain opportunity secured to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition Rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed. If a tender offer is commenced by Bain Capital, the Offeror does not plan to tender its Company Shares in such tender offer. In addition, if the Offeror acquires 33,658,500 or more of the Company Shares (Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted. Furthermore, prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Offeror.

As stated above, the Offeror believes that the Scheme Change, in addition to allowing for all of the Company Shares and the Stock Acquisition Rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock

Acquisition Rights Holders wish to sell to be acquired by the Offeror on the commencement date of settlement of the Tender Offer (October 28, 2024), will provide a certain opportunity secured to the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition Rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer. Furthermore, as the conditions of the Tenders Offers as a whole have not deteriorated in comparison to the First Tender Offer prior to the Removal of the Minimum Tender Condition, the Offeror believes that the Company will maintain its opinion in support of the Tender Offers and its resolution recommending that its shareholders and Stock Acquisition Rights Holders tender in the Tender Offers, and that the Removal of the Minimum Tender Condition and decision to conduct the Second Tender Offer will not prevent the Company shareholders and the Stock Acquisition Rights Holders from making rational decisions.

The principal purchase conditions of the First Tender Offer and Second Tender Offer are as follows.

	<u>First Tender Offer</u>	<u>Second Tender Offer</u>
<u>Tender offer price</u>	8,800 per common share	8,800 per common share
	<u>1,067,000 yen per Fifth Series Stock Acquisition Right</u>	<u>1,067,000 yen per Fifth Series Stock Acquisition Right</u>
	<u>929,600 yen per Sixth Series Stock Acquisition Right</u>	<u>929,600 yen per Sixth Series Stock Acquisition Right</u>
	<u>228,100 yen per Seventh Series Stock Acquisition Right</u>	<u>228,100 yen per Seventh Series Stock Acquisition Right</u>
<u>Maximum number to be purchased</u>	N/A	N/A
<u>Minimum number to be purchased</u>	N/A	<u>The number of shares obtained by deducting the number of First Tender Offer Tendered Shares from 33,658,500 shares (Ownership Ratio: 53.22%)</u>

As stated above, in the Second Tender Offer, the minimum number of shares to be purchased is planned to be set at the number obtained by deducting the number of shares tendered in the First Tender Offer (“Tendered Shares” or “First Tender Offer Tendered Shares”) from 33,658,500 shares (Ownership Ratio: 53.22%). If the total number of shares tendered in the Second Tender Offer (“Second Tender Offer Tendered Shares”) is less than the minimum number of shares to be purchased, the Offeror will not purchase any of the Second Tender Offer Tendered Shares. If the Offeror acquires 33,658,500 or more of the Company Shares (Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted.

As the First Tender Offer is being conducted as part of the Transaction which aims to take the Company private through acquisition all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and all of the Stock Acquisition Rights, the Offeror has not set a maximum number of shares to be purchased in the First Tender Offer. In addition, in the First Tender Offer, the Offeror has not set a minimum number of shares to be purchased after the Removal of the Minimum Tender Condition, as the Offeror aims to allow for all of the Company Shares and the Stock Acquisition Rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock Acquisition Rights Holders wish to sell can be acquired by the Offeror on the commencement date of settlement of the Tender Offer

(October 28, 2024). In this regard, the Offeror had set the minimum number of shares to be purchased at 33,658,500 (Ownership Ratio: 53.22%) in the Tender Offer Registration Statement for the First Tender Offer, however, as stated above, the Offeror has decided to conduct the Second Tender Offer after the First Tender Offer is completed and settlement is completed, with the aim of acquiring all of the Company Shares and Stock Acquisition Rights other than those acquired through the First Tender Offer (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company), and to remove the minimum number of shares to be purchased in the First Tender Offer. If the Offeror acquires 33,658,500 or more of the Company Shares (Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted.

The purchase price for the Company Shares in the Second Tender Offer (“Second Tender Offer Price”) is planned to be 8,800 yen, the same amount as in the First Tender Offer Price (as defined in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” below). In addition, in the Second Tender Offer, the minimum number of shares to be purchased is planned to be set by the Offeror at the number obtained by deducting the number of First Tender Offer Tendered Shares from 33,658,500 shares (Ownership Ratio: 53.22%), and if the total number of Second Tender Offer Tendered Shares is less than the minimum number of shares to be purchased, the Offeror will not purchase any of the Second Tender Offer Tendered Shares. On the other hand, as the Offeror aims to take the Company private by acquiring all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes Company Shares and Stock Acquisition Rights owned by the Offeror and treasury shares owned by the Company) and all of the Stock Acquisition Rights, the Offeror plans to not set a maximum number of shares to be purchased in the Second Tender Offer, and if the total number of Second Tender Offer Tendered Shares equals to or exceeds the minimum number of shares to be purchased, the Offeror will purchase all of the Second Tender Offer Tendered Shares. The minimum number of shares planned to be purchased is the number of shares derived by multiplying the number of voting rights for the Total Number of Shares after Taking into Account the Potential Shares of the Company as of June 30, 2024 (632,382 voting rights) by 53.25% (336,744 voting rights; rounded up to the nearest whole number), after deducting the number of voting rights (159 voting rights) for the number of Restricted Shares held by directors of the Company (totaling 15,937 shares, Ownership Ratio: 0.03%) (Note 8), and then multiplying such number of voting rights by 100 (33,658,500 shares), the share unit of the Company, and then deducting the number of First Tender Offer Tendered Shares.

The reasons for setting the minimum number of shares to be purchased in the Second Tender Offer are as follows.

<Omitted>

As stated above, while some passive index management funds will not tender their shares in the Tender Offers, after the completion of the Tender Offers, if a proposal on the Share Consolidation (as defined in “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” below) is submitted to the Extraordinary General Shareholders Meeting (as defined in “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” below), some of them may vote in favor of the proposal, and as it generally can be inferred that they will exercise their voting rights in favor of the proposal at the general meeting of shareholders proposed after the company expresses its support for the proposal, even if the number of Company shares held by the Offeror after completion of the Tender Offers is the number obtained by adding the minimum number of shares to be purchased in the Second Tender Offer to the number of First Tender Offer Tendered Shares, it is expected that the Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation will reach 61.45% in terms of the ownership ratio (Note 11). Furthermore, considering the number of Company Shares required for the approval of the proposal on the Share Consolidation being at a level equivalent to the ratio (approximately 61.44%) calculated by multiplying 92.16%, which is the maximum voting rate at the general shareholders meeting for the most recent three fiscal years of the Company (rounded to the nearest three decimal places; the same shall apply hereinafter in the calculation of the voting rights ratio) by two-thirds, which is the voting rights ratio required for the approval of a special resolution at the general shareholders meeting, it is estimated that the level of the number of Company Shares whose voting rights will be exercised in favor of the proposal on the Share Consolidation (approximately 61.45%) will exceed the voting rights ratio of 61.44%, and in light of this, the Offeror expects that the requirements for the approval of the proposal on the Share Consolidation will be satisfied.

Based on the information above, the Tender Offer plans to set the number of voting rights of the Company to be held by the Offeror after

the Tender Offers as at least equal to 53.22% of the total voting rights of the Company in order to ensure the stable completion of the Second Tender Offer and maximize the likelihood of the success of the Transaction and to ensure that the voting rights of the Company held by the Offeror will reach a level at which the proposal on the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, even if the Offeror does not own two-thirds of the voting rights of all shareholders of the Company after the Tender Offers.

(Note 8) Although the Restricted Shares cannot be tendered in the Tender Offers due to transfer restrictions attached thereto, at the meeting of the Board of Directors of the Company held August 8 2024, a resolution was passed to express an opinion in favor of the Tender Offer, on the assumption of the delisting. At the time of such resolution, all of the directors voted in favor. It is therefore expected that if the Tender Offers are completed, it is likely that the Squeeze-out Procedure (as defined below) will be supported, and thus in determining the minimum number of shares to be purchased, the number of voting rights for the Restricted Shares is deducted.

<Omitted>

(Note 11) As mentioned in Note 8 above, as among the Restricted Shares, the number of shares held by the Company's directors (ownership ratio: 0.03%) are expected to support the Squeeze-out Procedure if the Tender Offers are completed, in addition to the Company Shares held by the passive index management funds (ownership ratio: approximately 8.2%), the number of the Restricted Shares (ownership ratio: 0.03%) has been added to 33,658,500 shares (ownership ratio: 53.22%), which is the total number of the First Tender Offer Tendered Shares and the planned minimum number of shares to be purchased in the Second Tender Offer.

The Offeror plans to finance the funds required for the settlement of the Tender Offer by borrowing from financial institutions and through capital contributions and loans from the Offeror Parent Company. Furthermore, as the Offeror acknowledges that there has been a lot of media coverage on the Transaction following the publication of the Bain Capital Press Release and the deal has attracted attention and believes that the risk of information leaks has increased, the Offeror has not held discussions with financial institutions regarding the Removal of the Minimum Tender Condition and the conducting of the Second Tender Offer prior to the submission of an amendment statement to the tender offer registration statement was submitted by the Offeror on September 19, 2024 ("September 19 Amended Statement"). However, after the date of submission of the September 19 Amended Statement, the Offeror has explained to the financial institutions the Removal of the Minimum Tender Condition and conducting of the Second Tender Offer, as well as the reasons for the same, and has obtained their consent to provide loans notwithstanding the Removal of the Minimum Tender Condition.

