



October 16, 2020

For Immediate Release

Company Name: NICHIIGAKKAN CO., LTD.
Representative: Nobusuke Mori, Representative Director, President and
Chief Executive Officer
(Securities Code: 9792, First Section of the Tokyo
Stock Exchange)
Inquiries: Mitsuo Kaise, Senior Executive Officer and
Administrative Executive Division Director(CAO)
Tel: 03-3291-3954

**Notice Regarding Resolutions to Approve Share Consolidation, Partial Amendment of Articles of Incorporation,
and Appointment of Directors and Statutory Auditors**

We hereby inform you as follows that, as we informed you in the “Notice Regarding Share Consolidation, Abolishment of Provision on Share Units, Partial Amendment of Articles of Incorporation, and Appointment of Directors and Statutory Auditors” released on September 15, 2020 (the “September 15, 2020 Company Press Release”), at an extraordinary general shareholders meeting held today (“Extraordinary General Shareholders Meeting”), the Company proposed resolutions regarding a share consolidation, partial amendment of the Articles of Incorporation, and the appointment of directors and statutory auditors, and each of the resolutions was passed as in the original drafts.

As a result, the Company’s common shares (“Shares”) will satisfy the criteria for delisting specified in the securities listing rules of the Tokyo Stock Exchange, Inc. (“Tokyo Stock Exchange”). For this reason, after the Shares have been designated as a delisted issue for the period from October 16, 2020 to November 4, 2020, the Shares are scheduled to be delisted on November 5, 2020. Please remember that after the delisting it will not be possible to trade Shares on the first section of the Tokyo Stock Exchange.

1 . Proposal 1 (Share Consolidation)

As we informed you in the September 15, 2020 Company Press Release, the Company held the Extraordinary General Shareholders Meeting to receive necessary approval regarding a share consolidation under the following terms (“Share Consolidation”).

(i) Class of shares to be consolidated

Common shares

(ii) Consolidation ratio

Every 16,303,849 shares of the Shares will be consolidated into one share.

(iii) Reduction in total number of outstanding shares

65,282,507 shares

(iv) Total number of outstanding shares prior to effect

65,282,511 shares (Note 1)

(Note 1) The total number of outstanding shares prior to effect will be the number of issued shares of the Company

as of June 30, 2020 (73,017,952 shares) set forth in the “First Quarterly Report for the 49th Business Year” released by the Company on August 13, 2020 *less* the number of treasury shares that the Company holds as of September 3, 2020 (7,735,441 shares), which are scheduled to be retired on November 6, 2020, in accordance with the resolution of the meeting of the Board of Directors held on September 15, 2020.

(v) Total number of outstanding shares after effect

4 shares

(vi) Total number of authorized shares as of effective date

16 shares

(vii) Method of processing fractional shares less than one share and amount of cash expected to be delivered to shareholders through such processing

It is planned that, through the Share Consolidation, the Shares held by shareholders other than K.K. BCJ-44 (“Tender Offeror”) and Meiwa Corporation (“Meiwa”) will become fractional shares less than one share.

With respect to fractional shares less than one share arising from the Share Consolidation, shares equal to the total number (if the total number includes a fraction of less than one share, such fraction will be discarded) will be sold, and the proceeds obtained through such sale will be delivered to shareholders in proportion to their fractional shares. With respect to such sale, it is planned that the shares will be sold to the Tender Offeror with the permission of the court pursuant to the provisions of Article 234, paragraph (2) of the Companies Act applied *mutatis mutandis* under Article 235, paragraph (2) of the same Act, or purchased by the Company with the permission of the court pursuant to the provisions of Article 234, paragraph (4) of the Companies Act applied *mutatis mutandis* under Article 235, paragraph (2) of the same Act.

The sale price in such case, if the above permission of the court is obtained as planned, is planned to be set at a price that makes it possible to deliver to each shareholder cash in the amount obtained by multiplying the number of Shares held by the shareholder by JPY1,670, which is the same amount as the Tender Offer Price.

2 . Proposal 2 (Partial Amendment of Articles of Incorporation)

When the Share Consolidation takes effect, in accordance with Article 182, paragraph (2) of the Companies Act, the Company’s total number of authorized shares will be reduced to 16 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation will be amended.

When the Share Consolidation takes effect, the Company’s total number of outstanding shares will be 4 shares, and it will cease to be necessary to specify the number of shares in a share unit. Subject to the Share Consolidation taking effect, in order to abolish the provision that currently makes 100 shares the share unit for the Shares, the entire text of Article 8 (Number of Shares in Share Unit), Article 9 (Rights of Shareholders of Less Than One Share Unit), and Article 10 (Demand for Sale of Shares Less Than One Share Unit) of the Articles of Incorporation will be deleted, Article 12 (Share Handling Rules) will be amended, and in conjunction with the amendment the article numbers will be shifted up.

