

**Notice of Commencement of Tender Offer for Shares of  
Wako Pure Chemical Industries, Ltd. by FUJIFILM Corporation**

As announced in the press release dated December 15, 2016 “Notice of Scheduled Commencement of Tender Offer for Shares of Wako Pure Chemical Industries, Ltd. by FUJIFILM Corporation,” FUJIFILM Corporation (“FUJIFILM”), a wholly owned subsidiary of FUJIFILM Holdings Corporation (the “Company”), resolved at the meeting of the board of directors held on December 15, 2016, to acquire the common stock of Wako Pure Chemical Industries Ltd. (“Wako Pure Chemical”) through a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended), subject to certain conditions, including the completion of procedures of acquisition of the common stock of Wako Pure Chemical to be implemented by Wako Pure Chemical and the completion of necessary procedures and measures required by competition laws of Japan and abroad.

The Company hereby announces as attached that FUJIFILM has decided to commence the Tender Offer from February 27, 2017, based on the above resolution, as FUJIFILM confirmed that the above-mentioned procedures and measures have been completed and the conditions to commence the Tender Offer have been satisfied.

Through the acquisition of Wako Pure Chemical, the Company will continue to expand its business by utilizing the sophisticated technologies and competitive products, and such of both FUJIFILM Group and Wako Pure Chemical. As stated below, by applying chemical synthesis technology, nanotechnology and production technology developed by FUJIFILM Group through photographic film and others for Wako Pure Chemical’s business, FUJIFILM Group will be able to generate significant synergies in our key focus areas of “healthcare,” including regenerative medicine business, medical systems business and pharmaceutical business, as well as “highly functional materials,” including electronic materials business and industrial products business.

In regenerative medicine business, FUJIFILM Group has Cellular Dynamics International, Inc. (“CDI”), located in the U.S., which is a leading company in the development and manufacturing of iPS cells, and Japan Tissue Engineering Co., Ltd. (“J-TEC”), which is the first company that has launched regenerative medicine products in Japan. FUJIFILM Group has the necessary technology and know-how for regenerative medicine, such as the main patents regarding the production of iPS cells, the know-how for development and manufacture of cells, the scaffold material necessary for cell culture (recombinant peptide), the manufacturing technology in the stable conditions and the control technology in the micro-environment. After adding the cell culture medium, which is a product of Wako Pure Chemical, through this acquisition, FUJIFILM Group will have all the main elements necessary for regenerative medicine. FUJIFILM Group will utilize the technology of manufacturing a small quantity of diversified products developed by Wako Pure Chemical as a laboratory chemical manufacturer, and will proceed with the development of the high-functioning customized cell culture medium suitable for cultivation of various cells. In addition, FUJIFILM

Group will accelerate the development of its regenerative medicine business by coordinating Wako Pure Chemical, CDI and J-TEC.

In the in-vitro diagnostic field of medical systems business, FUJIFILM Group has developed in-vitro diagnostic systems, such as the clinical chemical analysis system implementing measurements of chemical constituents in the blood with accuracy and high-precision and immunodiagnostic system detecting the influenza virus with high sensitivity, and has increased the sales thereof by more than 10% per year. FUJIFILM Group will expand its product lineup to satisfy the needs of customers from small clinics to large hospitals by adding the product lineup of Wako Pure Chemical, such as the immunology analyzer and biochemical analysis laboratory chemicals. Further, FUJIFILM Group will utilize Wako Pure Chemical's sales network, which has access to almost all facilities in Japan conducting examinations inside hospitals, and FUJIFILM Group's worldwide network developed by the sales of medical equipment, such as image diagnostic devices, and medical IT systems, in order to expand the sales of products of each other in each network.

In the field of contract development and manufacturing organization (CDMO) in pharmaceutical business, in FUJIFILM Group, FUJIFILM Diosynth Biotechnologies is engaged in CDMO of bio-pharmaceutical, and FUJIFILM Finechemicals Co., Ltd. is engaged in CDMO of small molecule drugs. Through this acquisition, FUJIFILM Group will expand the business of CDMO of pharmaceutical by utilizing the chemical synthesis technology and production technology of cell culture medium of Wako Pure Chemical as well as the chemical synthesis technology of small molecule drugs and the manufacturing technology of bio-pharmaceutical of FUJIFILM Group.

In electronic materials business, FUJIFILM Group has the product lineup of semiconductor materials including photoresist, materials for image sensors and CMP slurry, and has achieved the sales growth of more than 10% per year by supplying competitive products in the leading-edge of the semiconductor material field. Through this acquisition, Wako Pure Chemical's detergents used in the manufacturing process of semiconductor and other products will be added, and FUJIFILM Group will proceed with further development of its electronic materials business.

In industrial products business, FUJIFILM Group will utilize its chemical library of two hundred thousand types developed mainly through photographic film in Wako Pure Chemical's reagent business. In addition, FUJIFILM Group will proceed with the development of the new high-functioning reagents and the next generation products of highly competitive polymerization initiator of Wako Pure Chemical by exploiting the sophisticated chemical synthesis technology of FUJIFILM Group to expand its chemical business globally through the worldwide network of FUJIFILM Group.

While Wako Pure Chemical will be a consolidated subsidiary of FUJIFILM if the Tender Offer succeeds, as the commencement date of the settlement regarding the Tender Offer is scheduled for April 21, 2017, there is no impact on the Company's consolidated results in the fiscal year 2016. The impact thereof on the Company's consolidated results in the fiscal year 2017 (the next fiscal year) will be announced once the details are determined.

#### Overview of FUJIFILM

(1)	Name	FUJIFILM Corporation
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(2)	Address	26-30, Nishiazabu 2-chome, Minato-ku, Tokyo
(3)	Name and Title of Representative	Kenji Sukeno President and COO
(4)	Business Description	(i) Development, production and sales of imaging solutions (color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems, optical devices, etc.), (ii) Development, production and sales of information solutions (equipment and materials for medical systems, life sciences products, pharmaceuticals, equipment and materials for graphic arts, flat panel display materials, recording media and electronic materials, etc.), etc.
(5)	Paid-in Capital	40,000 million yen (as of February 24, 2017)

Attachment

Announcement of FUJIFILM Corporation

“Notice of Commencement of Tender Offer for Shares of Wako Pure Chemical Industries, Ltd.”



**FUJIFILM Corporation**

*Kenji Sukeno*

**President and Chief Operating Officer**

February 24, 2017

**Notice of Commencement of Tender Offer for Shares of  
Wako Pure Chemical Industries, Ltd.**

As announced in the press release dated December 15, 2016 “Notice of Scheduled Commencement of Tender Offer for Shares of Wako Pure Chemical Industries, Ltd.” (the “Tender Offeror’s Press Release in December 2016”), FUJIFILM Corporation (the “Tender Offeror”) resolved at the meeting of the board of directors held on December 15, 2016, to acquire the common stock of Wako Pure Chemical Industries, Ltd. (the “Target Company”) (the “Target Company’s Shares”) through a tender offer (the “Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) (the “Act”), subject to certain conditions, including the completion of procedures of acquisition of the Target Company’s Shares to be implemented by the Target Company (the “Buyback”) and the completion of necessary procedures and measures required by competition laws of Japan and abroad.

As the Tender Offeror confirmed that the above-mentioned procedures and measures have been completed and the conditions to commence the Tender Offer have been satisfied, the Tender Offeror hereby announces that it has decided to commence the Tender Offer from February 27, 2017 based on the above resolution. For the result of the Buyback, please refer to Note 2 of “(1) Overview of the Tender Offer” in “1. Purpose of Tender Offer” below.

1. Purpose of Tender Offer

(1) Overview of the Tender Offer

The Tender Offeror subscribed the Target Company’s Shares in 1960 for a capital alliance for the purpose of securing stable supply of specialty chemicals, etc., used for the products of the Tender Offeror. Subsequently, after subscription of new shares of the Target Company on multiple occasions, etc., the Tender Offeror holds 3,170,050 shares of the Target Company’s Shares (ownership ratio (see Note 1) of 14.82%) as of today.

As the Tender Offeror announced in the Tender Offeror’s Press Release in December 2016, the Tender Offeror resolved, at the meeting of the board of directors held on December 15, 2016, to conduct the Tender Offer after the completion of the Buyback (see Note 2) implemented by the Target Company, as a part of the transaction aimed to acquire all of the Target Company’s Shares (excluding the Target Company’s Shares held by the Tender Offeror and treasury shares held by the Target Company; the same shall apply hereinafter) and make the Target Company a wholly owned subsidiary of the Tender Offeror (the “Transaction”). The commencement of the Tender Offer was subject to certain conditions, including the completion of procedures of the Buyback as well as the completion of necessary procedures and measures required by competition laws of Japan and abroad.

As the Tender Offeror confirmed that the above-mentioned procedures and measures have been completed and the conditions to commence the Tender Offer have been satisfied, the Tender Offeror will commence the Tender Offer from February 27, 2017, based on the above resolution.

In the Tender Offer, the Tender Offeror will set 12,547,242 shares as the minimum number of shares intended to be purchased in the Tender Offer. If the total number of shares tendered by shareholders in the Tender Offer (the “Tendered Shares”) is less than the minimum number of shares intended to be purchased, then the Tender Offeror will not purchase any of the Tendered Shares. On the other hand, in the Tender Offer, the Tender Offeror aims to acquire all of the Target Company’s Shares and the Tender Offeror will not set a limit on the maximum number of shares intended to be purchased. Therefore, if the total number of the Tendered Shares exceeds the minimum number of shares intended to be purchased, the Tender Offeror will purchase all of the Tendered Shares. The minimum number of shares intended to be purchased in the Tender Offer, which is 12,547,242 shares, is the aggregate number of the Target Company’s Shares held by Takeda Pharmaceutical Company Limited (“Takeda Pharmaceutical Company”), the parent company of the Target Company as of today, and Nihon Pharmaceutical Co., Ltd. (“Nihon Pharmaceutical”) (hereinafter Takeda Pharmaceutical Company and Nihon Pharmaceutical are collectively referred to as “Takeda Pharmaceutical Company Group”), a subsidiary of Takeda Pharmaceutical Company (the number of shares held by Takeda Pharmaceutical Company is 12,486,821 shares, ownership ratio of 58.39%, the number of shares held by Nihon Pharmaceutical is 60,421 shares, ownership ratio of 0.28%, and the aggregate number of them is 12,547,242 shares, ownership ratio of 58.67%) (the “Shares Agreed to be Tendered”) (see Note 3).

Note 1: “Ownership ratio” means the percentage (rounded off to the second decimal place) of the number of shares held by the relevant shareholder to the number of shares (21,385,588 shares) calculated by subtracting the number of the treasury shares (11,956,732 shares) held by the Target Company as of today from the number of the issued and outstanding shares (33,342,320 shares) of the Target Company as of September 30, 2016 (as set forth in the 144th fiscal period semiannual report of the Target Company filed by the Target Company on December 13, 2016 (the “144th Fiscal Period Semiannual Report of the Target Company”). The same shall apply hereinafter. The number of the treasury shares held by the Target Company as of September 30, 2016 was 679,720 shares; however, according to the press release dated February 24, 2017, “Announcement with Respect to the Result and Completion of Acquisition of Treasury Shares (Acquisition of Treasury Shares under Article 156, Paragraph 1 of the Companies Act),” which has been published on the Target Company’s website (<http://www.wako-chem.co.jp/>) (the “Target Company’s Press Release Concerning the Result of the Buyback”), the Target Company completed the acquisition of 11,277,012 shares of the Target Company’s Shares through the Buyback on February 24, 2017, and the number of the treasury shares held by the Target Company as of today has increased to 11,956,732 shares. The percentage (rounded off to the second decimal place) of the number of shares held by the relevant shareholder to the number of shares (32,662,600 shares) calculated by subtracting the number of the treasury shares (679,720 shares) held by the Target Company as of September 30, 2016, from the number of the issued and outstanding shares (33,342,320 shares) of the Target Company as of September 30, 2016 (as set forth in the 144th Fiscal Period Semiannual Report of the Target

Company) is hereinafter referred to as “Ownership Ratio Before the Buyback”.