If the Offeror is unable to acquire all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and all of the Stock Acquisition Rights through the Tender Offers, the Offeror intends to implement a series of procedures after the completion of the Tender Offers to make the Offeror the sole shareholder of the Company ("Squeeze-out Procedure"; for details, please refer to "(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)").

As stated above, as the minimum number of shares to be purchased in the Second Tender Offer is planned to be set so that, together with the number of First Tender Offer Tendered Shares, the number of the Company Shares held by the Offeror after the Tender Offers is 33,658,500 shares (ownership ratio: 53.22%), if the total number of voting rights of the Company held by the Offeror is less than two-thirds of the total number of voting rights of all shareholders of the Company after the completion of the Tender Offers, it is possible that the proposal for the Share Consolidation to be conducted as part of the Squeeze-out Procedure will not be approved at the Extraordinary General Shareholders Meeting. However, even if approval is not obtained, the Offeror will ultimately acquire all of the Company Shares (including the Company Shares to be delivered through the exercise of the Restricted Shares and the Stock Acquisition Rights and excluding the Company Shares held by the Offeror and treasury shares held by the Company) to take the Company private, and taking into account, among other matters, the status of tenders in the Tender Offers, status of ownership and attributes of the Company Shares, trends in the market share price, and the ratio of voting rights exercised at the Extraordinary General Shareholders Meeting, the Offeror will acquire the Company Shares by all means until the proposal of the Share Consolidation is approved at the general shareholders meeting of the Company to take the Company private. Although there are no assumptions regarding the acquisition at this time, the Offeror will use the market price in the case of an on-market transaction, and in the case of a method other than an on-market transaction,

the Offeror will acquire the Company Shares at a price evaluated as being economically equivalent to the Tender Offer Price per share, unless there is an event that causes an adjustment to become necessary, such as a share consolidation or a share split by the Company. The specific timing and method of the additional acquisition and the period required for the subsequent approval of the proposal on the Share Consolidation at the general shareholders meeting cannot be determined at this time due to various circumstances, such as market conditions. However, the Offeror intends to make every effort to implement the Share Consolidation as soon as practicable.

(Before revisions)

- (b) Background, Purpose, and Decision-Making Process Leading to the Offeror's Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer

(After revisions)

- (b) Background, Purpose, and Decision-Making Process Leading to the Offeror's Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers
- (ii) Discussions Between the Offeror, the Company, and 3DIP and the Offeror's Decision-Making Process, Etc.

(Before revisions)

<Omitted>

Subsequently, on July 5, 2024, KKR was notified by the Company that KKR was granted exclusive negotiation rights for the Transaction. After continuing discussions with the Company from early July to early August of the same year regarding practical measures toward the implementation of the Transaction, such as the coordination of the business and financial information of the Company necessary for obtaining the Clearance, an agreement was reached on August 7, 2024 to implement the Transaction by setting the Tender Offer Price of the Company Shares at JPY 8,800 per Company Share ("Tender Offer Price") and setting the Stock Acquisition Right Purchase Price at a price calculated by multiplying the difference between the Tender Offer Price (JPY 8,800) and the exercise price per Company Share for each Stock Acquisition Right by the number of Company Shares per Stock Acquisition Right, and on the same day, the Offeror decided to implement the Tender Offer.

<Omitted>

Subsequently, on August 26, 2024, the Offeror informed the Company that that based on expectations for the Procedures in Response to Vietnamese Authorities, the Offeror will commence the Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Offeror informed the Company that (i) the procedures in response to the authorities, except for the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities, have been completed; (ii) in relation to condition 11 of the Conditions Precedent, the Offeror will waive the condition of the completion of acquisition of the Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Offeror), the Offeror desires to commence the Tender Offer from September 5, 2024. Then, as the Offeror confirmed that all of the Conditions Precedent (excluding the completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities) have been satisfied as stated in "(a) Overview of the Tender Offer" above and it determined that the Tender Offer is ready to commence, and the Offeror waived the Conditions Precedent relating to completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities (condition 11), the Offeror decided on September 4, to commence the Tender Offer from September 5, 2024. As the Offeror believes that there is no particular change in the factors considered in determining the Tender Offer Price, even taking into account the situation from August 8, 2024, on which the Offeror Press Release dated August 8, 2024 was published, to September 4 2024, the Offeror determined that there is no need to change the Tender Offer Price decided on August 8, 2024.

(After revisions)

<Omitted>

Subsequently, on July 5, 2024, KKR was notified by the Company that KKR was granted exclusive negotiation rights for the Transaction. After continuing discussions with the Company from early July to early August of the same year regarding practical measures toward the implementation of the Transaction, such as the coordination of the business and financial information of the Company necessary for obtaining the Clearance, an agreement was reached on August 7, 2024 to implement the Transaction by setting the Tender Offer Price of the Company Shares at JPY 8,800 per Company Share (“Tender Offer Price” or “First Tender Offer Price”) and setting the Stock Acquisition Right Purchase Price at a price calculated by multiplying the difference between the Tender Offer Price (JPY 8,800) and the exercise price per Company Share for each Stock Acquisition Right by the number of Company Shares per Stock Acquisition Right, and on the same day, the Offeror decided to implement the Tender Offer.

<Omitted>

Subsequently, on August 26, 2024, the Offeror informed the Company that that based on expectations for the Procedures in Response to Vietnamese Authorities, the Offeror will commence the Tender Offer from September 5, 2024. Furthermore, on August 30, 2024, the Offeror informed the Company that (i) the procedures in response to the authorities, except for the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities, have been completed; (ii) in relation to condition 11 of the Conditions Precedent, the Offeror will waive the condition of the completion of acquisition of the Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities; and (iii) on the premise that the Conditions Precedent are satisfied (or waived by the Offeror), the Offeror desires to commence the Tender Offer from September 5, 2024. Then, as the Offeror confirmed that all of the Conditions Precedent (excluding the completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities) have been satisfied as stated in “(a) Overview of the Tender Offers” above and it determined that the Tender Offer is ready to commence, and the Offeror waived the Conditions Precedent relating to completion of acquisition of Clearance related to the Foreign Exchange Act Procedures and the Procedures in Response to Vietnamese Authorities (condition 11), the Offeror decided on September 4, to commence the Tender Offer from September 5, 2024. As the Offeror believes that there is no particular change in the factors considered in determining the Tender Offer Price, even taking into account the situation from August 8, 2024, on which the Offeror Press Release dated August 8, 2024 was published, to September 4 2024, the Offeror determined that there is no need to change the Tender Offer Price decided on August 8, 2024.

Furthermore, on August 26, 2024, the Offeror informed the Company that in light of the fact that the statutory waiting period under the Foreign Exchange and Foreign Trade Act had been shortened, and there was a possibility that approval for the Share Acquisition could be obtained during the Tender Offer Period, and in light of the fact that the period until notification was accepted by the Vietnam National Competition Commission and the initial 30-day review period could be shortened, there was a possibility that approval for the Share Acquisition could be obtained during the Tender Offer Period, and thus the Tender Offer Period was set at 20 business days, the statutory minimum. Subsequently, the Offeror received a communication from the Company on September 4, 2024, that, on the assumption that the Tender Offer Period will be 30 business days or more, at the board of directors meeting held on September 4, 2024, the Company resolved to express its support for the Tender Offer again and to recommend its shareholders and Stock Acquisition Rights Holders to tender their Company Securities in the Tender Offer, and that in the event the Tender Offer Period is not set at 30 business days or more, to make a request for an extension of the purchase period as provided for in Article 27-10, Paragraph 2, Item 2 of the Act. As a result, the Offeror decided to set the Tender Offer Period at 30 business days.

On September 3, 2024, the Bain Capital Press Release was published. As described in the Company Press Release Dated September 4, 2024, from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the Company decided on September 4, 2024 to continue granting Bain Capital the opportunity to conduct due diligence during the Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Company and the Special Committee plan to carefully and sincerely consider it. However, the Bain Capital Press Release states Bain Capital may make a legally binding proposal to take the Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Company through an appropriate process and the management of the Company and Bain Capital reach a consensus as to management policy for after the delisting of the Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Company Group’s business, financial situation, management situation, assets, liabilities, cash flows, or future prospects from the content

verified in the Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it is unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Company will use to consider the legally binding proposal if one is made, (c) whether the Company will change its opinion regarding the Tender Offer (a resolution of the board of directors of the Company expressing an opinion in favor of the Offeror and recommending the shareholders and Stock Acquisition Rights Holders tender in the Tender Offer) as a result of such consideration, and (d) the reliability of the schedule set out in the Bain Capital Press Release (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder’s Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to “announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition”. However, since the publication of the Bain Capital Press Release, the market price of the Company Shares has risen sharply, and the Offeror believes that there are concerns that the Company shareholders and Stock Acquisition Rights Holders are being prevented from making rational decisions.