Please refer to the September 15, 2020 Company Press Release for the particulars etc. of the partial amendment of the Articles of Incorporation.

Subject to the Share Consolidation taking effect, these amendments of the Articles of Incorporation are scheduled to take effect on November 9, 2020, which is the effective date of the Share Consolidation.

3 . Proposal 3 (Appointment of 2 Directors)

(i) Reasons for Appointment of Directors

To enhance management systems in light of management challenges going forward.

With respect to the appointment of these directors, provided that the proposal for the Share Consolidation is approved as in the current draft at the Extraordinary General Shareholders Meeting, the change will take effect on October 16, 2020.

(ii) Candidates for Directors

Name	Ryuto Kobayashi	
Date of birth	October 30, 1976	
Category	New appointment	
Biographies	March 1999	Graduated from Keio University, the Faculty of Law, the Department of Law
	April 1999	Joined Mitsubishi Corporation
	October 2000	Joined Accenture Japan Ltd.
	May 2008	Graduated from Harvard Business School
	August 2008	Joined Bain Capital Private Equity (Japan), LLC
	July 2012	Statutory Auditor, Jupiter Shop Channel Co., Ltd.
	May 2017	Director, Ooedo Onsen Monogatari Co., Ltd.
	June 2017	Director, Ooedo Onsen Monogatari Group Co., Ltd. (to present)
	January 2018	Managing Director, Bain Capital Private Equity (Japan), LLC (to present)
	May 2018	Director, Ooedo Onsen Monogatari Hotel & Resorts Co., Ltd. (to present)
	August 2020	Director, GABA Corporation (to present)
Number of shares held	—	

Name	Shunsuke Nakahama	
Date of birth	March 15, 1977	
Category	New appointment	
Biographies	March 1999	Graduated from the University of Tokyo, the Faculty of Engineering, the Department of Civil Engineering
	March 2002	Graduated from the University of Tokyo, the Graduate School of Engineering, the Department of Civil Engineering
	April 2002	Joined McKinsey & Company Incorporated Japan
	April 2010	Operating Partner, Bain Capital Private Equity (Japan), LLC (to present)
	December 2015	Outside Director, Domino's Pizza Japan, Inc.
	April 2016	Director, Yukiguni Maitake Co., Ltd. (to present)
	August 2018	Outside Statutory Auditor, Toshiba Memory Corporation
	March 2019	Outside Statutory Auditor, Toshiba Memory Holdings Corporation (currently: Kioxia Holding Corporation)
	September 2019	Director, Cheetah Digital Co., Ltd. (currently: EmberPoint Co., Ltd.) (to present)
	April 2020	Director, Showa Aircraft Industry Co., Ltd. (to present)
	August 2020	Director, GABA Corporation (to present)
Number of shares held	—	

4 . Proposal 4 (Appointment of 2 Statutory Auditors)

(i) Reasons for Appointment of Statutory Auditors

To enhance management systems in light of management challenges going forward.

With respect to the appointment of these Statutory Auditors, provided that the proposal for the Share Consolidation is approved as in the current draft at the Extraordinary General Shareholders Meeting, the change will take effect on October 16, 2020.

(ii) Candidates for Statutory Auditors

Name	Junichi Takami	
Date of birth	June 29, 1980	
Category	New appointment	
Biographies	March 2003	Graduated from the University of Tokyo, the Faculty of Economics
	April 2003	Joined the Ministry of Economy, Trade and Industry
	August 2011	Joined McKinsey & Company Incorporated Japan
	April 2020	Joined Bain Capital Private Equity (Japan), LLC (to present)
	June 2020	Outside Statutory Auditor, Showa Aircraft Industry Co., Ltd. (to present)
Number of shares held	—	

Name	Komi Kyu	
Date of birth	August 16, 1984	
Category	New appointment	
Biographies	September 2009	Graduated from the University of California, Los Angeles
	April 2010	Joined Boston Consulting Group
	May 2015	Joined Bain Capital Private Equity (Japan), LLC (to present)
	September 2020	Statutory Auditor, GABA Corporation (to present)
Number of shares held	—	

5 . Schedule of Share Consolidation

(i) Date of extraordinary general shareholders meeting	October 16, 2020 (Friday)
(ii) Delisted stock designation date	October 16, 2020 (Friday)
(iii) Final trading date for Shares	November 4, 2020 (Wednesday) (Tentative)
(iv) Date of delisting of Shares	November 5, 2020 (Thursday) (Tentative)
(v) Effective date of Share Consolidation	November 9, 2020 (Monday) (Tentative)

End