Note 2: The “Buyback” means the acquisition of the Target Company’s Shares conducted by the Target Company, described in the press release of the Target Company dated December 15, 2016 “Announcement with Respect to Opinion on Tender Offer for Shares of Company by FUJIFILM Corporation and Acquisition of Treasury Shares,” which has been published on the Target Company’s website (<http://www.wako-chem.co.jp/english/>) (the “Target Company’s Press Release in December 2016”), setting the aggregate number of the Target Company’s Shares to be acquired by the Target Company up to 11,364,967 shares and the acquisition price per share of the Target Company’s Shares at 8,535 yen, which is the same price as the tender offer price in the Tender Offer (the “Tender Offer Price”). According to the Target Company’s Press Release Concerning the Result of the Buyback, based on the resolution approving the acquisition of treasury shares pursuant to Article 156, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended) (the “Companies Act”), by the extraordinary meeting of shareholders of the Target Company held on February 6, 2017, and the resolution at the subsequent meeting of the board of directors, the Target Company completed the acquisition of 11,277,012 shares of the Target Company’s Shares on February 24, 2017, as the Buyback.

Note 3: According to Takeda Pharmaceutical Company, before the completion of the Buyback, Takeda Pharmaceutical Company held 23,148,821 shares of the Target Company’s Shares (Ownership Ratio Before the Buyback of 70.87%) and Nihon Pharmaceutical held 110,421 shares of the Target Company’s Shares (Ownership Ratio Before the Buyback of 0.34%), and by applying for the Buyback, Takeda Pharmaceutical Company and Nihon Pharmaceutical transferred 10,662,000 shares and 50,000 shares of the Target Company’s Shares, respectively, to the Target Company on February 24, 2017.

In connection with the Tender Offer, the Tender Offeror has executed an agreement with Takeda Pharmaceutical Company regarding the tender in tender offer as of December 15, 2016 (the “Tender Agreement”) and agreed that Takeda Pharmaceutical Company will tender all of the Target Company’s Shares it will hold after completion of the Buyback in the Tender Offer and that Takeda Pharmaceutical Company will cause Nihon Pharmaceutical, a subsidiary of Takeda Pharmaceutical Company, to tender all of the Target Company’s Shares Nihon Pharmaceutical will hold after completion of the Buyback (for the details of the Tender Agreement, please refer to “(3) Material Agreements Regarding the Tender Offer” below). When all of the Target Company’s Shares held by Takeda Pharmaceutical Company (12,486,821 shares, ownership ratio of 58.39%) and all of the Target Company’s Shares held by Nihon Pharmaceutical (60,421 shares, ownership ratio of 0.28%) are tendered pursuant to the Tender Agreement, the number of the Target Company’s Shares to be held by the Tender Offeror will be 15,717,292 shares (ownership ratio of 73.49%).

In addition, if the Tender Offeror is unable to acquire all of the Target Company’s Shares in the Tender Offer and the condition that the aggregated number of (i) the number of the Target Company’s Shares acquired by the Target Company through the Buyback from the shareholders other than Takeda Pharmaceutical Company Group and the Tender Offeror (the “Minority Shareholders”) (565,012 shares) and (ii) the total number of the Tendered Shares, excluding the Shares Agreed to be Tendered (i.e., the number of the Target Company’s Shares tendered in the

Tender Offer by the Minority Shareholders) is equal to or greater than the base number of shares (see Note 4) (i.e., the majority of the Target Company's Shares held by the Minority Shareholders) (the "Majority of Minority Condition") is fulfilled, the Tender Offeror plans to implement a series of procedures to make the Target Company a wholly owned subsidiary of the Tender Offeror as described in "(6) Policy for Organizational Restructuring After the Tender Offer (Matters Relating to "Two-Step Acquisition")" below.

Note 4: "Base number of shares" means 3,116,655 shares of the Target Company's Shares, which is the majority of the number of the Target Company's Shares (6,233,308 shares) calculated by subtracting (i) the aggregate number of the treasury shares (679,720 shares) held by the Target Company, the Target Company's Shares held by the Tender Offeror (3,170,050 shares) and the Target Company's Shares held by Takeda Pharmaceutical Company Group (23,259,242 shares), all as of September 30, 2016, from (ii) the issued and outstanding shares (33,342,320 shares) of the Target Company as of September 30, 2016, as set forth in the 144th Fiscal Period Semiannual Report of the Target Company.

According to the Target Company's Press Release in December 2016, at the beginning of November 2016, through Takeda Pharmaceutical Company, the Target Company received the proposal about the Transaction, including the Buyback and the Tender Offer by the Tender Offeror with the terms and conditions discussed between Takeda Pharmaceutical Company and the Tender Offeror, and carefully discussed and examined the Transaction including the Buyback and the Tender Offer. As a result, the Target Company decided that the Transaction will contribute to enhancing the enterprise value of the Target Company, and the Tender Offer provides the shareholders of the Target Company with the reasonable opportunity to sell the shares. At the meeting of the board of directors held on December 15, 2016, the Target Company resolved to (i) submit the proposal regarding the Buyback to the extraordinary meeting of shareholders to be held on February 6, 2017 and to (ii) issue an opinion supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer. Also, according to the press release dated February 24, 2017, "Announcement with Respect to Opinion on Tender Offer for Shares of Company by FUJIFILM Corporation," which has been published on the Target Company's website (<http://www.wako-chem.co.jp/>) (the "Target Company's Press Release in February 2017") (hereinafter the Target Company's Press Release in December 2016 and the Target Company's Press Release in February 2017 are collectively referred to as the "Target Company's Press Release for Statement of Opinion"), at the meeting of the board of directors held on February 24, 2017, since the Target Company did not find any reason to change its decision at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to uphold such decision, to issue an opinion anew supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer. For the details of the decision-making process of the Target Company, please refer to "(iii) Process and Reason Leading the Target Company to Decision to Support the Tender Offer" in "(2) Background, Purpose and Decision-making Process Leading to Decision to Conduct the Tender Offer, and Management Policy Following the Tender Offer" as well as "(5) Measures to Ensure Fairness of the Tender Offer Price" below. Also, for the result of the Buyback, please refer to Note 2 above.

In addition, according to the Target Company's Press Release in December 2016, at the meeting of the board of directors held on December 15, 2016, the Target Company resolved not to

distribute the year-end dividend for the fiscal year ending in March 2017.

(2) Background, Purpose and Decision-making Process Leading to Decision to Conduct the Tender Offer, and Management Policy Following the Tender Offer

(i) Background, Purpose and Decision-making Process Leading to Decision to Conduct the Tender Offer

The Tender Offeror is a wholly owned subsidiary of FUJIFILM Holdings Corporation (“FUJIFILM Holdings”) incorporated in October 2006 through the incorporation-type company split by present FUJIFILM Holdings as a splitting company with succeeding all of the business of present FUJIFILM Holdings. FUJIFILM Holdings has been actively engaged in diversification and globalization of its business, since it was incorporated in 1934 as Fuji Photo Film Co., Ltd, inheriting the entire photographic film operations split out from Dainippon Celluloid Company Limited (present Daicel Corporation) pursuant to a government plan to establish a domestic photographic film manufacturing industry. Currently, under the corporate philosophy that “we will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide,” FUJIFILM Holdings Group provides imaging solutions, information solutions and document solutions and aims to be the global enterprise trusted by society and customers. After May 1949, FUJIFILM Holdings became listed on each stock exchange in Tokyo, Osaka and Nagoya and currently is listed only on the First Section of the Tokyo Stock Exchange.

The Tender Offeror, together with its subsidiaries and affiliated companies (the “Tender Offeror Group”) globally develops its business in development, production, sales and services, etc., of products in broad business fields of imaging solutions (color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems, optical devices, etc.) and information solutions (equipment and materials for medical systems, life sciences products, pharmaceuticals, equipment and materials for graphic arts, flat panel display materials, recording media and electronic materials, etc.).

In addition, the Tender Offeror Group is proceeding with building a business portfolio that secures stable medium and long-term growth, based on the medium-term management plan “VISION2016” which FUJIFILM Holdings launched on November 11, 2014. The Tender Offeror Group considers “healthcare” and “highly functional materials” sectors as the growth drivers and tries to expand its business by increasing sales, profits and shares, etc. In the “healthcare” sector of the Tender Offeror Group, the Tender Offeror Group operates its business in the three fields of “prevention,” “diagnosis” and “treatment,” which relate to human health. In the “prevention” field, the Tender Offeror Group released functional cosmetics and supplements contributing to the improvement of lifestyle in 2006, and expanded its business focusing on the products contributing widely to the improvement of people’s quality of life. In the “diagnosis” field, the Tender Offeror Group has expanded such business field one after another in medical equipment and systems, such as medical IT, endoscope and ultrasonic. In the “treatment” field, after welcoming “TOYAMA CHEMICAL CO., LTD.,” which deals with ethical pharmaceuticals, as a group company of FUJIFILM Holdings, the Tender Offeror Group is proceeding with expanding the pharmaceutical business through the acquisition of MSD Biologics (UK) Limited, Diosynth RTP Inc. and Kalon



Biotherapeutics, LLC, contracted manufacturers of bio-pharmaceuticals. In addition, in the regenerative medicine field, which draws increasing attention as innovative treatment, the Tender Offeror Group has established the system to accelerate the development of, and to expand business field of, the regenerative medicine products by adding Japan Tissue Engineering Co., Ltd. (“J-TEC”), a pioneer in commercialization of regenerative medicine products in Japan and Cellular Dynamics International, Inc. (“CDI”), located in the U.S., which is a world’s leading company in development and production of iPS cells, to its group companies, and aims at significant development of its “healthcare” business which is its important sector. Also, in the “highly functional materials” sector, the industrial equipment business and the electronic materials business contribute to stabilizing each other’s business and the creation of business portfolios, enabling the progression of successful stable growth.

On the other hand, the Target Company has been engaged in manufacturing and selling laboratory chemicals, clinical diagnostic reagents and specialty chemicals as its main business areas, since it was incorporated as Takeda Pure Chemicals Ltd., by being splitting off the Chemicals Department of present Takeda Pharmaceutical Company in 1922. The Target Company maintains high profitability based on the solid business foundation in Japan in all of its business areas and continues to grow. Currently, under the corporate philosophy that “we hope to serve the well-being of the public through our efforts to promote the development of scientific technologies and progress of academic research,” the Target Company, together with its subsidiaries and affiliated companies (the “Target Company Group”), aims to respond to various requests from researchers, medical personnel and industry, and to serve the well-being of the public. As of March 31, 2016, the Target Company Group consists of the Target Company, ten (10) subsidiaries and six (6) affiliated companies. With respect to the business areas of the Target Company Group, in laboratory chemical business, the Target Company Group manufactures and sells laboratory chemicals relating to cell culture, laboratory chemicals relating to genetic and protein study, analysis related laboratory chemicals relating to environment and food field, laboratory chemicals for organic synthesis and others. In the specialty chemicals business, the Target Company Group manufactures and sells self-developed products and is engaged in contracted manufacture in the growing and developing markets, such as the semiconductor field, polymerization field (mainly for the market of superabsorbent polymer) as well as the medicine field. In addition, in the clinical diagnostic reagent business, the Target Company Group manufactures and sells biochemical examination reagents for automated analyzers, laboratory chemicals relating to the immune system and microorganisms. Further, the Target Company Group has the sales and logistics system in Japan as well as a strong relationship with clients based on the long-standing experience and reliance.

The Tender Offeror and the Target Company have a long-standing business relationship, such as, supplying color former necessary for the production of photosensitive materials and other specialty chemicals, and have maintained a strong relationship in both capital and business aspects since the implementation of the capital alliance in 1960 in which the Tender Offeror subscribed the new shares of the Target Company for the purpose of the stable supply of the specialty chemicals, etc., used for the products of the Tender Offeror.

In this situation, as the Tender Offeror received an inquiry at the beginning of July of 2016 from Nomura Securities Co., Ltd. (“Nomura Securities”), a financial adviser of Takeda Pharmaceutical Company, which is the parent company of the Target Company, of whether or not

the Tender Offeror was interested in acquiring the Target Company's Shares held by Takeda Pharmaceutical Company, the Tender Offeror started the consideration and participated in the bidding process held by Takeda Pharmaceutical Company in mid-July of 2016. After that, as the Tender Offeror passed the first bid in late August of 2016, from late August of 2016 to the mid-October of 2016, the Tender Offeror conducted full-scale due diligence, including interviews with management of the Target Company, and proceeded with the consideration of, among other things, a medium and long-term growth strategy and measures to enhance the enterprise value of both the Target Company and the Tender Offeror and a draft tender agreement provided by Takeda Pharmaceutical Company. As a result of such consideration, the Tender Offeror came to the conclusion that it would contribute to significant growth in the future of both of the Tender Offeror and the Target Company, through the Transaction and based on the long-term capital and business relationship between the Tender Offeror and the Target Company, to further enhance "healthcare" and "highly functional materials" business which the Tender Offeror Group considers as the growth drivers, as well as to aim at further realization of synergy. Therefore, in late October of 2016, the Tender Offeror submitted the terms and conditions of the Transaction, including the Tender Offer Price and terms and conditions of the Buyback, as the final proposal to Takeda Pharmaceutical Company. In response to this, Takeda Pharmaceutical Company came to consider the Tender Offeror as the leading candidate of the transferee of the Target Company's Shares.