In addition, according to the Company Press Release Dated September 4, 2024, as of September 3, 2024, the Tender Agreements entered into by the Offeror remain valid, and that given the high likelihood of the Tendering Shareholders tendering in the Tender Offer by the Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Offeror believes that whether or not 3DIP and Farallon will tender in the Tender Offer in accordance with the Tender Agreements is important information for the Company shareholders and Stock Acquisition Rights Holders in making a rational decision as to the feasibility of the Transaction by the Offeror and Bain Capital’s proposal. However, in the Bain Capital Press Release, it is speculated, without providing any concrete evidence, that if the Company changes its opinion on the Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and will be able to tender in a tender offer by Bain Capital. Therefore, the Offeror believes that there are specific concerns that actions may be taken by the Company shareholders and Stock Acquisition Rights Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Company Shares and the Stock Acquisition rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock Acquisition Rights Holders wish to sell can be acquired by the Offeror on the commencement date of settlement of the Tender Offer (October 28, 2024), on September 19, 2024, the Offeror decided on the Removal of the Minimum Tender Condition. Furthermore, the Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, will have a certain opportunity secured to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed. Prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Offeror. If a tender offer is commenced by Bain Capital, the Offeror does not plan to tender its Company Shares in such tender offer. In addition, if the Offeror acquires 33,658,500 or more of the Company Shares (Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted.

As stated in “(a) Overview of the Tender Offers” above, in the Second Tender Offer, the minimum number of shares to be purchased is planned to be set at the number obtained by deducting the number of First Tender Offer Tended Shares from 33,658,500 shares

(Ownership Ratio: 53.22%). If the total number of Second Tender Offer Tendered Shares is less than the minimum number of shares to be purchased, the Offeror will not purchase any of the Second Tender Offer Tendered Shares.

(iii) Determination of the First Tender Offer Price

In determining the First Tender Offer Price, as described in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” above, based on a multifaceted and comprehensive analysis of the Company’s business and financial status, and upon analyzing the value of the Company Shares in comparison with the market share prices and profitability of multiple listed companies that are relatively similar to the Company in terms of business contents, business scale, earnings status, etc., KKR proposed in the Final Company Process Proposal on June 14, 2024 that the tender offer price be 8,800 yen per Company Share. Subsequently, on July 5, 2024, KKR was notified by the Company that KKR was granted exclusive negotiation rights for the Transaction. After continuing discussions with the Company from early July to early August of the same year regarding practical measures toward the implementation of the Transaction, such as the coordination of the business and financial information of the Company necessary for obtaining the Clearance, an agreement was reached on August 7, 2024 to implement the Transaction by setting the Tender Offer Price of the Company Shares at 8,800 yen per Company Share and setting the Stock Acquisition Right Purchase Price at a price calculated by multiplying the difference between the Tender Offer Price (8,800 yen) and the exercise price per Company Share for each Stock Acquisition by the number of Company Shares per Stock Acquisition, and on the same day, the Offeror decided to implement the Tender Offer.

(iv) Matters Relating to the Second Tender Offer

(a) Overview of the Second Tender Offer

As described in “(a) Overview of the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, if the First Tender Offer is completed, the Offeror plans on conducting the Second Tender Offer with the aim of acquiring all of the Company Shares and Stock Acquisition Rights other than those acquired through the First Tender Offer (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company).

In the Second Tender Offer, the minimum number of shares to be purchased is planned to be set by the Offeror at the number obtained by deducting the number of First Tender Offer Tendered Shares from 33,658,500 shares (Ownership Ratio: 53.22%), and if the total number of Second Tender Offer Tendered Shares is less than the minimum number of shares to be purchased, the Offeror will not purchase any of the Second Tender Offer Tendered Shares. No maximum number of shares to be purchased is planned to be set in the Second Tender Offer, and if the number of Second Offer Tendered Shares is equal to more than the minimum number of shares to be purchased, all of the Second Tender Offer Tendered Shares will be purchased.

The Second Tender Offer is planned to commence as soon as practicably possible after the First Tender Offer is completed and settlement is completed. The tender offer period for the Second Tender Offer (“Second Tender Offer Period”) is planned to be 20 business days. However, in the event of unavoidable circumstances such as an extension of the tender offer period for the First Tender Offer, or a natural disaster, the Offeror may postpone the commencement of the Second Tender Offer and change the Second Tender Offer Period. If the First Tender Offer is completed, provided that no event corresponding to the conditions for withdrawal of the First Tender Offer has occurred, the Offeror plans to commence the Second Tender Offer as soon as practicably possible after settlement of the First Tender Offer. If the Offeror acquires 33,658,500 or more Company Shares (53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted.

(b) Reasons for Conducting a Two-Step Tender Offer

In the Tender Offer Registration Statement for the First Tender Offer, the Offeror set the minimum number of shares to be purchased in the First Tender Offer at 33,658,500 (Ownership Ratio: 53.22%). As described in “(a) Overview of the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, on September 3, 2024, Bain Capital issued the Bain Capital Press Release. According to the Company Press Release Dated September 4, 2024, from the viewpoint of not arbitrarily eliminating the possibility of counterproposals being realized, the

Company decided on September 4, 2024 to continue granting Bain Capital the opportunity to conduct due diligence during the Tender Offer Period, and that if a legally binding proposal is made by Bain Capital, the Company and the Special Committee plan to carefully and sincerely consider it. However, the Bain Capital Press Release states Bain Capital may make a legally binding proposal to take the Company private, subject to certain conditions precedent, including (i) the cooperation reasonably required from the Company is obtained in a timely manner, (ii) the necessary institutional decisions are made at Bain Capital, (iii) good faith discussions are entered into with the management of the Company through an appropriate process and the management of the Company and Bain Capital reach a consensus as to management policy for after the delisting of the Company Shares, (iv) it being confirmed in future due diligence that there have been no changes to the Company Group's business, financial situation, management situation, assets, liabilities, cash flows, or future prospects from the content verified in the Information Provision Process, and (v) preparation having been made for receipt of commitment letters for certain funds-based financing from major domestic financial institutions. However, it is unclear as to (a) whether Bain Capital will make a legally binding proposal, and if so, when, (b) what time frame the Company will use to consider the legally binding proposal if one is made, (c) whether the Company will change its opinion regarding the Tender Offer (a resolution of the board of directors of the Company expressing an opinion in favor of the Offeror and recommending the shareholders and Stock Acquisition Rights Holders tender in the Tender Offer) as a result of such consideration, and (d) the reliability of the schedule set out in the Bain Capital Press Release (the plan for Bain Capital to submit a legally binding proposal and announce the scheduled commencement of a tender offer by Bain Capital in October 2024, and the conducting of a tender offer in November 2024 by Bain Capital). In this regard, the Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholder's Interests established by the Ministry of Economy, Trade and Industry on August 31, 2023 state that from the perspective of ensuring that shareholders are provided with the necessary information when making decisions about acquisitions and are not prevented from making rational decisions, it is not advisable for an acquiring party to "announce advance notice of a planned tender offer without a reasonable basis for actually commencing the tender offer, such as by lacking the financial resources required for the acquisition". However, since the publication of the Bain Capital Press Release, the market price of the Company Shares has risen sharply, and the Offeror believes that there are concerns that the Company shareholders and Stock Acquisition Rights Holders are being prevented from making rational decisions due to uncertainty as to whether the Tendering Shareholders will tender in the Tender Offer.

In addition, according to the Company Press Release Dated September 4, 2024, as of September 3, 2024, the Tender Agreements entered into by the Offeror remain valid, and that given the high likelihood of the Tendering Shareholders tendering in the Tender Offer by the Offeror was one of the reasons why the Special Committee determined that there was no change in its assessment that the Transaction by the Offeror is superior to the proposal by Bain Capital in terms of feasibility, the Offeror believes that whether or not 3DIP and Farallon will tender in the Tender Offer in accordance with the Tender Agreements is important information for the Company shareholders and Stock Acquisition Rights Holders in making a rational decision as to the feasibility of the Transaction by the Offeror and Bain Capital's proposal. However, in the Bain Capital Press Release, it is speculated, without providing any concrete evidence, that if the Company changes its opinion on the Tender Offer, 3DIP will be released from its obligations under the 3DIP Tender Agreement and will be able to tender in a tender offer by Bain Capital. Therefore, the Offeror believes that there are specific concerns that actions may be taken by the Company shareholders and Stock Acquisition Rights Holders under the assumption that there is a possibility the Tendering Shareholders may not tender in the Tender Offer, and that the making of rational decisions may be hindered.

Therefore, so that all of the Company Shares and the Stock Acquisition Rights that Prospective Selling Shareholders, including each Tendering Shareholder, and Prospective Selling Stock Acquisition Rights Holders wish to sell can be acquired by the Offeror on the commencement date of settlement of the Tender Offer (October 28, 2024), on September 19, 2024, the Offeror decided on the Removal of the Minimum Tender Condition. Furthermore, the Offeror decided that in addition to the Removal of the Minimum Tender Condition, so that the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, will have a certain opportunity secured to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition Rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer, it would commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed. If a tender offer is commenced by Bain Capital, the Offeror does not plan to tender its Company Shares in such tender offer. In addition, if the Offeror acquires 33,658,500 or more of the Company Shares

(Ownership Ratio: 53.22%) in the First Tender Offer, the Second Tender Offer will not be conducted. Furthermore, prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to each Tendering Shareholder, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, each Tendering Shareholder expressed their intention to the Offeror to tender their respective Planned Tender Shares. In addition, as of September 19, 2024, the Offeror has confirmed that each of the Tendering Shareholders has already tendered their respective Planned Tender Shares pursuant to their respective Tender Agreements, and such tender will not be withdrawn without the consent of the Offeror.

(c) Determination of the Second Tender Offer Price

As described in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion” above, as the Second Tender Offer secures a certain opportunity for the shareholders of the Company and Stock Acquisition Rights Holders who wish to assess whether Bain Capital will make a legally binding proposal in October 2024 and announce a planned tender offer as described in the Bain Capital Press Release, and the details thereof, to sell the Company Shares at the same price as that of the Tender Offer Price, and the Stock Acquisition Rights at the difference between the Tender Offer Price and the exercise price per Company Share even in the case that Bain Capital has not announced a planned tender offer, the Offeror decided to set the Second Tender Offer Price at 8,800 yen, the same as the First Tender Offer Price. Furthermore, since the publication of the Bain Capital Press Release, the market price of the Company Shares has risen sharply, however the Offeror believes that this is due to uncertainty as to whether Bain Capital will make a legally binding proposal in October 2024 and conduct a tender offer, as stated in the Bain Capital Press Release. The Offeror has determined that there is no need to raise the Second Tender Offer Price in light of the sharp rise in the market price of the Company Shares since the publication of the Bain Capital Press Release, as there has been no changes in the Company’s circumstances, and it is thought the Company’s assessment that “the price is a reasonable one that ensures the benefits that general shareholders should be able to enjoy” will not change.

(Before revisions)

(iii) Management Policy Following the Tender Offer

(After revisions)

(v) Management Policy Following the Tender Offers

(c) Process and Reasons for the Decision-Making of the Company

(i) Background of Establishment of Examination Framework

(Before revisions)

As stated in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” above, in early August 2023, although the Company had not concluded that taking the Company Shares private was the best measure to enhance its corporate value, in order to more seriously consider a transaction to take the Company Shares private, based on the recognition of the need to compare and consider all possible options to enhance its corporate value, it carried out the Company Information Provision Process with the aim of providing information related to enhancing its corporate value to multiple potential investors it had invited and it provided those potential investors with the opportunity to conduct due diligence necessary for examining measures to enhance its corporate value and arranged meetings with its directors and management. Specifically, the Company provided certain information to multiple PE funds with extensive experience both domestically and internationally, including KKR, and requested information on their proposed measures to enhance the corporate value of the Company. The Company then received information from each PE fund regarding its measures to enhance the corporate value of the Company.

(After revisions)

As stated in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b)

Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” above, in early August 2023, although the Company had not concluded that taking the Company Shares private was the best measure to enhance its corporate value, in order to more seriously consider a transaction to take the Company Shares private, based on the recognition of the need to compare and consider all possible options to enhance its corporate value, it carried out the Company Information Provision Process with the aim of providing information related to enhancing its corporate value to multiple potential investors it had invited and it provided those potential investors with the opportunity to conduct due diligence necessary for examining measures to enhance its corporate value and arranged meetings with its directors and management. Specifically, the Company provided certain information to multiple PE funds with extensive experience both domestically and internationally, including KKR, and requested information on their proposed measures to enhance the corporate value of the Company. The Company then received information from each PE fund regarding its measures to enhance the corporate value of the Company.

(ii) Background of Examinations and Negotiations

(Before revisions)

<Omitted>

On September 3, 2024, Bain Capital released the “Notice of Submission of Proposal for the Tender Offer for FUJISOFT Incorporated (Securities Code: 9749).” The Company has determined that the proposal from Bain Capital is a bona fide offer and the Company has been conducting an appropriate and fair process with the potential investors, including Bain Capital and KKR. However, as of today, no legally binding proposal has been submitted by Bain Capital. If Bain Capital submits a legally binding proposal, the Company and the Special Committee plan to carefully and sincerely review it.

(After revisions)

<Omitted>

On September 3, 2024, Bain Capital released the Bain Capital Press Release. The Company has determined that the proposal from Bain Capital is a bona fide offer and the Company has been conducting an appropriate and fair process with the potential investors, including Bain Capital and KKR. However, as of today, no legally binding proposal has been submitted by Bain Capital. If Bain Capital submits a legally binding proposal, the Company and the Special Committee plan to carefully and sincerely review it.

(iii) Content of Decision

(Before revisions)

<Omitted>

Additionally, the meeting of the Board of Directors held on August 8, 2024 and the meeting of the Board of Directors held today were attended by three company auditors of the Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolution.

(After revisions)

<Omitted>

Additionally, the meeting of the Board of Directors held on August 8, 2024 and the meeting of the Board of Directors held on September 4, 2024 were attended by three company auditors of the Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolution.

Following that, in connection with the decision by the Offeror on September 19, 2024 to remove the minimum number of shares to be purchased and to commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and settlement is completed, the Company carefully reexamined and discussed the terms of the Tender Offer while respecting to the utmost the contents of the opinion dated September 24, 2024 received from the Special Committee (for the specific contents of that opinion, see “(d) Establishment of an Independent Special Committee by the Company and Obtaining a Report from the Special Committee” in “(6)

Measures to Ensure Fairness in the Tender Offer such as Measures to Ensure Fairness in the Tender Offer Price and Measures to Avoid Conflicts of Interest” below). As a result, given that there are no circumstances where it would be judged that the above amendments to the tender offer terms would impair the fairness of the procedures, the Board of Directors passed a resolution on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting) to continue to express an opinion in support of the Tender Offer and to continue to recommend that the Company’s shareholders and Stock Acquisition Rights Holders tender their Company Share Certificates in the Tender Offer.

In the course of that examination, the Company confirmed with each Tendering Shareholder whether there was any possibility for the Tendering Shareholder to withdraw its tender in the First Tender Offer in the event that a tender offer by Bain Capital were to commence at a tender offer price higher than the Tender Offer Price given that each Tendering Shareholder had already tendered its Tendered Share Certificates in the First Tender Offer under each Tender Agreement and was obligated to not withdraw its tender without the consent of the Offeror under the relevant Tender Agreement. Each Tendering Shareholder responded that there was no possibility for it to withdraw its tender in the First Tender Offer.

In addition, as a result of the above amendments to the tender offer terms, it is theoretically possible to envision a new scenario where both the First Tender Offer and the Second Tender Offer are conducted, and Bain Capital also conducts its tender offer, leading to a final shareholder composition of the Company where the Offeror holds the Tendered Share Certificates (a total of 20,667,670 shares, representing an ownership ratio of 32.68%) and Bain Capital holds a certain number of shares as well. This could result in the general shareholders that did not tender their shares in the First Tender Offer remaining as minority shareholders of the Company. However, the “risk of general shareholders remaining after the tender offer” has already existed. Additionally, since the Company has not yet received a legally binding proposal from Bain Capital regarding a transaction to take the Company private and it is unclear whether Bain Capital will conduct a tender offer or what the terms would be if it does, the likelihood of the aforementioned scenario materializing remains uncertain. Therefore, the Company believes that there is no basis to conclude that the above amendments to the tender offer terms have definitively increased the coerciveness of the First Tender Offer, nor does it believe that the fairness of the process is affected by that.

The Board of Directors has not yet made a decision on its opinion regarding the Second Tender Offer and it plans to determine its opinion upon the commencement of the Second Tender Offer.

(4) Expected Delisting and Reasons Therefor

(Before revisions)

The Company Shares are currently listed on the Prime Market of the TSE as of the date of this Press Release. However, since the Offeror has not set a limit on the maximum number of shares to be purchased in the Tender Offer, the Company Shares might be delisted through prescribed procedures in accordance with the delisting criteria of the TSE, depending on the result of the Tender Offer. In addition, even if those criteria do not apply at the time of the completion of the Tender Offer, the Offeror intends to conduct the Squeeze-out Procedure after the completion of the Tender Offer as described in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” above, so if those procedures are carried out, the Company Shares will be delisted through prescribed procedures in accordance with the delisting criteria of the TSE. After the delisting, it will no longer be possible to trade the Company Shares on the Prime Market of the TSE.

For the reasons behind the purpose of delisting, the impact on minority shareholders, and the Company’s stance on that, see “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion on the Tender Offer” above and “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” below.

(After revisions)

The Company Shares are currently listed on the Prime Market of the TSE as of the date of this Press Release. However, since the Offeror has not set a limit on the maximum number of shares to be purchased in the First Tender Offer and the Second Tender Offer, the Company Shares might be delisted through prescribed procedures in accordance with the delisting criteria of the TSE, depending on the result of the

Tender Offers. In addition, even if those criteria do not apply at the time of the completion of the Tender Offers, the Offeror intends to conduct the Squeeze-out Procedure after the completion of the Tender Offers as described in “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” above, so if those procedures are carried out, the Company Shares will be delisted through prescribed procedures in accordance with the delisting criteria of the TSE. After the delisting, it will no longer be possible to trade the Company Shares on the Prime Market of the TSE. For the reasons behind the purpose of delisting, the impact on minority shareholders, and the Company’s stance on that, see “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” in “(2) Grounds and Reasons for Opinion on the Tender Offers” above and “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” below.