After the beginning of November 2017, the Tender Offeror repeatedly discussed and negotiated with Takeda Pharmaceutical Company about the details of the structure of the Transaction including the Buyback and the Tender Offer and the terms and conditions of the Tender Offer including the Tender Offer Price. As the Tender Offeror and Takeda Pharmaceutical Company agreed on other conditions of the Tender Agreement, based on the discussion and deliberation of the Transaction with Takeda Pharmaceutical Company, the Tender Offeror resolved at the meeting of the board of directors held on December 15, 2016, to conduct the Tender Offer as a part of the Transaction aimed to acquire all of the Target Company's Shares and make the Target Company a wholly owned subsidiary of the Tender Offeror, and executed the Tender Agreement with Takeda Pharmaceutical Company on the same day. According to the press release of Takeda Pharmaceutical Company dated December 15, 2016, "Transfer of Shares of Wako Pure Chemical Industries, Ltd. to FUJIFILM Corporation," currently, Takeda Pharmaceutical Company aims to create innovative new drugs by proceeding with innovation through the prioritized allocation of the research and development resource to "oncology (cancer)," the "digestive disease area," the "central nervous system disease area" and "vaccine," which are its prioritized disease areas, for the purpose of achieving continuous growth as a global pharmaceutical company. In this situation, as a result of careful consideration of the future business development of the Target Company, Takeda Pharmaceutical Company considered that accelerating the business development under the support of the Tender Offeror, which has a long-term capital and business relationship with the Target Company and is engaged in the "healthcare" and "highly functional materials" businesses as pillars of medium and long-term growth, will lead further development of the Target Company, and executed the Tender Agreement with the Tender Offeror for the purpose of the transfer of the Target Company's Shares to the Tender Offeror. The scheme of the Transaction, including the Buyback and the Tender Offer, was proposed to the Target Company through Takeda Pharmaceutical Company, upon mutual discussion between the Tender Offeror and Takeda Pharmaceutical Company, considering that the Transaction will also provide the shareholders of the Target Company, who would want to apply for the Buyback, rather than tender for the Tender Offer, depending on their own circumstances, with wide range of opportunities to sell their Target

Company's Shares.

The implementation of the Tender Offer was subject to certain conditions, including the completion of procedures of the Buyback and the completion of necessary procedures and measures required by competition laws of Japan and abroad. As the Tender Offeror confirmed that the above-mentioned procedures and measures have been completed and the conditions to commence the Tender Offer have been satisfied, the Tender Offeror will commence the Tender Offer from February 27, 2017, based on the resolution at the meeting of the board of directors held on December 15, 2016.

(ii) Management Policy Following the Tender Offer

If the Tender Offer succeeds, the Tender Offeror will hold equal to or more than 70% of the Target Company's Shares on an ownership ratio basis and will make the Target Company a subsidiary of the Tender Offeror.

In the "healthcare" and "highly functional materials" sectors, which the Tender Offeror Group considers as the growth drivers, the Target Company is one of the top-class companies in Japan that has a plentiful product group and experience, as well as a strong relationship with users and sales networks. The fact that the Target Company joins the Tender Offeror Group has great strategic significance for the Tender Offeror Group to expand its business in these sectors, and the Tender Offeror Group contemplates generating various synergies as below.

a. Synergy in the "Healthcare" Sector

(a) In the regenerative medicine business, the Tender Offeror Group has CDI, which is a leading company in the development and manufacturing of iPS cells, and J-TEC, which is the first company that has launched regenerative medicine products in Japan. The Tender Offeror Group has the necessary technology and know-how for regenerative medicine, such as the main patents regarding the production of iPS cells, the know-how for development and manufacture of cells, the scaffold material necessary for cell culture (see Note 1), the manufacturing technology in the stable conditions and the control technology in the micro-environment. After adding the cell culture medium (see Note 2), which is a product of the Target Company, through this acquisition, the Tender Offeror Group will have all the main elements necessary for regenerative medicine. The Tender Offeror Group will utilize the technology of manufacturing small quantity of diversified products developed by the Target Company as a laboratory chemical manufacturer, and will proceed with the development of the high-functioning customized cell culture medium suitable for cultivation of various cells. In addition, the Tender Offeror Group will accelerate the development of its regenerative medicine business by coordinating the Target Company, CDI and J-TEC.

(b) In the in-vitro diagnostic field of medical systems business, the Tender Offeror Group has developed in-vitro diagnostic systems, such as the clinical chemical analysis system implementing measurements of chemical constituents in the blood with accuracy and high-precision and immunodiagnostic system detecting the influenza virus with high sensitivity, and has increased the sales thereof by more than 10% per year. The Tender Offeror Group will expand its product lineup to satisfy the needs of customers from small clinics to large hospitals by adding the product lineup of the Target Company, such as the immunology analyzer and biochemical analysis laboratory

chemicals. Further, the Tender Offeror Group will utilize the Target Company's sales network, which has access to almost all facilities in Japan conducting examinations inside hospitals and the Tender Offeror Group's worldwide network developed by the sales of medical equipment, such as image diagnostic devices and medical IT systems, in order to expand the sales of products of each other in each network.

(c) In the field of contract development and manufacturing organization (CDMO) in pharmaceutical business, in the Tender Offeror Group, FUJIFILM Diosynth Biotechnologies is engaged in CDMO of bio-pharmaceuticals, and FUJIFILM Finechemicals Co., Ltd. is engaged in CDMO of small molecule drugs. Through this acquisition, the Tender Offeror Group will expand the business of CDMO of pharmaceutical by utilizing the chemical synthesis technology and production technology of cell culture medium of the Target Company as well as the chemical synthesis technology of small molecule drugs and the manufacturing technology of bio-pharmaceutical of the Tender Offeror Group.

b. Synergy in the "Highly Functional Materials" Sector

(a) In electronic materials business, the Tender Offeror Group has the product lineup of semiconductor materials including photoresist (see Note 3), materials for image sensors and CMP slurry (see Note 4), and has achieved the sales growth of more than 10% per year by supplying competitive products in the leading-edge of the semiconductor material field. Through this acquisition, the Target Company's detergents used in the manufacturing process of semiconductor and other products will be added, and the Tender Offeror Group will proceed with further development of its electronic materials business.

(b) In industrial products business, the Tender Offeror Group will utilize its chemical library of two hundred thousand types developed mainly through photographic film in the Target Company's reagent business. In addition, the Tender Offeror Group will proceed with the development of the new high-functioning reagents and the next generation products of highly competitive polymerization of the Target Company by exploiting the sophisticated chemical synthesis technology of the Tender Offeror Group to expand its chemical business globally through the worldwide network of the Tender Offeror Group.

Note 1: A scaffold material is protein such as collagen outside cells, and plays an important role on modulation of cell growth, cell differentiation, etc., as well as supporting biotissue by filling up the space among cells.

Note 2: Cell culture medium is used, in the process to proliferate (culture) animal cells or microorganisms, to create a growth environment to nourish them. By changing components depending on the types of animal cells or microorganisms, efficiency at proliferation of cells and volume of protein production can be improved.

Note 3: Photoresist is a material that is painted on the surface of wafer upon drawing of circuit patterns in the front-end-of-line process of manufacturing semiconductor.

Note 4: CMP is an abbreviation for Chemical Mechanical Polishing. CMP slurry is an abrasive used for flattening wafer used in the manufacturing process of

semiconductor.

The Tender Offeror considers that these synergies are feasible by making the Target Company a subsidiary of the Tender Offeror, because it becomes possible to closely discuss management strategy and business strategy between the Target Company and the Tender Offeror and to establish a relationship to utilize the management resource of each other more than ever. In addition, if the Tender Offer succeeds, in principle, the Tender Offeror plans to retain the positions and employment conditions of officers and employees of the Target Company for a certain period, and to continue the laboratory chemical business, the clinical diagnostic reagent business and the specialty chemicals business of the Target Company as a unit, and concurrently to proceed with these businesses so that they realize the synergy with the existing business of the Tender Offeror. Also, the Tender Offeror intends to construct the management system most suitable to measures contributing to enhancement of the enterprise value of both companies, realization of synergies and acceleration of business growth, by discussing with the management of the Target Company and deepening the cooperation between the Target Company and the Tender Offeror. The Tender Offeror considers to send the appropriate number of officers and employees to the Target Company from the Tender Offeror after the success of the Tender Offer in order to construct the system where both companies are able to more closely discuss for the early realization of synergies. While the details of officers and employees to be sent, such as the specific number and the selection of members, are not decided, the Tender Offeror also believes it important that the Tender Offeror Group, including the Target Company, works together to proceed with the continuous development of the business, while respecting the corporate culture, the management independence, etc., of the Target Company.

As described in “(6) Policy for Organizational Restructuring After the Tender Offer (Matters Relating to “Two-Step Acquisition”)” below, the Tender Offeror plans to acquire all of the Target Company’s Shares, and make the Target Company a wholly owned subsidiary of the Tender Offeror subject to the fulfillment of the Majority of Minority Condition. However, as described in “(6) Policy for Organizational Restructuring After the Tender Offer (Matters Relating to “Two-Step Acquisition”)” below, even if the Tender Offer succeeds, when the Majority of Minority Condition is not fulfilled, the shareholders of the Target Company who do not tender their shares in the Tender Offer will remain as shareholders of the Target Company after the Tender Offer, as the Tender Offeror owes the obligation not to implement the procedures aimed to acquire all of the Target Company’s Shares for a while under the Tender Agreement.

(iii) Process and Reason Leading the Target Company to Decision to Support the Tender Offer

According to the Target Company’s Press Release for Statement of Opinion, the process and the reason leading the Target Company to the decision to support the Tender Offer are as below.

At the beginning of November 2016, through Takeda Pharmaceutical Company, the Target Company received the proposal about the Transaction including the Buyback and the Tender Offer by the Tender Offeror with the terms and conditions discussed between Takeda Pharmaceutical Company and the Tender Offeror (see Note 1).

Then, upon implementing each measure described in “(5) Measures to Ensure Fairness of the Tender Offer Price” below, considering the statement of the share valuation report (the “Target

Company's Share Valuation Report") obtained from SMBC Nikko Securities Inc. ("SMBC Nikko Securities"), a financial adviser that is a third-party appraiser independent from the Target Company, Takeda Pharmaceutical Company Group and the Tender Offeror, as well as the legal advice received from TMI Associates ("TMI"), a legal adviser independent from the Target Company, Takeda Pharmaceutical Company Group and the Tender Offeror, the Target Company carefully discussed and examined the Transaction including the Buyback and the Tender Offer.

As a result of the comprehensive examination of the Transaction including the Tender Offer and the Buyback, the Target Company determined that, by becoming a subsidiary of the Tender Offeror, the Target Company would be able to (i) expand further sales of its products by utilizing the sales offices overseas of the Tender Offeror Group, (ii) expect, through co-operation with technical staff of the Tender Offeror Group, to strengthen its technology development capabilities in the areas of specialty chemicals, such as electronic materials, or of life science, such as cell culture medium, and (iii) decrease its procurement cost by promoting the joint purchase with the Tender Offeror Group, and therefore, that the Transaction will contribute to enhancing the enterprise value of the Target Company.

In addition, taking into comprehensive consideration (i) that, since the Target Company's Shares are not listed on any financial instruments exchange, there is limited opportunity to sell them, and (ii) that the Tender Offer Price exceeds the upper limit of the valuation range calculated using the comparable listed company analysis and DCF Methods and given in the Target Company's Share Valuation Report, the Target Company determined that the Tender Offer would provide the shareholders of the Target Company with reasonable opportunity to sell their shares.

Thus, at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to (i) submit the proposal regarding the Buyback to the extraordinary meeting of shareholders to be held on February 6, 2017, and to (ii) issue an opinion to support the Tender Offer and recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

Further, at the meeting of the board of directors held on February 24, 2017, since the Target Company did not find any reason to change its decision at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to uphold such decision, to issue an opinion anew supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

For the details of each resolution of the board of directors above, please refer to "(iii) Approval of All Disinterested Directors of the Target Company and Non-dissenting Opinions of All Disinterested Company Auditors" in "(5) Measures to Ensure Fairness of the Tender Offer Price" below.