(Before revisions)

(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)

As described in “(a) Overview of the Tender Offer” in “(2) Grounds and Reasons for Opinion” above, in the event that the Offeror will be unable to acquire all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and Stock Acquisition Rights in the Tender Offer, after completion of the Tender Offer, promptly after completion of the settlement of the Tender Offer, the Offeror plans to request that the Company perform a share consolidation of the Company Shares pursuant to Article 180 of the Companies Act (“Share Consolidation”) and plans to request that the Company hold an extraordinary general shareholders meeting (“Extraordinary General Shareholders Meeting”), which is to include a proposal about a partial amendment to the Company’s Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation. The Offeror believes that it is desirable to hold the Extraordinary General Shareholders Meeting as early as possible from the perspective of enhancing the value of the Company, and it plans to request that the Company make a public announcement about setting a record date during the Tender Offer Period so that the date immediately following commencement of settlement of the Tender Offer will be the record date for the Extraordinary General Shareholders Meeting. As of today, the date of the Extraordinary General Shareholders Meeting has not been determined at this time, but it is scheduled to be held in around December 2024 at this time. According to the Company Press Release, the Company will respond to such request if made by the Offeror. The Offeror plans to vote in favor of each of the above proposals at the Extraordinary General Meeting of Shareholders.

If the proposal for the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, on the date on which the Share Consolidation becomes effective, the shareholders of the Company will own the number of Company Shares in accordance with the Share Consolidation ratio approved at the Extraordinary General Shareholders Meeting. If the number of shares resulting from the Share Consolidation results in fractions of less than one share, the money obtained by selling the fractions to the Company or the Offeror in a number equivalent to the sum total of such fractional shares (if the total sum includes fractional shares of less than one share, such sum shall be rounded down to the nearest whole number; hereinafter the same) will be delivered to shareholders of such fractional shares of the Company in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sales price for the Company Shares in the number equivalent to the sum total of such fractional shares, the Offeror plans to set such price so that the amount of money delivered as a result of such sale to the shareholders of the Company that did not tender their shares in the Tender Offer (excluding the Offeror and the Company) will be equal to the amount calculated by multiplying the Tender Offer Price by the number of Company Shares held by each such shareholder, and then request that the Company file a petition for permission for sale by private contract with a court. Further, although the ratio of the Share Consolidation is undecided as of today, to ensure that only the Offeror will own all Company Shares (excluding treasury shares possessed by the Company), it is planned that the number of shares that shareholders of the Company (excluding the Offeror and the Company) that do not tender shares in the Tender Offer will come to possess will be a fraction of less than one share.

As a provision for the purpose of protecting the rights of minority shareholders in connection with the Share Consolidation, if the Share Consolidation is conducted and results in fractions of less than one share, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, the Companies Act provides that shareholders of the Company who do not tender in the Tender Offer (excluding the Offeror and the Company) may demand that the Company purchase all of their shares that

constitute fractions of less than one share at a fair price, and may file a petition with a court to determine the price of the Company Shares. As described above, in the Share Consolidation, since it is planned that the number of shares that shareholders of the Company who do not tender in the Tender Offer (excluding the Offeror and the Company) will come to possess will be a fraction of less than one share, shareholders of the Company who oppose the Share Consolidation will be able to file a petition for price determination in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If the above petition is filed, the purchase price will be ultimately determined by the court.

The aforementioned procedures may take time to implement or the method of implementation may change depending on circumstances such as the amendment, enforcement, and interpretation by related authorities of relevant laws and regulations. However, even in such cases, it is planned that if the Tender Offer is successfully completed, ultimately the method of delivering money to shareholders of the Company (excluding the Offeror and the Company) that do not tender in the Tender Offer will be adopted, and in that case, the amount of money to be delivered to such shareholders of the Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares possessed by each such shareholder of the Company. In addition, if cash is delivered to the Stock Acquisition Right Holders of the Company who have not tendered in the Tender Offer, it will be calculated to be equal to the price obtained by multiplying the Stock Acquisition Right Purchase Price by the number of Stock Acquisition Rights that were held by each such Stock Acquisition Right Holder.

<Omitted>

In addition, if the Offeror fails to acquire all of the Stock Acquisition Rights in the Tender Offer despite the completion of the Tender Offer, and if the Stock Acquisition Rights are not exercised and remain, the Offeror plans to request that the Company implement procedures that are reasonably necessary for implementation of the Transaction, such as acquiring the Stock Acquisition Rights and recommending that the Stock Acquisition Right Holders waive the Stock Acquisition Rights.

The Tender Offer is not intended in any way to solicit the approval of the shareholders of the Company at the Extraordinary General Shareholders Meeting. In addition, shareholders of the Company and Stock Acquisition Right Holders should consult with tax experts at their own responsibility regarding the tax treatment of tendering in the Tender Offer or each of the above procedures.

(After revisions)

(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)

As described in “(a) Overview of the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, in the event that the Offeror will be unable to acquire all of the Company Shares (which includes Restricted Shares and Company Shares delivered upon exercise of the Stock Acquisition Rights but excludes treasury shares owned by the Company) and Stock Acquisition Rights in the Tender Offers, after completion of the Tender Offers, promptly after completion of the settlement of the Tender Offers, the Offeror plans to request that the Company perform a share consolidation of the Company Shares pursuant to Article 180 of the Companies Act (“Share Consolidation”) and plans to request that the Company hold an extraordinary general shareholders meeting (“Extraordinary General Shareholders Meeting”), which is to include a proposal about a partial amendment to the Company’s Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation. The Offeror believes that it is desirable to hold the Extraordinary General Shareholders Meeting as early as possible from the perspective of enhancing the value of the Company, and it plans to request that the Company make a public announcement about setting a record date during the Tender Offer Period so that the date immediately following commencement of settlement of the Second Tender Offer (if the Offeror acquires 33,658,500 shares (Ownership Ratio: 53.22%) or more of the Company Shares in the First Tender Offer, the First Tender Offer) will be the record date for the Extraordinary General Shareholders Meeting. As of today, the date of the Extraordinary General Shareholders Meeting has not been determined at this time, but it is scheduled to be held in around January 2025 (if the Tender Offeror acquires 33,658,500 shares (Ownership Ratio: 53.22%) or more of the Company Shares in the First Tender Offer, around December, 2024) at this time. According to the Company Press Release, the Company will respond to such request if made by the Offeror. The Offeror plans to vote in favor of each of the above proposals at the Extraordinary General Meeting of Shareholders.

If the proposal for the Share Consolidation is approved at the Extraordinary General Shareholders Meeting, on the date on which the Share

Consolidation becomes effective, the shareholders of the Company will own the number of Company Shares in accordance with the Share Consolidation ratio approved at the Extraordinary General Shareholders Meeting. If the number of shares resulting from the Share Consolidation results in fractions of less than one share, the money obtained by selling the fractions to the Company or the Offeror in a number equivalent to the sum total of such fractional shares (if the total sum includes fractional shares of less than one share, such sum shall be rounded down to the nearest whole number; hereinafter the same) will be delivered to shareholders of such fractional shares of the Company in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sales price for the Company Shares in the number equivalent to the sum total of such fractional shares, the Offeror plans to set such price so that the amount of money delivered as a result of such sale to the shareholders of the Company that did not tender their shares in the Tender Offers (excluding the Offeror and the Company) will be equal to the amount calculated by multiplying the Tender Offer Price by the number of Company Shares held by each such shareholder, and then request that the Company file a petition for permission for sale by private contract with a court. Further, although the ratio of the Share Consolidation is undecided as of today, to ensure that only the Offeror will own all Company Shares (excluding treasury shares possessed by the Company), it is planned that the number of shares that shareholders of the Company (excluding the Offeror and the Company) that do not tender shares in the Tender Offers will come to possess will be a fraction of less than one share.

As a provision for the purpose of protecting the rights of minority shareholders in connection with the Share Consolidation, if the Share Consolidation is conducted and results in fractions of less than one share, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, the Companies Act provides that shareholders of the Company who do not tender in the Tender Offers (excluding the Offeror and the Company) may demand that the Company purchase all of their shares that constitute fractions of less than one share at a fair price, and may file a petition with a court to determine the price of the Company Shares. As described above, in the Share Consolidation, since it is planned that the number of shares that shareholders of the Company who do not tender in the Tender Offers (excluding the Offeror and the Company) will come to possess will be a fraction of less than one share, shareholders of the Company who oppose the Share Consolidation will be able to file a petition for price determination in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If the above petition is filed, the purchase price will be ultimately determined by the court.

The aforementioned procedures may take time to implement or the method of implementation may change depending on circumstances such as the amendment, enforcement, and interpretation by related authorities of relevant laws and regulations. However, even in such cases, it is planned that if the Tender Offers are successfully completed, ultimately the method of delivering money to shareholders of the Company (excluding the Offeror and the Company) that do not tender in the Tender Offers will be adopted, and in that case, the amount of money to be delivered to such shareholders of the Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares possessed by each such shareholder of the Company. In addition, if cash is delivered to the Stock Acquisition Right Holders of the Company who have not tendered in the Tender Offers, it will be calculated to be equal to the price obtained by multiplying the Stock Acquisition Right Purchase Price by the number of Stock Acquisition Rights that were held by each such Stock Acquisition Right Holder.

<Omitted>

In addition, if the Offeror fails to acquire all of the Stock Acquisition Rights in the Tender Offers despite the completion of the Tender Offers, and if the Stock Acquisition Rights are not exercised and remain, the Offeror plans to request that the Company implement procedures that are reasonably necessary for implementation of the Transaction, such as acquiring the Stock Acquisition Rights and recommending that the Stock Acquisition Right Holders waive the Stock Acquisition Rights.

The Tender Offers are not intended in any way to solicit the approval of the shareholders of the Company at the Extraordinary General Shareholders Meeting. In addition, shareholders of the Company and Stock Acquisition Right Holders should consult with tax experts at their own responsibility regarding the tax treatment of tendering in the Tender Offers or each of the above procedures.

- (6) Measures to Ensure the Fairness of the Tender Offer, Including Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest
- (a) Receipt and Review of Proposals from Multiple PE Funds

(Before revisions)

As stated in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion” above, the Company provided certain information to multiple PE funds in August 2023 and received information regarding their corporate value enhancement measures. Additionally, on September 4, 2023, the Company received written proposals regarding the privatization of the Company Shares from multiple PE funds at the request of 3DIP. As the process has proceeded following that, from early to late June 2024, the Company received legally binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund. Following that, in light of the opinion of the Special Committee, after carefully considering the letter of intent it received, the Company concluded in the middle of July 2024 that the most crucial issue for advancing the Company’s management is to restructure the shareholder composition. The Company concluded that accepting proposals from the PE funds was the best means to achieve this and it decided to proceed with discussions with KKR, which was the PE fund that offered the highest price. After that, through continuous discussions between the Board of Directors of the Company and the Special Committee with KKR regarding the implementation of the Transactions, the Company reached an agreement to proceed with the Transactions. It should be noted that, of the potential investors that made binding offers, compared to the terms proposed by KKR, no other potential investor has presented more favorable conditions for the Company’s shareholders regarding the Tender Offer Price.

(After revisions)

As stated in “(ii) Discussions Between the Offeror, the Company and 3DIP and the Offeror’s Decision-Making Process, Etc.” in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, the Company provided certain information to multiple PE funds in August 2023 and received information regarding their corporate value enhancement measures. Additionally, on September 4, 2023, the Company received written proposals regarding the privatization of the Company Shares from multiple PE funds at the request of 3DIP. As the process has proceeded following that, from early to late June 2024, the Company received legally binding letters of intent from two PE funds, including KKR, and a non-binding letter of intent from one PE fund. Following that, in light of the opinion of the Special Committee, after carefully considering the letter of intent it received, the Company concluded in the middle of July 2024 that the most crucial issue for advancing the Company’s management is to restructure the shareholder composition. The Company concluded that accepting proposals from the PE funds was the best means to achieve this and it decided to proceed with discussions with KKR, which was the PE fund that offered the highest price. After that, through continuous discussions between the Board of Directors of the Company and the Special Committee with KKR regarding the implementation of the Transactions, the Company reached an agreement to proceed with the Transactions. It should be noted that, of the potential investors that made binding offers, compared to the terms proposed by KKR, no other potential investor has presented more favorable conditions for the Company’s shareholders regarding the Tender Offer Price.

(d) Establishment of an Independent Special Committee by the Company and Obtaining a Report from the Special Committee

(Before revisions)

<Omitted>

- The decision by the Board of Directors of the Company to execute the Transactions is not disadvantageous to the minority shareholders of the Company.

(After revisions)

<Omitted>

- The decision by the Board of Directors of the Company to execute the Transactions is not disadvantageous to the minority shareholders of the Company.

In addition, on September 24, 2024 (the “Date of September 24 Opinion”), the Special Committee submitted its additional opinion (the “September 24 Opinion”) to the Board of Directors of the Company, the details of which are discussed as follow:

(vii) Background Leading to the September 24 Opinion and Other Details

(a) Material Changes in Circumstances That Can Affect the Transactions on and after the Submission of the September 4 Opinion

The Offeror changed the structure of the Transactions as follows (the “Structure Change”) and filed the September 19 Amended Statement on September 19, 2024.

- ① The Offeror has abolished the minimum number of shares to be purchased in the First Tender Offer, which means the tender offer previously referred to as the Tender Offer.
- ② After the First Tender Offer has been concluded and settlement has been completed, if the number of shares tendered in the First Tender Offer falls below 33,658,500 shares (Ownership Ratio: 53.22%), the Offeror will commence the Second Tender Offer as soon as practicable.
- ③ The key terms planned for the Second Tender Offer are as follows:
 - The tender offer price is 8,800 yen.
 - The minimum number of shares to be purchased is 33,658,500 shares (Ownership Ratio: 53.22%) less the number of shares tendered in the First Tender Offer.

(b) Activities of the Committee in Relation to the Material Changes in Circumstances

There are no changes to the members who constitute the Committee.

- ① The Committee met with KKR and KKR provided the Committee with the details of the Structure Change and the reasons for implementing the Structure Change.
- ② KKR disclosed to the Committee a document entitled Coercion Assessment on the Changed Structure prepared by KKR’s legal advisers, Nishimura & Asahi.
- ③ The Committee heard from 3DIP and Farallon, through the Company’s executives, about the policies they would adopt in light of the Structure Change.
- ④ On September 24, 2024, the Committee received from Bain Capital a document stating Bain Capital’s views on the Structure Change and the future policy that Bain Capital would adopt in light of the Structure Change.
- ⑤ The Committee carefully discussed the related issues at its meetings held in a timely manner, taking into account the information obtained through the above-mentioned activities, while receiving expert advice from the advisers engaged by the Committee.

(viii) Content of the Opinion

Even taking into account the circumstances arising after the September 4 Opinion until the Date of the September 24 Opinion, the Committee believes that no circumstances have arisen that would require the Committee to change any statement in the September 4 Opinion.

Accordingly, as of the Date of the September 24 Opinion, the Committee does not change its opinion expressed in the September 4 Opinion.

(ix) Reasons of the Opinion

(a) Whether or Not the Transactions Contribute to the Enhancement of the Company's Corporate Value

There is no change in the assumed facts concerning the Consultation Matters identified in the September 4 Opinion.

Therefore, the Committee does not change its opinion on the Consultation Matters in the September 4 Opinion.

(b) Whether or Not the Terms of the Transactions Are Reasonable

There is no change in the assumed facts concerning the Consultation Matters identified in the September 4 Opinion.

Therefore, the Committee does not change its opinion on the Consultation Matters in the September 4 Opinion.

(c) Whether or Not the Fairness of the Procedures is Secured in the Transactions

① Regarding Coercion

Currently, 3DIP and Farallon enter into tender agreements with KKR that do not contain a fiduciary out clause. Therefore, at the present time, it is already highly likely that KKR will acquire the shares held by 3DIP and Farallon, and it is much less likely that Bain Capital will take the Company private. The Structure Change will cause the Offeror to actually acquire 32.68% of the shares in the Company (as the Ownership Ratio; The same applies hereinafter in this subsection (ix).) through the First Tender Offer.

Therefore, in the comparison to the scenario prior to the Structure Change, a new scenario is imagined in which, if the First Tender Offer and the Second Tender Offer (collectively, the "First and Other Tender Offers") are implemented and a further tender offer is implemented by Bain Capital, the final shareholder composition of the Company will be theoretically such that the Offeror will hold the aforementioned number of shares and Bain Capital will also hold a certain number of shares in the Company. In this scenario, the general shareholders who do not tender their shares in the First Tender Offer could remain as minority shareholders in the Company.

However, it is not clear at this stage whether Bain Capital will make a tender offer and, if Bain Capital does, what the details of the tender offer will be, and therefore it is not clear to what extent the above scenario is likely to materialize. Even in the scenario prior to the Structure Change, it is possible that, if neither the First Tender Offer nor Bain Capital's tender offer is successful, general shareholders could remain as minority shareholders of the Company. The "risk of general shareholders remaining after any such tender offer" has been existing since before.

Therefore, at the present time, the Committee believes that there are no circumstances that would lead the Committee to conclude that the coercive nature of the First Tender Offer has definitely increased after the Structure Change.

The Committee intends to determine whether the Second Tender Offer is coercive, depending on the circumstances at the time of the commencement of the Second Tender Offer.

② Regarding the Opportunity to Confirm Shareholders' Intentions and Market Checks

A. Issues to Consider

As discussed in subsection ① above, while it is much less likely that Bain Capital will take the Company private, the Structure Change will cause the Offeror to actually acquire 32.68% of the shares in the Company.

The Committee therefore has determined that it is also desirable for the Committee to consider the following aspects: (i) Does the Company prioritize the interests of major shareholders who wish to sell their shares early and will minority shareholders be deprived of the opportunity to compare and consider KKR's and Bain Capital's offers and to express their own intentions by way of tendering their shares to either of those offers? (Does the Company disregard the "Principle of Shareholders' Intent" as defined in Corporate Takeovers Guidelines); and (ii) Despite the increasing likelihood of Bain Capital making a competing

tender offer due to the Company's "indirect market check," the Structure Change would eliminate the possibility of Bain Capital taking the Company private. Does this mean that the Company has dismissed the results of its market check? (Does the Company fail to conduct "Negotiations Aimed at Best Available Transaction Terms for Shareholders" as defined in Corporate Takeover Guidelines?).