Note 1: The Tender Offer Price and the acquisition price in the Buyback are the same. However, the Transaction, including the Buyback and the Tender Offer, was proposed to the Target Company through Takeda Pharmaceutical Company, upon mutual discussion between the Tender Offeror and Takeda Pharmaceutical Company, considering that the Transaction will also provide the shareholders of the Target Company, who would want to apply for the Buyback, rather than tender for the Tender Offer, depending on their own circumstances, with wide range of

opportunities to sell their Target Company's Shares because tax treatment may differ for certain shareholders between the cases of applying for the Buyback and tendering for the Tender Offer (see Note 2).

Note 2: Taxation on the Target Company's Shares purchased through the Tender Offer is, in general, understood to be as follows: (a) the individual shareholders of the Target Company (who are residents in Japan), in principle, are subject to separate self-assessment taxation at the tax rate of 20.315% (total of 15.315% of the income tax and special reconstruction income tax under the "Special Measures Act for the Reconstruction Funding After the Great East Japan Earthquake" (Act No. 117 of 2011, as amended) (the "Special Reconstruction Income Tax") and 5% of the local tax) (for non-residents who have permanent establishments in Japan, 15.315% (income tax and Special Reconstruction Income Tax)); and (b) the institutional shareholders of the Target Company (Japanese companies or foreign companies which have permanent establishments in Japan), having realized capital gain or loss, are subject to the corporation tax for such capital gain or loss. General tax treatment is as mentioned above; however, each shareholder should consult with its own tax advisors to confirm specific treatments, at its own risk.

In addition, according to the Target Company's Press Release in February 2017, taxation on the Target Company's Shares acquired by the Target Company through the Buyback is, in general, as follows.

<Individual Shareholders>

In the case where the amount of money to be distributed as consideration for the Buyback exceeds the amount of paid-in capital, etc. of the Target Company corresponding to the shares which are the source of such distribution, such excess amount would be considered as dividend income and subject to taxation. 20.42% of such amount which is considered as dividend income would be withheld at source.

In addition, the amount calculated by subtracting the amount considered as dividend income from the amount of money to be distributed as consideration for the Buyback is deemed to be capital gains from the shares, etc. The amount calculated by deducting the acquisition costs of the shares from such capital gains would be, in principle, subject to separate self-assessment taxation.

<Institutional Shareholders>

In the case where the amount of money to be distributed as consideration for the Buyback exceeds the amount of paid-in capital, etc. of the Target Company corresponding to the shares which are the source of such distribution, such excess amount would be considered as dividend income and subject to taxation. 20.42% of such amount which is considered as dividend income would be withheld at source. Regarding dividend income, a system for exclusion from gross profits of dividends received, etc. is applicable.

In addition, the amount calculated by subtracting the amount considered as dividend income from the amount of money to be distributed as consideration for the Buyback is deemed to be capital gains from shares, etc., and the amount calculated by deducting the book value of the transferred shares from the capital gains would be taxable as capital gain or loss.

(3) Material Agreements Regarding the Tender Offer

The Tender Offeror, with Takeda Pharmaceutical Company, executed the Tender Agreement as of December 15, 2016 and agreed that Takeda Pharmaceutical Company will tender all of the Target Company's Shares it will hold after completion of the Buyback in the Tender Offer. In addition, under the Tender Agreement, Takeda Pharmaceutical Company agreed to cause Nihon Pharmaceutical, a subsidiary of Takeda Pharmaceutical Company, to tender all of the Target Company's Shares Nihon Pharmaceutical will hold after completion of the Buyback. As a result of the Buyback, as of today, Takeda Pharmaceutical Company and Nihon Pharmaceutical hold 12,486,821 shares and 60,421 shares of the Target Company's Shares, respectively. The aggregated amount of the Shares Agreed to be Tendered is 12,547,242 shares (ownership ratio of 58.67%).

Under the Tender Agreement, the following conditions precedent to tender the Target Company's Shares by Takeda Pharmaceutical Company Group are provided: (i) the Tender Offer has been commenced lawfully and effectively and has not been withdrawn; (ii) the Tender Offeror's representations and warranties under the Tender Agreement are true and correct in all material respects (see Note 1); (iii) no laws and regulations, etc., or judicial decision, etc., restricting or prohibiting the Tender Offer is in effect; and (iv) the Tender Offeror has duly performed and complied with all of its agreements, covenants and conditions to be performed or complied with under the Tender Agreement on or prior to the commencement date of the tender offer period of the Tender Offer (the "Tender Offer Period") (see Note 2). It is not restricted that, at its discretion, Takeda Pharmaceutical Company waives all or a part of these conditions precedent, and tenders in the Tender Offer and causes Nihon Pharmaceutical to tender in the Tender Offer by its own judgment.

Note 1: Under the Tender Agreement, the Tender Offeror represents and warrants to Takeda Pharmaceutical Company, (i) as of the execution date of the Tender Agreement, the commencement date of the Tender Offer Period and the commencement date of the settlement regarding the Tender Offer, (a) the lawful incorporation and the valid existence of the Tender Offeror, (b) the existence of authority, as well as the completion of procedures, necessary to execute and perform the Tender Agreement, (c) the legally binding power and the enforceability of the Tender Agreement, (d) that the execution of the Tender Agreement and performance of the obligation thereof as well as the implementation of the Tender Offer do not violate laws and regulations, etc., and (e) that the Tender Offeror has obtained permits and approvals, etc., necessary for execution of the Tender Agreement and performance of obligation thereof as well as the implementation of the Tender Offer by the execution date of the Tender Agreement and the commencement date of the Tender Offer, as well as (ii) as of the commencement date of the settlement regarding the Tender Offer, the Tender Offeror's ability to pay.

Note 2: Under the Tender Agreement, the Tender Offeror owes the following obligations as the obligation before the commencement date of the Tender Offer Period; (i) notification obligation to Takeda Pharmaceutical Company when the Tender Offeror acknowledges any of the violation of representations or warranties by the Tender Offeror under the Tender Agreement, the failure to fulfill the conditions precedent to



the obligations of Takeda Pharmaceutical Company or the violation of the obligations of the Tender Offeror or potentials thereof; (ii) obligation of confidentiality; (iii) indemnification obligation in case of violation of the representations and warranties or the obligations under the Tender Agreement; (iv) obligation to bear the cost spent by the Tender Offeror regarding preparation, execution or performance of the Tender Agreement (including advisory fee, remittance charge, etc.); (v) obligation not to transfer the rights and obligations under the Tender Agreement; and (vi) obligation to discuss in good faith.

In addition to these obligations, under the Tender Agreement, (i) when the Tender Offer succeeds but the Majority of Minority Condition is not fulfilled, the Tender Offeror owes the obligation not to implement the procedures aimed to acquire all of the Target Company's Shares for a while, and (ii) when the Tender Offer succeeds, the Majority of Minority Condition is fulfilled and the Tender Offeror implements the procedures aimed to acquire all of the Target Company's Shares, the Tender Offeror owes the obligation to acquire all of the Target Company's Shares by share exchange, the consideration for which is the common stock of FUJIFILM Holdings, a wholly owning parent company of the Tender Offeror (the "Shares of the Tender Offeror's Parent Company"), and other obligations.

Under the Tender Agreement, when a third party other than the Tender Offeror commences the tender offer to the Target Company's Shares (the "Opposing Tender Offer"), Takeda Pharmaceutical Company Group may elect not to tender in the Tender Offer implemented by the Tender Offeror and may withdraw the tender if they have already tendered, so long as (such as in the case where the tender offer price of the Opposing Tender Offer significantly exceeds the Tender Offer Price) it has obtained a written opinion from lawyer that it is reasonably determined that to tender in the Tender Offer implemented by the Tender Offeror is likely to violate the fiduciary duties of the directors of Takeda Pharmaceutical Company, has reasonably determined as such, and then Takeda Pharmaceutical Company has submitted such written opinion to the Tender Offeror.

#### (4) Matters Relating to Decision on the Tender Offer Price

In determining the Tender Offer Price, the Tender Offeror requested the financial adviser of itself and FUJIFILM Holdings, Merrill Lynch Japan Securities Co., Ltd. ("Merrill Lynch Japan Securities"), which is independent from the Tender Offeror, the Target Company and Takeda Pharmaceutical Company Group, to conduct financial analysis of the Target Company's equity value, and the Tender Offeror obtained the share valuation report concerning the equity value of the Target Company's Shares and the opinion stating that the Tender Offer Price to be paid by the Tender Offeror in the Tender Offer is fair for the Tender Offeror and FUJIFILM Holdings from a financial viewpoint (a fairness opinion) under the preconditions described in (Note) in "(4) Basis of Calculation of the Tender Offer Price" in "2. Overview of Tender Offer" below and other conditions. For the details of the decision of the Tender Offer Price, please refer to "(i) Basis of Calculation" and "(ii) Background of Calculation" under "(4) Basis of Calculation of the Tender Offer Price" in "2. Overview of Tender Offer" below.

#### (5) Measures to Ensure Fairness of the Tender Offer Price

Considering that the Tender Offeror plans to make the Target Company a wholly owned

subsidiary of the Tender Offeror and that Takeda Pharmaceutical Company, which held 23,148,821 shares of the Target Company's Shares (Ownership Ratio Before the Buyback of 70.87%) before the completion of the Buyback as a parent company of the Target Company executed the Tender Agreement with the Tender Offeror, and giving consideration to the impact to shareholders of the Target Company, the Target Company has implemented the following measures as the measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest.

(i) Obtainment of Share Valuation Report from Independent Third-Party Appraiser by the Target Company

For examining the Tender Offer Price proposed by the Tender Offeror, and issuing the opinion regarding the Tender Offer, the Target Company requested SMBC Nikko Securities, a third-party appraiser independent from the Target Company, Takeda Pharmaceutical Company Group and the Tender Offeror to evaluate the equity value of the Target Company's Shares.

After considering the various valuation methods of the equity value of the Target Company's Shares, SMBC Nikko Securities evaluated the equity value of the Target Company's Shares using the comparable listed company analysis and the discounted cash flow method (the "DCF Method"), and the Target Company obtained the Target Company's Share Valuation Report from SMBC Nikko Securities as of December 14, 2016. The Target Company did not obtain the opinion regarding the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko Securities. In addition, SMBC Nikko Securities is not a related party of the Target Company, Takeda Pharmaceutical Company Group and the Tender Offeror and does not have any material interest in relation to the Transaction including the Tender Offer.

According to SMBC Nikko Securities, the methods used by SMBC Nikko Securities for evaluating the equity value of the Target Company's Shares and the ranges of per-share price of the Target Company's Shares evaluated by those methods are as follows:

Comparable listed company analysis	5,040 yen - 5,650 yen
DCF Method	4,153 yen - 4,746 yen

In the comparable listed company analysis, the equity value of the Target Company's Shares has been evaluated by comparing the market share prices and financial indices indicating profitability, etc., of listed companies engaged in relatively similar businesses to those of the Target Company. According to this evaluation method, the per-share price of the Target Company's Shares has been evaluated to range from 5,040 yen to 5,650 yen.

In the DCF Method, the enterprise value and the equity value of the Target Company has been evaluated by discounting to the present value at a certain discount rate the free cash flow that the Target Company is expected to generate after the fiscal year ending March 2017 based on the Target Company's earnings and investment plan under its business plan, publicly disclosed information and other factors. According to this evaluation method, the per-share price of the Target Company's Shares has been evaluated to range from 4,153 yen to 4,746 yen. In accordance with the instruction given by the Tender Offeror, SMBC Nikko Securities did not take into account implementation of the Buyback as an assumption of the evaluation of the equity value of the Target Company's Shares.

(ii) Advice from Independent Law Firm for Target Company

In order to ensure fairness of the decision-making process concerning the Transaction, including the Tender Offer, the Target Company has appointed TMI, which is a legal advisor independent from the Target Company, Takeda Pharmaceutical Company Group and the Tender Offeror. The Target Company is receiving advice from TMI concerning what they should consider with regard to the decision-making concerning the Transaction, including the Tender Offer, such as the method, and process of decision-making concerning the Tender Offer.

TMI is not a related party of the Target Company, Takeda Pharmaceutical Company Group or the Tender Offeror, and does not have any material interest in relation to the Transaction including the Tender Offer.