B. The Committee's Judgement

The Committee considered these issues as follows.

First, with respect to the issue (i) discussed in subsection A. above, even after the Structure Change, it is still possible for Bain Capital to conduct a tender offer at a higher price than the price of the First Tender Offer prior to the closing of the First Tender Offer, and Bain Capital has in fact announced its intention to make a competing tender offer.

Therefore, even if the likelihood of Bain Capital taking the Company private is significantly reduced, this will not prevent Bain Capital from commencing a tender offer and will not completely eliminate the opportunity for minority shareholders to compare KKR's and Bain Capital's offers. Accordingly, there are no circumstances that the Committee should consider contrary to the "Principle of Shareholders' Intent."

With regard to the issue (ii) discussed in subsection A. above, as stated in the August 7 Opinion, the Company already secured a competitive environment equivalent to a "proactive market check" in the course of action. In addition, after receiving a non-legally binding proposal from Bain Capital, the Company permitted Bain Capital to conduct due diligence. The Company also requested KKR to set the tender offer period for the First Tender Offer at 30 business days. The fact that the Company secured such a competitive environment as far as possible will never be reversed after the Structure Change.

With regard to the Structure Change, the Committee would also like to point out that, as the First Tender Offer would be settled first and the Offeror would acquire 32.68% of the shares in the Company, the Transactions would have changed to a structure similar to a takeover by a controlling shareholder. In this regard, as for the market checks conducted in cases where the acquirer is the controlling shareholder, METI states that "the controlling shareholder seeking to acquire the target company already has a controlling interest in the target company, and it is unlikely that a serious competing proposal will be made in cases where the controlling shareholder is unwilling to sell to a third party. For this reason, in cases where the acquiring party is a controlling shareholder, there are only a limited number of cases where a market check will function as a Fairness Ensuring Measure, and in most cases there will be scant meaning to implementing a market check" (METI's M&A Guidelines, p. 37). Therefore, it can be assessed that at this stage, the market checks would practically no longer function.

Accordingly, the Commission believes that there are no circumstances that the Committee considers to cause the fairness of the procedures to be lost.

③ Other Circumstances Relating to the Fairness of the Procedures

Apart from the items discussed above, there is no change in the assumed facts concerning the Consultation Matters identified in the September 4 Opinion.

④ Short Summary

Accordingly, the Committee does not change its opinion on the Consultation Matters in the September 4 Opinion.

(d) Conclusion

Consequently, even taking into account the circumstances arising after the September 4 Opinion until the Date of the September 24 Opinion, the Committee believes that no circumstances have arisen that would require the Committee to change any statement in the September 4 Opinion.

Accordingly, as of the Date of the September 24 Opinion, the Committee does not change its opinion expressed in the

September 4 Opinion.

For the avoidance of doubt, however, in the September 4 Opinion, the Committee expressed its opinion on the First Tender Offer, i.e. the tender offer previously referred to as the Tender Offer. Therefore, in the September 24 Opinion, as in the September 4 Opinion, the Committee does not express any opinion on the Second Tender Offer.

- (g) Approval of All Directors With No Interest in the Company and Opinion of No Objection of All Company Auditors With No Interest in the Company

(Before revisions)

<Omitted>

As described in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion” above, the Company judged that, because the Tender Offer Price of JPY 8,800 per share is a fair price that ensures the benefits to be enjoyed by the Company’s minority shareholders and, given that, the Stock Acquisition Right Purchase Price is calculated as the Tender Offer Price of JPY 8,800 minus the exercise price per share of the Stock Acquisition Rights multiplied by the number of shares underlying each Stock Acquisition Right, it is also a fair price. Therefore, the Company determined that the Tender Offer will provide the Company’s shareholders and Stock Acquisition Rights Holders with a reasonable opportunity to sell the Company Share Certificates at a price with an appropriate premium. At the Board of Directors meeting held on August 8, 2024, the Company passed a resolution to express its support for the Tender Offer as its current opinion and recommend the shareholders of the Company and the Stock Acquisition Rights Holders to tender their Company Share Certificates in the Tender Offer, if the Tender Offer has commenced.

<Omitted>

Additionally, the meeting of the Board of Directors held on August 8, 2024 and the meeting of the Board of Directors held today were attended by three company auditors of the Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolution.

(After revisions)

<Omitted>

As described in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, the Company judged that, because the Tender Offer Price of JPY 8,800 per share is a fair price that ensures the benefits to be enjoyed by the Company’s minority shareholders and, given that, the Stock Acquisition Right Purchase Price is calculated as the Tender Offer Price of JPY 8,800 minus the exercise price per share of the Stock Acquisition Rights multiplied by the number of shares underlying each Stock Acquisition Right, it is also a fair price. Therefore, the Company determined that the Tender Offer will provide the Company’s shareholders and Stock Acquisition Rights Holders with a reasonable opportunity to sell the Company Share Certificates at a price with an appropriate premium. At the Board of Directors meeting held on August 8, 2024, the Company passed a resolution to express its support for the Tender Offer as its current opinion and recommend the shareholders of the Company and the Stock Acquisition Rights Holders to tender their Company Share Certificates in the Tender Offer, if the Tender Offer has commenced.

<Omitted>

Additionally, the meeting of the Board of Directors held on August 8, 2024 and the meeting of the Board of Directors held on September 4, 2024 were attended by three company auditors of the Company, and all company auditors who attended stated their opinion that they have no objection to passing the above resolution.

Following that, in connection with the decision by the Offeror on September 19, 2024 to remove the minimum number of shares to be purchased and to commence the Second Tender Offer as soon as practicably possible after the First Tender Offer is completed and

settlement is completed, the Company carefully reexamined and discussed the terms of the Tender Offer while respecting to the utmost the contents of the opinion dated September 24, 2024 received from the Special Committee (for the specific contents of that opinion, see “(d) Establishment of an Independent Special Committee by the Company and Obtaining a Report from the Special Committee” above). As a result, given that there are no circumstances where it would be judged that the above amendments to the tender offer terms would impair the fairness of the procedures, the Board of Directors passed a resolution on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting) to continue to express an opinion in support of the Tender Offer and to continue to recommend that the Company’s shareholders and Stock Acquisition Rights Holders tender their Company Share Certificates in the Tender Offer. The Board of Directors has not yet made a decision on its opinion regarding the Second Tender Offer and it plans to determine its opinion upon the commencement of the Second Tender Offer.

Additionally, three company auditors of the Company stated their opinion that they have no objection to the above resolution passed on September 26, 2024 under Article 370 of the Companies Act (written resolution in lieu of a resolution of a board of directors meeting).

(h) Measures to Ensure Other Offerors Have an Opportunity to Purchase the Company Shares

(Before revisions)

<Omitted>

Furthermore, as described in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion” above, the Company started the Company Information Provision Process in August 2023, and by comparing and examining measures to enhance corporate value to be realized through privatizing the Company Shares, which were provided by multiple candidates, including KKR, with measures to enhance corporate value that the Company is expected to realize as a listed company, the Company concluded that the measures to enhance corporate value to be realized through privatizing the Company Shares are more desirable from the perspective of securing and enhancing its corporate value and, ultimately, the common interests of its shareholders. Since the commencement of the 3DIP Process and Company Information Provision Process, while maintaining a certain level of competition and continuing discussions and interviews with multiple candidates, the Company received multiple proposals for privatization, and compared these proposals. As a result the Company decided to commence discussions and deliberations with KKR, whose final proposal was best, towards the implementation of the Transaction (including negotiations on the final Tender Offer Price), and after ongoing discussions and negotiations, KKR was selected as the final candidate. The Company received information on measures to improve corporate value, and at least one privatization proposal from all candidates that participated in the Company Information Provision Process. Further, according to the disclosure document titled “Notice Regarding the Status of Consideration of Measures to Enhance Corporate Value” published January 12, 2024, it is public knowledge that the Company has received proposals to be taken private from several PE funds and is considering the details of such proposals, and until today, there has been ample opportunity and time for potential acquirers interested in taking the Company private to make proposals. Because an expiration date was set for the Final KKR Proposal, proactive market checks are not necessarily the best option from the perspective of securing and improving corporate value and the common interests of shareholders, in that it raises concerns that the Final KKR Proposal may expire. Therefore, the Offeror believes that careful consideration to secure and improve corporate value and the common interests of shareholders and substantial and proactive market checks have been performed over a sufficient period of time. Based on these factors, the Offeror believes there are sufficient opportunities for persons other than the Offeror to purchase the Company Securities.