(iii) Approval of All Disinterested Directors of the Target Company and Non-dissenting Opinions of All Disinterested Company Auditors

Given the statement of the Target Company's Share Valuation Report obtained from SMBC Nikko Securities and legal advice received from TMI, the Target Company carefully discussed and examined the Transaction including the Tender Offer and the Buyback.

As a result of the comprehensive examination of the Transaction including the Tender Offer and the Buyback, the Target Company determined that, by becoming a subsidiary of the Tender Offeror, the Target Company would be able to (i) expand further sales of its products by utilizing the sales offices overseas of the Tender Offeror Group, (ii) expect, through co-operation with technical staff of the Tender Offeror Group, to strengthen its technology development capabilities in the areas of specialty chemicals, such as electronic materials, or of life science, such as cell culture medium, and (iii) decrease its procurement cost by promoting the joint purchase with the Tender Offeror Group, and therefore, that the Transaction will contribute to enhancing the enterprise value of the Target Company.

In addition, taking into comprehensive consideration (i) that, since the Target Company's Shares are not listed on any financial instruments exchange, there is limited opportunity to sell them, and (ii) that the Tender Offer Price exceeds the upper limit of the valuation range calculated using the comparable listed company analysis and DCF Methods and given in the Target Company's Share Valuation Report, the Target Company determined that the Tender Offer would provide the shareholders of the Target Company with reasonable opportunity to sell their shares.

Thus, at the meeting of its board of directors held on December 15, 2016, the Target Company resolved (i) to submit the proposal regarding the Buyback to the extraordinary meeting of shareholders to be held on February 6, 2017 and (ii) to issue an opinion to support the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

Further, at the meeting of the board of directors held on February 24, 2017, since the Target Company did not find any reason to change its decision at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to uphold such decision, to issue an opinion

anew supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

Each of the aforementioned resolutions of the board of directors was passed unanimously at the meetings that all seven (7) directors of the Target Company attended, respectively. In addition, three (3) company auditors, excluding Mr. Toshinobu Mamiya out of four (4) company auditors of the Target Company expressed, at the meeting of the board of directors held on December 15, 2016, their opinion that they had no objection to the aforementioned resolution, and two (2) company auditors, excluding Mr. Toshinobu Mamiya and Mr. Hiroshi Takahara out of four (4) company auditors of the Target Company expressed, at the meeting of the board of directors held on February 24, 2017, their opinion that they had no objection to the aforementioned resolution. Mr. Toshinobu Mamiya, who is a company auditor of the Target Company, neither participated in the discussion on the Transaction involving the Tender Offer at the aforementioned meetings of the board of directors nor gave his opinion regarding the resolutions passed at the aforementioned meetings of the board of directors from the viewpoint of avoiding any possibility of doubt concerning conflict of interests in light of the fact that he serves concurrently as employee of Takeda Pharmaceutical Company. Mr. Hiroshi Takahara, a company auditor of the Target Company, did not attend the meeting of the board of directors held on February 24, 2017 for a business reason; however, the Target Company, in advance of such meeting of the board of directors, had acquired from Mr. Hiroshi Takahara his opinion that he had no objection to the aforementioned resolution.

(6) Policy for Organizational Restructuring After the Tender Offer (Matters Relating to “Two-Step Acquisition”)

As described in “(1) Overview of the Tender Offer” above, the Tender Offeror plans to acquire all of the Target Company’s Shares and make the Target Company a wholly owned subsidiary of the Tender Offeror subject to the fulfillment of the Majority of Minority Condition.

To be more specific, if the Tender Offeror is unable to acquire all of the Target Company’s Shares in the Tender Offer and the Majority of Minority Condition is fulfilled, the Tender Offeror intends to acquire all of the Target Company’s Shares without delay after success of the Tender Offer by implementing a share exchange (the “Share Exchange”) with the Target Company by which the Tender Offeror becomes a wholly owning parent company and the Target Company becomes a wholly owned subsidiary.

In the Share Exchange, the Shares of the Tender Offeror’s Parent Company are planned to be distributed as consideration for the Target Company’s Shares held by the shareholders of the Target Company (other than the Tender Offeror). By completing the necessary legal procedure, all of the Target Company’s Shares that have not been tendered in the Tender Offer (excluding the Target Company’s Shares held by the Tender Offeror immediately before the effective date of the Share Exchange) will be exchanged with the Shares of the Tender Offeror’s Parent Company, and the shareholders of the Target Company to whom one (1) or more of the Shares of the Tender Offeror’s Parent Company are distributed, will be shareholders of FUJIFILM Holdings (so-called “Triangular Share Exchange”).

This provides the shareholder of the Target Company with an opportunity to receive monetary consideration at an earlier stage by participating in the Tender Offer, and also, if the

Majority of Minority Condition is fulfilled, this provides the shareholders of the Target Company who do not tender in the Tender Offer with the option to be a new shareholder of FUJIFILM Holdings by holding the Shares of the Tender Offeror's Parent Company through the Share Exchange planned to be implemented after the Tender Offer so that they can enjoy the benefits of enhancement of the business value, etc., of FUJIFILM Holdings Group, including the Target Company.

Even if the Tender Offer succeeds, when the Majority of Minority Condition is not fulfilled, the shareholders of the Target Company who do not tender their shares in the Tender Offer will remain as shareholders of the Target Company after the Tender Offer, as the Tender Offeror owes the obligation not to implement the procedures aimed to acquire all of the Target Company's Shares for a while under the Tender Agreement.

In the Share Exchange, since the ratio of the amount obtained by multiplying the number of the Shares of the Tender Offeror's Parent Company which the Tender Offeror will distribute as consideration for the Share Exchange by the amount of net assets per share of such shares to the amount of net assets of the Tender Offeror is expected not to exceed one fifth, the Share Exchange is, unless a so-called loss on exchange is incurred (see Note), planned to be implemented by a summary share exchange provided in the main clause of Article 796, Paragraph 2 of the Companies Act without approval at the meeting of shareholders of the Tender Offeror. However, even if the approval at the meeting of shareholders of the Tender Offeror is required, with the support from FUJIFILM Holdings, a wholly owning parent company of the Tender Offeror, the approval at the meeting of shareholders of the Tender Offeror is expected to be obtained. In addition, if, through the Tender Offer, the Tender Offeror becomes the special controlling company which holds 90% or more of all the voting rights of the Target Company, the Share Exchange may be implemented by a short-form share exchange provided in the main clause of Article 784, Paragraph 1 of the Companies Act without approval at the meeting of shareholders of the Target Company. If the Share Exchange is to be implemented by obtaining the approved at the meeting of shareholders of the Target Company, the Tender Offeror plans to request the Target Company to hold a meeting of shareholders with an agenda proposing the Share Transfer, and to submit a proposal approving the Share Exchange. The Tender Offeror intends to approve the aforementioned proposal to approve the Share Exchange at the aforementioned meeting of shareholders.

The Tender Offeror and the Target Company are planning to discuss and determine the share exchange ratio in the Share Exchange after the completion of the Tender Offer with sufficient consideration of the benefits to their respective shareholders. But it is planned that the valuation of the Target Company's Shares used as the basis to determine the consideration the shareholders of the Target Company will receive through the Share Exchange (i.e., the Shares of the Tender Offeror's Parent Company; however, if they are entitled to any fraction less than one (1) share of the Shares of the Tender Offeror's Parent Company, certain adjustment cash will be distributed) will be the same as the Tender Offer Price. Upon the Share Exchange, the shareholders of the Target Company that becomes a wholly owned subsidiary may request the Target Company to purchase their shares in accordance with the provisions of the Companies Act and other relevant laws and regulations. In such case, the purchase price will be ultimately determined by the court.

With respect to the tax treatment in relation to the tender in the Tender Offer or the Share Exchange, each shareholder is requested to consult and confirm with its own tax advisor, at its own

responsibility.

Note: A so-called loss on exchange is deemed to be incurred when the book value of the Shares of the Tender Offeror's Parent Company to be distributed by the Tender Offeror to the shareholders of the Target Company in the Share Exchange exceeds the amount prescribed in Article 195, Paragraph 5 of the Ordinance for Enforcement of the Companies Act as the amount of the Target Company's Shares which the Tender Offeror will acquire.

## 2. Overview of Tender Offer

### (1) Overview of the Target Company

(i)	Name	Wako Pure Chemical Industries, Ltd.																				
(ii)	Address	1-2 Doshomachi 3-Chome, Chuo-ku, Osaka																				
(iii)	Name and Title of Representative	Shinzo Kobatake, President																				
(iv)	Business Description	Manufacture and sale of laboratory chemicals, specialty chemicals and clinical diagnostic reagents																				
(v)	Paid-in Capital	2,339,560 thousand yen (as of September 30, 2016)																				
(vi)	Date of Incorporation	June 5, 1922																				
(vii)	Major Shareholders and Shareholding Ratio (as of September 30, 2016)	<table> <tr> <td>Takeda Pharmaceutical Company</td> <td>69.42%</td> </tr> <tr> <td>Tender Offeror</td> <td>9.50%</td> </tr> <tr> <td>Employee Stock Ownership Plan of the Target Company</td> <td>1.68%</td> </tr> <tr> <td>Kunio Takeda</td> <td>0.49%</td> </tr> <tr> <td>Isekyu Co., Ltd.</td> <td>0.47%</td> </tr> <tr> <td>Momoki Co., Ltd.</td> <td>0.38%</td> </tr> <tr> <td>Nihon Pharmaceutical</td> <td>0.33%</td> </tr> <tr> <td>Hideko Matsukawa</td> <td>0.28%</td> </tr> <tr> <td>Keiji Takeda</td> <td>0.24%</td> </tr> <tr> <td>Joji Takeda</td> <td>0.24%</td> </tr> </table>	Takeda Pharmaceutical Company	69.42%	Tender Offeror	9.50%	Employee Stock Ownership Plan of the Target Company	1.68%	Kunio Takeda	0.49%	Isekyu Co., Ltd.	0.47%	Momoki Co., Ltd.	0.38%	Nihon Pharmaceutical	0.33%	Hideko Matsukawa	0.28%	Keiji Takeda	0.24%	Joji Takeda	0.24%
Takeda Pharmaceutical Company	69.42%																					
Tender Offeror	9.50%																					
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Kunio Takeda	0.49%																					
Isekyu Co., Ltd.	0.47%																					
Momoki Co., Ltd.	0.38%																					
Nihon Pharmaceutical	0.33%																					
Hideko Matsukawa	0.28%																					
Keiji Takeda	0.24%																					
Joji Takeda	0.24%																					
(viii)	Relationship between the Tender Offeror and the Target Company																					
	Capital relationship	The Tender Offeror holds 3,170,050 shares (ownership ratio of 14.82%) of the Target Company. Also, the Target Company holds 39,146 shares (the percentage (rounded off to the second decimal place) to the number of shares (443,549,228 shares) calculated by subtracting the treasury shares (71,076,500 shares) held by FUJIFILM Holdings as set forth in the 121th fiscal period third quarterly report of FUJIFILM Holdings filed by FUJIFILM Holdings on February 13, 2017 from the issued and outstanding shares (514,625,728 shares) of FUJIFILM Holdings as set forth in such quarterly report) of FUJIFILM Holdings: 0.01%).																				
	Personal relationship	There is no personal relationship between the Tender Offeror and the Target Company.																				
	Business relationship	The Tender Offeror purchases raw materials from the Target Company and sells products, etc., to the Target Company.																				
	Applicability of related party status	Target Company is not a related party to the Tender Offeror.																				

Note: The shareholding ratios stated in “Major Shareholders and Shareholding Ratio (as of September 30, 2016)” above are the same as reported in the 144th Fiscal Period Semiannual Report of the Target Company. According to the Target Company’s Press Release Concerning the Result of the Buyback, the Target Company completed the acquisition of 11,277,012 shares of the Target Company’s Shares on February 24, 2017, as the Buyback. In addition, according to Takeda Pharmaceutical Company, Takeda Pharmaceutical Company and Nihon

Pharmaceutical transferred 10,662,000 shares and 50,000 shares of the Target Company's Shares, respectively, to the Target Company on February 24, 2017, by applying for the Buyback.

(2) Schedule, etc.