(After revisions)

<Omitted>

Furthermore, as described in “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” in “(2) Grounds and Reasons for Opinion” above, the Company started the Company Information Provision Process in August 2023, and by comparing and examining measures to enhance corporate value to be realized through privatizing the Company Shares, which were provided by multiple candidates, including KKR, with measures to enhance corporate value that the Company is expected to realize as a listed company, the Company concluded that the measures to

enhance corporate value to be realized through privatizing the Company Shares are more desirable from the perspective of securing and enhancing its corporate value and, ultimately, the common interests of its shareholders. Since the commencement of the 3DIP Process and Company Information Provision Process, while maintaining a certain level of competition and continuing discussions and interviews with multiple candidates, the Company received multiple proposals for privatization, and compared these proposals. As a result the Company decided to commence discussions and deliberations with KKR, whose final proposal was best, towards the implementation of the Transaction (including negotiations on the final Tender Offer Price), and after ongoing discussions and negotiations, KKR was selected as the final candidate. The Company received information on measures to improve corporate value, and at least one privatization proposal from all candidates that participated in the Company Information Provision Process. Further, according to the disclosure document titled “Notice Regarding the Status of Consideration of Measures to Enhance Corporate Value” published January 12, 2024, it is public knowledge that the Company has received proposals to be taken private from several PE funds and is considering the details of such proposals, and until today, there has been ample opportunity and time for potential acquirers interested in taking the Company private to make proposals. Because an expiration date was set for the Final KKR Proposal, proactive market checks are not necessarily the best option from the perspective of securing and improving corporate value and the common interests of shareholders, in that it raises concerns that the Final KKR Proposal may expire. Therefore, the Offeror believes that careful consideration to secure and improve corporate value and the common interests of shareholders and substantial and proactive market checks have been performed over a sufficient period of time. Based on these factors, the Offeror believes there are sufficient opportunities for persons other than the Offeror to purchase the Company Securities.

(ix) Elimination of Coerciveness

(Before revisions)

As described in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” above, (i) promptly after completion of settlement of the Tender Offer, the Offeror plans to request that the Company perform the Share Consolidation (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)”) and plans to request that the Company hold an Extraordinary General Shareholders Meeting (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)”), which is to include a proposal about a partial amendment to the Company’s Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation, and the Offeror will not adopt a method that does not secure the right of shareholders of the Company to demand price determinations, and (ii) it is declared that, when the Share Consolidation is performed, the amount of money that will be delivered to each shareholder of the Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares possessed by each such shareholder (excluding the Offeror and the Company). As a result of these measures, the Company’s shareholders will have the opportunity to make appropriate judgments as to whether to tender in the Tender Offer, thereby ensuring that there is no coercion.

(After revisions)

As described in “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” above, (i) promptly after completion of settlement of the Tender Offers, the Offeror plans to request that the Company perform the Share Consolidation (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)”) and plans to request that the Company hold an Extraordinary General Shareholders Meeting (as defined in “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)”), which is to include a proposal about a partial amendment to the Company’s Articles of Incorporation whereby the provision concerning the number of shares that constitute one unit shall be abolished subject to effectuation of the Share Consolidation, and the Offeror will not adopt a method that does not secure the right of shareholders of the Company to demand price determinations, and (ii) it is declared that, when the Share Consolidation is performed, the amount of money that will be delivered to each shareholder of the Company will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares possessed by each such shareholder (excluding the Offeror and the Company). As a result of these measures, the Company’s shareholders will have the opportunity to make appropriate judgments as to whether to tender in the Tender Offer, thereby ensuring that there is no coercion.

4. Important Agreements Relating to the Tender Offer Between the Offeror and the Company's Shareholders

(1) 3DIP Tender Agreement

(Before revisions)

On August 8, 2024, the Offeror entered into the 3DIP Tender Agreement with 3DIP, including an agreement to tender 14,834,000 shares of the Company Shares for which 3DIP has investment authority (Ownership Ratio: 23.46%) in the Tender Offer and the following terms. The Offeror has not agreed to provide or offer any benefits to 3DIP in addition to the consideration for tendering in the Tender Offer with respect to the Transaction. At the time of entering into the Tender Agreements, the Offeror had expected to set the minimum number of shares to be purchased at 42,142,900 shares (Ownership Ratio: 66.64%). However, on September 4, 2024, the Offeror decided to commence the Tender Offer from September 5, 2024, with the minimum number of shares to be purchased set at 33,658,500 shares (Ownership Ratio: 53.22%), and on September 4, 2022, the Offeror obtained the agreement of 3DIP to tender 14,834,000 shares (Ownership Ratio: 23.46%) of the Company Shares for which 3DIP has investment authority pursuant to the 3DIP Tender Agreement regardless of any change to the minimum number of shares to be purchased.

<Omitted>

(After revisions)

On August 8, 2024, the Offeror entered into the 3DIP Tender Agreement with 3DIP, including an agreement to tender 14,834,000 shares of the Company Shares for which 3DIP has investment authority (Ownership Ratio: 23.46%) in the Tender Offer and the following terms. The Offeror has not agreed to provide or offer any benefits to 3DIP in addition to the consideration for tendering in the Tender Offer with respect to the Transaction. At the time of entering into the Tender Agreements, the Offeror had expected to set the minimum number of shares to be purchased at 42,142,900 shares (Ownership Ratio: 66.64%). However, on September 4, 2024, the Offeror decided to commence the Tender Offer from September 5, 2024, with the minimum number of shares to be purchased set at 33,658,500 shares (Ownership Ratio: 53.22%), and on September 4, 2022, the Offeror obtained the agreement of 3DIP to tender 14,834,000 shares (Ownership Ratio: 23.46%) of the Company Shares for which 3DIP has investment authority pursuant to the 3DIP Tender Agreement regardless of any change to the minimum number of shares to be purchased. In addition, prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to 3DIP, and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, 3DIP expressed their intention to the Offeror to tender their Planned Tender Shares. In addition, as of September 19 2024, the Offeror has confirmed that 3DIP has already tendered their Planned Tender Shares pursuant to the 3DIP Tender Agreement, and such tender will not be withdrawn without the consent of the Offeror.

<Omitted>

(2) Farallon Tender Agreement

(Before revisions)

On August 8, 2024, the Offeror entered into the Farallon Tender Agreement with Farallon, including an agreement to tender 5,833,670 shares of the Company Shares (Ownership Ratio: 9.22%) owned by Farallon in the Tender Offer and the following terms. The Offeror has not agreed to provide or offer any benefits to Farallon in addition to the consideration for tendering in the Tender Offer with respect to the Transaction. At the time of entering into the Tender Agreements, the Offeror had expected to set the minimum number of shares to be purchased at 42,142,900 shares (Ownership Ratio: 66.64%). However, on September 4, 2024, the Offeror decided to commence the Tender Offer from September 5, 2024, with the minimum number of shares to be purchased set at 33,658,500 shares (Ownership Ratio: 53.22%), and on September 4, 2022, the Offeror obtained the agreement of Farallon to tender 5,833,670 shares (Ownership Ratio: 9.22%) of the Company Shares held by Farallon pursuant to the Farallon Tender Agreement regardless of any change to the minimum number of shares to be purchased.

<Omitted>

(After revisions)

On August 8, 2024, the Offeror entered into the Farallon Tender Agreement with Farallon, including an agreement to tender 5,833,670 shares of the Company Shares (Ownership Ratio: 9.22%) owned by Farallon in the Tender Offer and the following terms. The Offeror has not agreed to provide or offer any benefits to Farallon in addition to the consideration for tendering in the Tender Offer with respect to the Transaction. At the time of entering into the Tender Agreements, the Offeror had expected to set the minimum number of shares to be purchased at 42,142,900 shares (Ownership Ratio: 66.64%). However, on September 4, 2024, the Offeror decided to commence the Tender Offer from September 5, 2024, with the minimum number of shares to be purchased set at 33,658,500 shares (Ownership Ratio: 53.22%), and on September 4, 2022, the Offeror obtained the agreement of Farallon to tender 5,833,670 shares (Ownership Ratio: 9.22%) of the Company Shares held by Farallon pursuant to the Farallon Tender Agreement regardless of any change to the minimum number of shares to be purchased. In addition, prior to deciding on the Scheme Change, the Offeror explained the details of the Scheme Change to Farallon and when confirming their intention to tender the Planned Tender Shares regardless of the Removal of the Minimum Tender Condition, Farallon expressed their intention to the Offeror to tender their Planned Tender Shares. In addition, as of September 19 2024, the Offeror has confirmed that Farallon has already tendered their Planned Tender Shares pursuant to the Farallon Tender Agreement, and such tender will not be withdrawn without the consent of the Offeror.

<Omitted>

9. Future Outlook

(Before revisions)

See “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offer and Management Policy Following the Tender Offer” in “(2) Grounds and Reasons for Opinion,” “(4) Expected Delisting and Reasons Therefor,” and “(5) Policy on Organizational Restructuring After the Tender Offer (Matters Relating to the So-Called Two-Step Acquisition)” in “3. Details, Grounds and Reasons for the Opinion on the Tender Offer” above.

(After revisions)

See “(b) Background, Purpose, and Decision-Making Process Leading to the Offeror’s Decision to Conduct the Tender Offers and Management Policy Following the Tender Offers” in “(2) Grounds and Reasons for Opinion,” “(4) Expected Delisting and Reasons Therefor,” and “(5) Policy on Organizational Restructuring After the Tender Offers (Matters Relating to the So-Called Two-Step Acquisition)” in “3. Details, Grounds and Reasons for the Opinion on the Tender Offer” above.

-End-