(i) Schedule

Date of Board of Directors' Resolution	December 15, 2016 (Thursday)
Date of Public Notice of Commencement of the Tender Offer	February 27, 2017 (Monday) Public disclosure will be made electronically, and a notice of such disclosure will be published in the <i>Nihon Keizai Shimbun</i> . Electronic disclosure will be made at EDINET (electronic disclosure for investors' network): <a href="http://disclosure.edinet-fsa.go.jp/">http://disclosure.edinet-fsa.go.jp/</a>
Date of Filing the Tender Offer Registration Statement	February 27, 2017 (Monday)

(ii) Tender Offer Period as of the Time of Filing of the Tender Offer Registration Statement

From February 27, 2017 (Monday) to April 3, 2017 (Monday) (25 business days)

(iii) Possible Extension of the Tender Offer Period Based on the Target Company's Request

If the Target Company submits an opinion report requesting an extension of the Tender Offer Period pursuant to Article 27-10, Paragraph 3 of the Act, the Tender Offer Period shall be extended to 30 business days, until April 10, 2017 (Monday).

(3) Tender Offer Price

8,535 yen per share of common stock

(4) Basis of Calculation of the Tender Offer Price

(i) Basis of Calculation

In determining the Tender Offer Price, the Tender Offeror requested the financial advisor of itself and FUJIFILM Holdings, Merrill Lynch Japan Securities, who is independent from the Tender Offeror, the Target Company and Takeda Pharmaceutical Company Group, to conduct financial analysis of the Target Company's equity value. Merrill Lynch Japan Securities is not a related party of the Tender Offeror, the Target Company or Takeda Pharmaceutical Company Group, and does not have any material interest in relation to the Tender Offer.

Merrill Lynch Japan Securities reviewed various methods for evaluating the equity value of the Target Company's Shares, and selected the comparable company analysis, comparable transaction analysis, and discounted cash flow analysis (the "DCF Analysis") as the main evaluation methods. Using these methods, Merrill Lynch Japan Securities conducted a valuation of the Target



Company's Shares under the preconditions described in (Note) below and other conditions, and submitted to the Tender Offeror and FUJIFILM Holdings a share valuation report concerning the equity value of the Target Company's Shares (the "Share Valuation Report") on December 15, 2016. The Tender Offeror and FUJIFILM Holdings have obtained an opinion stating that the Tender Offer Price to be paid by the Tender Offeror in the Tender Offer is fair for the Tender Offeror and FUJIFILM Holdings from a financial viewpoint (a fairness opinion) under the preconditions described in (Note) below and other conditions on December 15, 2016.

The ranges of per-share price of the Target Company's Shares, as calculated under each of the above-mentioned analysis methods, are as follows:

Comparable company analysis:	5,304 yen - 6,835 yen
Comparable transaction analysis:	5,562 yen - 9,113 yen
DCF Analysis:	6,677 yen - 12,372 yen

In the comparable company analysis, the Target Company's equity value was evaluated through comparison with market share prices and financial indices indicating profitability, etc., of listed companies engaging in relatively similar, albeit not completely identical, businesses to those of the Target Company, for the purpose of analysis.

In the comparable transaction analysis, the Target Company's equity value was evaluated through comparison with the appraised values in the past acquisition cases relatively similar to the Transaction and the financial indices of the target companies of these cases.

In the DCF Analysis, the enterprise value and equity value of the Target Company was evaluated by discounting the free cash flow that the Target Company is expected to generate after the fiscal year ending March 2017 using a certain discount rate based on the financial forecast of the Target Company provided to Merrill Lynch Japan Securities which was prepared by the management of the Tender Offeror and FUJIFILM Holdings by making certain modifications to the financial forecast of the Target Company for the period from the fiscal year ending March 2017 to the fiscal year ending March 2022 provided by the Target Company, based on the results of the due diligence (including incorporating synergy effects expected to be obtained by the Transaction), under the preconditions described in (Note) below and other conditions. In accordance with the instruction given by the Tender Offeror and FUJIFILM Holdings, Merrill Lynch Japan Securities did not take into account implementation of the Buyback as an assumption of the DCF Analysis.

Taking into account various factors comprehensively, including the strategic significance of acquiring the Target Company's Shares by the Tender Offer, synergy created with the Target Company, results of due diligence conducted with respect to the Target Company, whether the proposal of the Tender Offer will possibly be approved by the board of directors of the Target Company, in addition to the statement and analysis results in the Share Valuation Report, as well as considering the results of the discussions and negotiations with Takeda Pharmaceutical Company, at the board of directors' meeting of the Tender Offeror held on December 15, 2016, the Tender Offeror finally determined the Tender Offer Price to be 8,535 yen per share of the Target Company's Shares. On the same day, the Tender Offeror and FUJIFILM Holdings received an opinion stating that the Tender Offer Price to be paid by the Tender Offeror in the Tender Offer is fair for the Tender Offeror and FUJIFILM Holdings from a financial viewpoint (a fairness opinion), under the

preconditions described in (Note) below and other conditions, from Merrill Lynch Japan Securities.

(ii) Background of Calculation

(Background of the Determination of the Tender Offer Price)

The Tender Offeror and the Target Company have a long-standing business relationship, such as, supplying color former necessary for the production of photosensitive materials and other specialty chemicals, and have maintained a strong relationship in both capital and business aspects since the capital alliance in 1960 in which the Tender Offeror subscribed the new shares of the Target Company for the purpose of the stable supply of the specialty chemicals, etc., used for the products of the Tender Offeror.

In this situation, as the Tender Offeror received an inquiry at the beginning of July of 2016 from Nomura Securities, a financial adviser of Takeda Pharmaceutical Company, which is the parent company of the Target Company, of whether or not the Tender Offeror was interested in acquiring the Target Company's Shares held by Takeda Pharmaceutical Company, the Tender Offeror started the consideration and participated in the bidding process held by Takeda Pharmaceutical Company in mid-July of 2016. After that, as the Tender Offeror passed the first bid in late August of 2016, from late August of 2016 to the mid-October of 2016, the Tender Offeror conducted full-scale due diligence, including interviews with management of the Target Company, and proceeded with the consideration of, among other things, a medium and long-term growth strategy and measures to enhance the enterprise value of both the Target Company and the Tender Offeror and a draft tender agreement provided by Takeda Pharmaceutical Company. As a result of such consideration, the Tender Offeror came to the conclusion that it would contribute to significant growth in the future of both of the Tender Offeror and the Target Company, through the Transaction and based on the long-term capital and business relationship between the Tender Offeror and the Target Company, to further enhance "healthcare" and "highly functional materials" business which the Tender Offeror Group considers as the growth drivers, as well as to aim at further realization of synergy. Therefore, in late October of 2016, the Tender Offeror submitted the terms and conditions of the Transaction, including the Tender Offer Price and terms and conditions of the Buyback, as the final proposal to Takeda Pharmaceutical Company. In response to this, Takeda Pharmaceutical Company came to consider the Tender Offeror as the leading candidate of the transferee of the Target Company's Shares.

After the beginning of November 2017, the Tender Offeror repeatedly discussed and negotiated with Takeda Pharmaceutical Company about the details of the structure of the Transaction and the terms and conditions of the Tender Offer including the Tender Offer Price. As the Tender Offeror and Takeda Pharmaceutical Company agreed on other conditions of the Tender Agreement, based on the discussion and deliberation of the Transaction with Takeda Pharmaceutical Company, the Tender Offeror resolved at the meeting of the board of directors held on December 15, 2016, to conduct the Tender Offer as a part of the Transaction aimed to acquire all of the Target Company's Shares and make the Target Company a wholly owned subsidiary of the Tender Offeror, and executed the Tender Agreement with Takeda Pharmaceutical Company on the same day. According to the press release of Takeda Pharmaceutical Company dated December 15, 2016, "Transfer of Shares of Wako Pure Chemical Industries, Ltd. to FUJIFILM Corporation," currently, Takeda Pharmaceutical Company aims to create innovative new drugs by proceeding with innovation through the prioritized allocation of the research and development resource to "oncology

(caner),” the “digestive disease area,” the “central nervous system disease area” and “vaccine,” which are its prioritized disease areas, for the purpose of achieving continuous growth as a global pharmaceutical company. In this situation, as a result of careful consideration of the future business development of the Target Company, Takeda Pharmaceutical Company considered that accelerating the business development under the support of the Tender Offeror, which has a long-term capital and business relationship with the Target Company and is engaged in the “healthcare” and “highly functional materials” businesses as pillars of medium and long-term growth, will lead further development of the Target Company, and executed the Tender Agreement with the Tender Offeror for the purpose of the transfer of the Target Company’s Shares to the Tender Offeror.

The Transaction, including the Buyback and the Tender Offer, was proposed to the Target Company through Takeda Pharmaceutical Company, upon mutual discussion between the Tender Offeror and Takeda Pharmaceutical Company, considering that the Transaction will also provide the shareholders of the Target Company, who would want to apply for the Buyback, rather than tender for the Tender Offer, depending on their own circumstances, with wide range of opportunities to sell their Target Company’s Shares.

The implementation of the Tender Offer was subject to certain conditions, including the completion of procedures of the Buyback and the completion of necessary procedures and measures required by competition laws of Japan and abroad. As the Tender Offeror confirmed that the above-mentioned procedures and measures have been completed and the conditions have been satisfied for commencement of the Tender Offer, the Tender Offeror will start the Tender Offer from February 27, 2017, based on the above-mentioned resolution.

The Tender Offeror determined the Tender Offer Price in accordance with the process described below.

a. Name of third party that provided an opinion regarding the calculation

In determining the Tender Offer Price, the Tender Offeror requested its and FUJIFILM Holdings’ financial advisor, Merrill Lynch Japan Securities, to conduct financial analysis of the equity value of the Target Company.

b. Summary of opinion

As described in “(i) Basis of Calculation” above, Merrill Lynch Japan Securities calculated the value of the Target Company’s Shares using each of a comparable company analysis, a comparable transaction analysis, and a DCF Analysis, under the preconditions described in (Note) below and other conditions. The Tender Offeror and FUJIFILM Holdings obtained the Share Valuation Report from Merrill Lynch Japan Securities on December 15, 2016, and an opinion stating that the Tender Offer Price to be paid by the Tender Offeror in the Tender Offer is fair for the Tender Offeror and FUJIFILM Holdings from a financial viewpoint, under the preconditions described in (Note) below and other conditions (a fairness opinion) on December 15, 2016.

The per-share price ranges of the Target Company’s Shares calculated by each of the above analyses are as follows:

Comparable company analysis:	5,304 yen - 6,835 yen
Comparable transaction analysis:	5,562 yen - 9,113 yen
DCF Analysis:	6,677 yen - 12,372 yen

c. Background of the determination of the Tender Offer Price based on the opinion

Taking into account various factors comprehensively, including the strategic significance of acquiring the Target Company's Shares by the Tender Offer, synergy created with the Target Company, the results of the due diligence conducted with respect to the Target Company, whether the proposal of the Tender Offer will possibly be approved by the board of directors of the Target Company, in addition to the statement and analysis results in the Share Valuation Report, as well as considering the results of the consultations and negotiations with Takeda Pharmaceutical Company, the Tender Offeror finally determined the Tender Offer Price to be 8,535 yen per share at the board of directors' meeting of the Tender Offeror held on December 15, 2016. On the same day, the Tender Offeror and FUJIFILM Holdings received an opinion stating that the Tender Offer Price to be paid by the Tender Offeror in the Tender Offer is fair for the Tender Offeror and FUJIFILM Holdings from a financial viewpoint (a fairness opinion), under the preconditions described in (Note) below and other conditions, from Merrill Lynch Japan Securities.

(iii) Relationship with Appraisers

The Tender Offeror's financial advisor (appraiser), Merrill Lynch Japan Securities, is not a related party of the Tender Offeror, and does not have any material interest in relation to the Tender Offer.

Note: The Merrill Lynch Japan Securities' opinion and the Share Valuation Report have been delivered solely for the use and benefit of the board of directors of each of the Tender Offeror and FUJIFILM Holdings in their respective capacity as such in connection with and for purposes of their respective evaluation of the Tender Offer Price from a financial point of view. The opinion is limited to the fairness, from a financial point of view, to the Tender Offeror and FUJIFILM Holdings of the Tender Offer Price to be paid in the Tender Offer and no opinion or view is expressed with respect to any consideration received in connection with the Transaction or the Tender Offer by the holders of any class of securities, creditors or other constituencies of any party. Merrill Lynch Japan Securities expresses no view or opinion as to any terms or other aspects of the Transaction (other than the Tender Offer Price to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, or the terms and conditions of the Buyback or the Share Exchange (including the consideration to be paid therein) and no opinion or view was expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to the Tender Offeror or in which the Tender Offeror might engage or as to the underlying business decision of the Tender Offeror to proceed with or effect the Transaction. The opinion does not express any opinion or constitute a recommendation to any stockholder of the Target Company as to whether to tender their Target Company's Shares in the Tender Offer or how to vote or act in connection with the Transaction or any related matter. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount,

nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Tender Offer Price. Merrill Lynch Japan Securities expresses no opinion as to the prices at which the Shares of the Tender Offeror's Parent Company will trade at any time, including following the announcement or consummation of the Transaction.

In arriving at the opinion and conducting its underlying valuation analysis, Merrill Lynch Japan Securities has assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with Merrill Lynch Japan Securities and has relied upon the assurances of the managements of the Tender Offeror, FUJIFILM Holdings and the Target Company that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to financial forecasts relating to the Target Company prepared by the management of the Target Company (the "Target Forecasts"), Merrill Lynch Japan Securities has assumed, with the consent of the Tender Offeror and FUJIFILM Holdings, that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of the Target Company as to the future financial performance of the Target Company. With respect to financial forecasts relating to the Target Company prepared by the management of the Tender Offeror and FUJIFILM Holdings (the "FUJIFILM Target Forecasts"), financial forecasts relating to FUJIFILM Holdings furnished to or discussed with Merrill Lynch Japan Securities by the management of FUJIFILM Holdings (the "FUJIFILM HD Forecasts") and certain estimates as to the amount and timing of cost savings and revenue enhancements (collectively, the "Synergies") anticipated by the management of the Tender Offeror and FUJIFILM Holdings to result from the Transaction, Merrill Lynch Japan Securities has assumed, at the direction of the Tender Offeror and FUJIFILM Holdings, that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of the Tender Offeror and FUJIFILM Holdings as to the future financial performance of the Target Company and FUJIFILM Holdings and the other matters covered thereby and, based on the assessments of the management of the Tender Offeror and FUJIFILM Holdings as to the likelihood of achieving the future financial results reflected in the FUJIFILM Target Forecasts, Merrill Lynch Japan Securities has relied, at the direction of the Tender Offeror and FUJIFILM Holdings, on the FUJIFILM Target Forecasts for purposes of its opinion and analysis. Merrill Lynch Japan Securities has relied, at the direction of the Tender Offeror and FUJIFILM Holdings, on the assessments of the management of the Tender Offeror as to the Tender Offeror's ability to achieve the Synergies, has been advised by the Tender Offeror and FUJIFILM Holdings and has assumed that the Synergies will be realized in the amounts and at the times projected. The opinion and the Share Valuation Report are necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to Merrill Lynch Japan Securities as of, the date hereof (except as otherwise stated in the analysis). It should be understood that subsequent developments may affect the opinion and the Share Valuation Report, and Merrill Lynch Japan Securities does not have any obligation to update, revise, or reaffirm the opinion and the Share Valuation Report.

As noted above, the discussion set forth above is a summary of the material financial analyses presented by Merrill Lynch Japan Securities to the board of directors of each of the Tender Offeror and FUJIFILM Holdings in connection with the opinion and is not a comprehensive description of all analyses undertaken by Merrill Lynch Japan Securities in connection with the opinion. The preparation of a financial opinion and its underlying analysis is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. Merrill Lynch Japan Securities believes that its analyses must be considered as a whole. Merrill Lynch Japan Securities further believes that selecting portions of its analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Merrill Lynch Japan Securities' analysis and the opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary. In performing its analyses, Merrill Lynch Japan Securities considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of the Tender Offeror, FUJIFILM Holdings, Takeda Pharmaceutical Company and the Target Company. The estimates of the future performance of the Target Company and FUJIFILM Holdings in or underlying Merrill Lynch Japan Securities' analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by Merrill Lynch Japan Securities' analyses. These analyses were prepared solely as part of Merrill Lynch Japan Securities' analysis of the fairness, from a financial point of view, of the Tender Offer Price and were provided to the board of directors of each of the Tender Offeror and FUJIFILM Holdings in connection with the delivery of the opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be Merrill Lynch Japan Securities' view of the actual values of the Target Company. The Tender Offer Price was determined through negotiations among the Tender Offeror, FUJIFILM Holdings, Takeda Pharmaceutical Company and the Target Company, rather than by any financial advisor, and was approved by the board of directors of each of the Tender Offeror and FUJIFILM Holdings. The decision to enter into the Tender Offer was solely that of each of the board of directors of the Tender Offeror and FUJIFILM Holdings. As described above, the opinion and the Share Valuation Report were only one of many factors considered by the board of directors of each of the Tender Offeror and FUJIFILM Holdings in its evaluation of the Transaction and should not be viewed as determinative of the views of the board of directors or management of the Tender Offeror and FUJIFILM Holdings with respect to the Transaction or the Tender Offer Price.

Merrill Lynch Japan Securities has not made or been provided with any independent

evaluation or appraisal of the assets or liabilities (contingent or otherwise) of the Target Company, the Tender Offeror or FUJIFILM Holdings, nor has it made any physical inspection of the properties or assets of the Target Company, the Tender Offeror or FUJIFILM Holdings. Merrill Lynch Japan Securities has not evaluated the solvency or fair value of the Target Company, the Tender Offeror or FUJIFILM Holdings under any local, national or other laws or regulations relating to bankruptcy, insolvency or similar matters. Merrill Lynch Japan Securities has assumed, at the direction of the Tender Offeror and FUJIFILM Holdings, that the Tender Offer will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Tender Offer, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on the Target Company, the Tender Offeror or FUJIFILM Holdings or the contemplated benefits of the Tender Offer. At the direction of the Tender Offeror and FUJIFILM Holdings, the opinion and the Share Valuation Report do not take into account the effect of the Buyback, including the effect of the Buyback on the financial condition or the capital structure of the Target Company. Merrill Lynch Japan Securities also has assumed, at the direction of the Tender Offeror and FUJIFILM Holdings, that the final executed Tender Agreement will not differ in any material respect from the draft Tender Agreement reviewed by Merrill Lynch Japan Securities.

Merrill Lynch Japan Securities has acted as financial advisor to the Tender Offeror and FUJIFILM Holdings in connection with the Transaction and will receive a fee for its services, all of which is contingent upon consummation of the Tender Offer. In addition, the Tender Offeror and FUJIFILM Holdings have agreed to reimburse expenses incurred in connection with, and indemnify Merrill Lynch Japan Securities against certain liabilities arising out of, the engagement of Merrill Lynch Japan Securities.

Merrill Lynch Japan Securities and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of its businesses, Merrill Lynch Japan Securities and its affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Tender Offeror, FUJIFILM Holdings, Takeda Pharmaceutical Company, the Target Company and certain of their respective affiliates.

Merrill Lynch Japan Securities and its affiliates in the past have provided, and may be currently providing or may in the future provide, investment banking, commercial banking and other financial services to the Tender Offeror and/or FUJIFILM Holdings and have received or in the future may receive compensation for the rendering of these services. In addition, Merrill Lynch Japan Securities and its

affiliates in the past have provided and may be currently providing or may in the future provide, investment banking, commercial banking and other financial services to the Target Company and/or Takeda Pharmaceutical Company and have received or in the future may receive compensation for the rendering of these services.

Merrill Lynch Japan Securities does not provide any legal, accounting or tax-related advice.

(5) Number of Shares to be Purchased in the Tender Offer

Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
18,215,538 (shares)	12,547,242 (shares)	— (shares)

Note 1: The minimum number of shares to be purchased (12,547,242 shares) is the same number as the aggregated number of the Shares Agreed to be Tendered. If the total number of the Tendered Shares does not reach the minimum number of shares to be purchased (12,547,242 shares), the Tender Offeror will not purchase any of the Tendered Shares. If the total number of the Tendered Shares is the same as or greater than the minimum number of shares to be purchased (12,547,242 shares), the Tender Offeror will purchase all of the Tendered Shares.

Note 2: Shares constituting less than a whole unit will also be subject to purchase through the Tender Offer. The Target Company may purchase its own shares in accordance with legal procedures during the Tender Offer Period from any shareholder who exercises the right under the Companies Act to require the Target Company to purchase shares constituting less than a whole unit.

Note 3: There is no plan to purchase the Target Company's Shares held by the Target Company through the Tender Offer.

Note 4: The Tender Offeror does not set a limit on the maximum number of shares to be purchased. Therefore, the above-mentioned number of shares to be purchased is the maximum number (18,215,538 shares) of the Target Company's Shares, etc. the Tender Offeror may purchase through the Tender Offer. Such maximum number is the number of shares (18,215,538 shares) calculated by subtracting the number of the Target Company's Shares (3,170,050 shares) held by the Tender Offeror and the treasury shares (11,956,732 shares) held by the Target Company, as of today, from the number of the issued and outstanding shares (33,342,320 shares) of the Target Company as of September 30, 2016, as set forth in the 144th Fiscal Period Semiannual Report of the Target Company.

(6) Changes in Ownership Percentage of Shares after the Tender Offer

Number of Voting Rights Represented by Shares Owned by the Tender Offeror prior to the Tender Offer	3,170 units	(Ownership Percentage of Shares prior to the Tender Offer: 14.82%)
Number of Voting Rights Represented by Shares Owned by Special Related Parties prior to the Tender Offer	0 units	(Ownership Percentage of Shares prior to the Tender Offer: 0%)



Number of Voting Rights Represented by Shares Owned by the Tender Offeror after the Tender Offer	21,385 units	(Ownership Percentage of Shares after the Tender Offer: 100.00%)
Number of Voting Rights Represented by Shares Owned by Special Related Parties after the Tender Offer	0 units	(Ownership Percentage of Shares after the Tender Offer: 0%)
Total Number of Voting Rights of Shareholders of the Target Company (as of September 30, 2016)	32,403 units	

Note 1: As the Target Company acquired the Target Company's Shares at the same price as the Tender Offer Price through the Buyback as the premise of the commencement of the Tender Offer, the Tender Offeror deemed the Target Company as a person having agreed with the Tender Offeror to jointly acquire the Target Company's Shares, and decided to treat the Target Company as the Special Related Party. However, as all of the Target Company's Shares held by the Target Company (11,956,732 shares) as of today, who is the Special Related Party, are the treasury shares and the Target Company does not have any voting rights with respect to the Target Company's Shares held by the Target Company, the "Number of Voting Rights Represented by Shares Owned by Special Related Parties prior to the Tender Offer" and the "Number of Voting Rights Represented by Shares Owned by Special Related Parties after the Tender Offer" are zero (0).

Note 2: The "Total Number of Voting Rights of Shareholders of the Target Company" represents the total number of voting rights of all shareholders of the Target Company as of September 30, 2016, as described in the 144th Fiscal Period Semiannual Report of the Target Company. However, since the shares constituting less than a whole unit shall also be subject to the purchase through the Tender Offer, and since the Target Company's Shares held by the Target Company increased on February 24, 2017, through the Buyback, in the calculation of the "Ownership Percentage of Shares prior to the Tender Offer" and "Ownership Percentage of Shares after the Tender Offer," the number of the voting rights (21,385 units) represented by the number of shares (21,385,588 shares) that is obtained by (a) deducing the number of treasury shares (11,956,732 shares) held by the Target Company as of today from (b) the total number of issued and outstanding shares (33,342,320 shares) of the Target Company as of September 30, 2016, as set forth in the 144th Fiscal Period Semiannual Report of the Target Company, is used as the denominator. (The unit of the Target Company's Share is 1,000 shares.)

Note 3: The "Ownership Percentage of Shares prior to the Tender Offer" and "Ownership Percentage of Shares after the Tender Offer" are rounded to the second decimal place.

(7) Aggregate Tender Offer Price

155,469,616,830 yen

Note: The above-mentioned aggregate Tender Offer Price is calculated by multiplying the number of the Target Company's Shares (18,215,538 shares) to be purchased in the Tender Offer by the Tender Offer Price per share (8,535 yen).

(8) Method of Settlement

(i) Name and Address of Head Office of Financial Instruments Business Operator or Bank,

etc., in Charge of Settlement for the Tender Offer

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

(ii) Settlement Commencement Date

April 21, 2017 (Friday)

Note: If the Target Company submits an opinion report requesting an extension of the Tender Offer Period pursuant to Article 27-10, Paragraph 3 of the Act, the settlement commencement date shall be April 28, 2017 (Friday).

(iii) Method and Place of Settlement

Promptly after the end of the Tender Offer Period, a notice of purchase under the Tender Offer will be mailed to the address or location of the Tendering Shareholders (i.e., shareholders who accepted the offer for purchase of the shares subject to the Tender Offer or shareholders who tendered their shares; the same shall apply hereinafter) (or to the address of the standing proxy in case of shareholders who reside outside of Japan (the “Foreign Shareholders”).

Purchases will be made in cash. The tender offer agent will, in accordance with the instructions of the Tendering Shareholders (or the standing proxy in case of the Foreign Shareholders), remit (in which case the Tendering Shareholders may be requested to bear the bank fees) the price of purchased shares to the account designated by the Tendering Shareholders (or the standing proxy in case of the Foreign Shareholders) promptly after the settlement commencement date, or pay to the account of the Tendering Shareholders opened with the tender offer agent where the application of the Tendering Shareholders was accepted. The commencement of settlement is subject to completion of registration of transfer of shares in the shareholder registry with respect to the shares purchased through the Tender Offer. Specifically, the Tender Offeror will take the following procedures through the tender offer agent as necessary: (i) immediately after the Tender Offer Period, fix the total number of Tendered Shares, and deliver to Mitsubishi UFJ Trust and Banking Corporation, which is the Target Company’s share transfer agent, the document entitled “Notice of Balance of Shares Held” that certifies the number of shares held by that shareholder (the “Certificate of Number of Shares Held”) that are issued by the share transfer agent, and the “Other Tendering Document” with respect to the shares subject to purchase through the Tender Offer (i.e., “Request for Registration of Share Transfer” which shall indicate the name and address of the shareholder indicated in the Certificate of Number of Shares Held and which shall have impressed thereon the registered seal (if the seal is lost, then the individual’s registered seal and in the case of corporate entities, the corporate seal, and also attaching thereto the seal certificate for such registered seal or corporate seal (the original certificate dated within six (6) months from the date this was issued which certificate shall indicate the same address and name as indicated in the Target Company’s shareholder registry); the same shall apply hereinafter); (ii) after receipt of notice from the share transfer agent that the registration of the relevant share transfer is completed, and after confirming the completion of registration of the share transfer in the shareholder registry with respect to the shares purchased through the Tender Offer; (iii) shall commence the settlement on the date indicated in above “(ii) Settlement Commencement Date” in respect of the Tendering

Shareholders who completed the registration of share transfer. If any of the "Tender Offer Application Form," "Certificate of Number of Shares Held" or "Other Tendering Document" is incomplete and the share transfer agent is unable to confirm the completion of the registration of share transfer by the date indicated in above "(ii) Settlement Commencement Date," the shares tendered by the Tendering Shareholder will not be purchased and settlement will not be commenced with respect to the relevant Tendering Shareholder. Also, there may be a time lag from the time the right with respect to the shares purchased through the Tender Offer is transferred from the Tendering Shareholder to the Tender Offeror (the time when registration of transfer in above (ii) is completed) and the time from when the sales proceeds for those shares purchased through the Tender Offer is paid to the Tendering Shareholder. This time lag arises because of the time incurred for administrative procedures due to the Target Company not being listed and is not a company issuing share certificates.

(iv) Method to Return Shares

If none of the shares tendered is to be purchased under the conditions stated in "(i) Conditions Listed in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof" and "(ii) Conditions of Withdrawal, etc., of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, etc." in below "(9) Other Conditions and Methods of Tender Offer," the Certificate of Number of Shares Held that must be returned shall be delivered to the Tendering Shareholder or mailed to the address or location of the Tendering Shareholder (or to the address of the standing proxy in case of Foreign Shareholders) promptly after two business days (inclusive) from the last day of the Tender Offer Period (even in the case where none of the shares tendered is to be purchased, the Other Tendering Document will not be returned). As the Target Company is not a company issuing share certificates and does not issue any share certificates, there are no share certificates to be returned.

(9) Other Conditions and Methods of Tender Offer

(i) Conditions Listed in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of Tendered Shares does not reach the minimum number of shares intended to be purchased (12,547,242 shares), then none of the Tendered Shares will be purchased. If the total number of Tendered Shares is equal to or greater than the minimum number of shares intended to be purchased (12,547,242 shares), all the Tendered Shares will be purchased.

(ii) Conditions on Withdrawal, etc., of Tender Offer, Details Thereof and Methods of Disclosure of Withdrawals, etc.

If any of the events specified in Article 14, Paragraph 1, Item 1, from "i" to "chi," from "wo" to "so", Item 2, Item 3 from "i" to "to", or Paragraph 2 from Items 3 to 6 of the Financial Instruments and Exchange Law Enforcement Ordinance (Cabinet Order No. 321 of 1965, as amended) (the "Ordinance") arises, the Tender Offeror may withdraw the Tender Offer.

If the Tender Offeror intends to withdraw the Tender Offer, the Tender Offeror shall give public notice electronically and then post notice in the *Nihon Keizai Shimbun* to that effect; provided,

however, that if it is difficult to make such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement in the manner as set forth in Article 20 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended) (the “TOB Order”) and give public notice immediately thereafter.

(iii) Conditions for Reduction of Price for Tender Offer, Details Thereof and Methods of Disclosure of Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company takes any action set forth in Article 13, Paragraph 1 of the Order during the Tender Offer Period, the Tender Offeror may reduce the price of the Tender Offer in accordance with the criteria set forth in Article 19 of the TOB Order.

If the Tender Offeror intends to reduce the price of the Tender Offer, the Tender Offeror shall give public notice electronically and then post notice in the *Nihon Keizai Shimbun* to that effect; provided, however, that if it is difficult to make such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement in the manner as set forth in Article 20 of the TOB Order and give public notice immediately thereafter.

If the price of the Tender Offer is reduced, the Tender Offeror shall purchase all the Tendered Shares at such reduced price, including the shares tendered prior to the date of such public notice.

(iv) Matters Pertaining to Tendering Shareholders' Right to Cancel the Tender

Tendering Shareholders are able to cancel the tender for the Tender Offer at any time during the Tender Offer Period. If Tendering Shareholders wish to cancel their tenders, they have to submit or send by mail their cancellation documents (the receipt of tender for the Tender Offer and a document which indicates the cancellation of the tender for the Tender Offer) to the head office or the branch office of the tender offer agent where the tender offer agent accepted the Tendering Shareholder's tender by 16:00 of the last day of the Tender Offer Period; provided, however, that the cancellation documents must arrive by 16:00 of the last day of the Tender Offer Period if sent by mail.

Parties who have the authority to receive the cancellation documents:

Daiwa Securities Co., Ltd.  
9-1, Marunouchi 1-Chome, Chiyoda-ku, Tokyo (or any branch offices of Daiwa Securities Co., Ltd. in Japan)

The Tender Offeror will not make any claim for compensation for damages or penalties associated with cancellation of the tender for the Tender Offer to the Tendering Shareholders. The costs of returning the Tendered Shares shall be borne by the Tender Offeror.

(v) Method of Disclosure if Conditions of Tender Offer are Changed

The Tender Offeror may make a change to the conditions regarding the Tender Offer during the Tender Offer Period, except in cases prohibited by the Article 27-6, Paragraph 1 of the Act and Article 13 of the Ordinance.

If the Tender Offeror intends to change any of the conditions of the Tender Offer, the Tender Offeror shall give public notice electronically regarding the details of such change, etc., and then post notice in the *Nihon Keizai Shimbun* to that effect; provided, however, that if it is difficult to make such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement in the manner as set forth in Article 20 of the TOB Order and give public notice immediately thereafter.

If the condition of the Tender Offer is changed, the Tender Offeror shall purchase all the Tendered Shares in accordance with the amended conditions, including the shares tendered prior to the date of such public notice.

(vi) Methods of Disclosure if Amendment Statement is Filed

If amendment statement is filed with the Director-General of the Kanto Local Financial Bureau (except the cases described in the proviso of Article 27-8, Paragraph 11 of the Act), the Tender Offeror shall immediately make a public announcement of the contents thereof that pertain to the contents of the public notice of the commencement of Tender Offer in accordance with the method set forth in Article 20 of the TOB Order. In addition, the Tender Offeror shall immediately correct the tender offer explanatory statement, and deliver an amended tender offer explanatory statement to each Tendering Shareholder who has already received the tender offer explanatory statement; provided, however, that, if the scope of changes are narrow, the Tender Offeror will instead prepare a document stating the reasons for the amendment, the matters amended and the contents as amended and deliver the said document to the Tendering Shareholders.

(vii) Method for Disclosure of Results of Tender Offer

The Tender Offeror shall publicly announce the results of the Tender Offer on the day immediately after the last day of the Tender Offer Period, in accordance with the method as set forth in Article 9-4 of the Ordinance and Article 30-2 of the TOB Order.

(viii) Others

The Tender Offer shall not, directly or indirectly, be carried out in the United States or be directed toward the United States, and shall not be carried out using US postal service or any other methods or means of interstate commerce or international commerce (including, but not limited to telephone, telex, facsimile, e-mail, and internet communications), nor carried out through securities exchange facilities in the United States. No one can tender for the Tender Offer using the above-mentioned methods or means, through the above-mentioned facilities, or from the United States.

In addition, this document and/or documents relating to the Tender Offer cannot be sent to or distributed in, to, or from the United States, by postal service or any other methods, and accordingly, such delivery or distribution shall not be permitted. Any tender for the Tender Offer

which directly or indirectly violates the above restrictions shall not be accepted.

In tendering for the Tender Offer, Tendering Shareholders (or their standing proxy in the case of foreign shareholders.) may be respectively requested to make the following representations and warranties to the tender offer agent:

The Tendering Shareholder is not located in the United States at the time of to the tender for the Tender Offer, or at the time of mailing the Tender Offer application form; The Tendering Shareholder has not, directly or indirectly, received or sent any information relating to the Tender Offer or documents relating to the Tender Offer (including copies thereof) in, directed to, or from within, the United States; With respect to the tender for the Tender Offer or execution or delivery of the Tender Offer application form, the Tendering Shareholder has not, directly or indirectly, used the US postal service or any other methods or means (including but not limited to telephone, telex, facsimile, e-mail, and Internet communications) of interstate commerce or international commerce, or any securities exchange facilities in the United States; The Tendering Shareholder is not a person acting as an agent or a trustee or delegate, without discretion, for another person (except cases where such another person provides the relevant shareholder with all the instructions regarding the Tender Offer from outside the United States).

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

February 27, 2017 (Monday)

(11) Tender Offer Agent

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

3. Policies, etc., after Tender Offer and Future Prospects

For policies, etc., after the Tender Offer, please refer to “(2) Background, Purpose and Decision-making Process Leading to Decision to Conduct the Tender Offer, and Management Policy Following the Tender Offer ” and “ (6) Policy for Organizational Restructuring After the Tender Offer (Matters Relating to “Two-Step Acquisition”) ” in “1. Purpose of Tender Offer. ”

4. Others

(1) Agreements between Tender Offeror and Target Company or its Directors or Officers, and Details of Agreements

According to the Target Company’s Press Release in December 2016, at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to issue an opinion supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer. Also, according to the Target Company’s Press Release in February 2017, at the meeting of the board of directors held on February 24, 2017, since the Target Company did not find any reason to change its decision at the meeting of the board of directors held on December 15, 2016, the Target Company resolved to uphold such decision, to issue an opinion

anew supporting the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

For the details of the decision-making process of the Target Company, please refer to “(iii) Process and Reason Leading the Target Company to Decision to Support the Tender Offer” in “(2) Background, Purpose and Decision-making Process Leading to Decision to Conduct the Tender Offer, and Management Policy Following the Tender Offer” as well as “(5) Measures to Ensure Fairness of the Tender Offer Price” in the afore-mentioned “1. Purpose of Tender Offer.”

(2) Other Information Deemed Necessary for Investors to Determine Whether to Tender for Tender Offer

According to the Target Company’s Press Release Concerning the Result of the Buyback, based on the resolution approving the acquisition of treasury shares pursuant to Article 156, Paragraph 1 of the Companies Act by the extraordinary meeting of shareholders of the Target Company held on February 6, 2017, and the resolution at the subsequent meeting of the board of directors, as the Buyback, the Target Company acquired 11,277,012 shares of the Target Company’s Shares for 8,535 yen per share, which is the same price as the Tender Offer Price, on February 24, 2017, and the number of the treasury shares held by the Target Company as of today is 11,956,732 shares.

In addition, according to the Target Company’s Press Release in December 2016, at the meeting of the board of directors held on December 15, 2016, the Target Company resolved not to distribute the year-end dividend for the fiscal year ending in March 2017.