

Cover Sheet

Submitted Document	Tender Offer Report
Government Agent to Receive Filing	Director of the Kanto Finance Bureau
Submission Date	August 18, 2020
Name of Submitting Party	K.K. BCJ-44
Address or Location of Submitting Party	Palace Building 5F, 1-1-1, Marunouchi, Chiyoda-ku, Tokyo
Nearest Point of Contact	Palace Building 5F, 1-1-1, Marunouchi, Chiyoda-ku, Tokyo
Phone Number	+81-3-6212-7070
Name of Administrative Contact	Yuji Sugimoto, Representative Director
Name of agent	Not applicable.
Address or Address of Agent	Not applicable.
Nearest Point of Contact	Not applicable.
Phone Number	Not applicable.
Name of Administrative Contact	Not applicable.
Place for public inspection	K.K. BCJ-44 (Palace Building 5F, 1-1-1, Marunouchi, Chiyoda-ku, Tokyo) Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

(Note 1) In this Statement, the “Offeror” means K.K. BCJ-44.

(Note 2) In this Statement, the “Target” means Nichiigakkan Co., Ltd.

(Note 3) Where figures in this Statement have been rounded or truncated, the amount indicated as the total might not always coincide with the sum of the relevant figures.

(Note 4) In this Statement, the “Act” means the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).

(Note 5) In this Statement, “Order” means the Financial Instruments and Exchange Act Enforcement Order (Cabinet Order No. 321 of 1965, as amended).

(Note 6) In this Statement, the “Cabinet Office Ordinance” means the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Persons Other Than Issuers (Ordinance of the Ministry of Finance No. 38 of 1990, as amended).

(Note 7) In this Statement, “Share Certificates, Etc.” means rights pertaining to shares etc.

(Note 8) In this Statement, “Business Day” means any day other than a day set out in any item of Article 1, paragraph (1) of the Act on Holidays of Administrative Organs (Act No. 91 of 1988, as amended).

(Note 9) Unless otherwise provided, any reference in this Statement to a number of days or a date and time means the number of days or the date and time in Japan.

- (Note 10) Unless otherwise provided, all of the procedures concerning the Tender Offer will be conducted in the Japanese language. All or some of the documents related to the Tender Offer are prepared in the English language, and if there is a discrepancy between that English language document and the corresponding Japanese language document, the Japanese language document will prevail.
- (Note 11) Statements that constitute “forward-looking statements” as defined in Section 27A of the Securities Act of 1933 of the United States (as amended) and Section 21E of the United States Securities Exchange Act of 1934 are included in statements in this Statement. There may be a significant difference between actual results and the express or implied predictions, etc. made as “forward-looking statements” due to known or unknown risks, uncertainties, and other factors. None of the Offeror and its affiliates guarantee that any express or implied prediction, etc. made as a “forward-looking statements” will ultimately be correct. The “forward-looking statements” in this Statement have been prepared based on information that is available to the Offeror as of the submission date of this Statement, and unless required by applicable laws and regulations or rules of securities exchanges, none of the Offeror and any of its affiliates has an obligation to update or correct those statements in order to reflect future events or circumstances.

1. Details of Tender Offer

(1) Name of the Target

Nichiigakkan Co., Ltd.

(2) Class of Share Certificates, Etc. to be Purchased, Etc.

(i) Common shares (the “**Target Shares**”)

(ii) Stock acquisition right

- a. Share options (ordinary type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 30, 2015 (the “**Series 1 Stock Acquisition Rights**”) (exercise period from July 25, 2015 to July 24, 2045)
- b. Share options (stock compensation type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 30, 2015 (the “**Series 2 Stock Acquisition Rights**”) (exercise period from July 25, 2015 to July 24, 2045)
- c. Share options (stock compensation type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 28, 2016 (the “**Series 3 Stock Acquisition Rights**”) (exercise period from July 26, 2016 to July 25, 2046)
- d. Share options (stock compensation type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 27, 2017 (the “**Series 4 Stock Acquisition Rights**”) (exercise period from July 25, 2017 to July 24, 2047)
- e. Share options (stock compensation type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 26, 2018 (the “**Series 5 Stock Acquisition Rights**”) (exercise period from July 24, 2018 to July 23, 2048)
- f. Share options (stock compensation type) issued based on a resolution adopted at the meeting of the board of directors of the Target held on June 25, 2019 (the “**Series 6 Stock Acquisition Rights**,” and the Series 1 Stock Acquisition Rights, the Series 2 Stock Acquisition Rights, the Series 3 Stock Acquisition Rights, the Series 4 Stock Acquisition Rights, the Series 5 Stock Acquisition Rights, and the Series 6 Stock Acquisition Rights, collectively, the “**Stock Acquisition Rights**”) (exercise period from July 23, 2019 to July 22, 2049)

(3) Tender Offer Period

From Monday, May 11, 2020 to Monday, August 17, 2020 (68 Business day)

2. Result of Tender Offer

(1) Outcome of the Tender Offer

The Offeror has set the condition that if the total number of share certificates, etc. tendered in the Tender Offer (the “**Tendered Share Certificates, Etc.**”) is less than the minimum number of Share Certificates, Etc. to be purchased (27,586,100 shares), the Offeror will not purchase any of the Tendered Share Certificates, Etc. However, since the total number of Tendered Share Certificates, Etc. (37,942,909 shares) is equal to or more than the minimum number of Share Certificates, Etc. to be purchased (27,586,100 shares), the Offeror will purchase all of the Tendered Share Certificates, Etc. as described in the public notice of commencement of the Tender Offer (including the matters amended by Public Notice of Amendment to Terms of Tender Offer, Etc. filed as of June 22, 2020, July 9, 2020 and July 31, 2020, respectively) and the Tender Offer Registration Statement (including the matters amended by the Amendment to the Tender Offer Registration Statement filed as of May 19, 2020, June 22, 2020, June 25, 2020, July 9, 2020, July 31, 2020 and August 6, 2020, respectively).

(2) Date of public notice of the result of the Tender Offer and name of newspaper for public

notice

In accordance with Article 27-13, Paragraph 1 of the Act, the Offeror has publicly announced the result of the Tender Offer to the press at the Tokyo Stock Exchange, Inc. on August 18, 2020 in the manner set out in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Ordinance.

(3) Number of Share Certificates, Etc. purchased

Class of Share Certificates, Etc.	Number of Tendered Share Certificates, Etc. on a number-of-shares basis	Number of Tendered Share Certificates, Etc. to be purchased on a number-of-shares basis
Share Certificates	37,449,109 (shares)	37,449,109 (shares)
Certificates of Stock Acquisition Rights	493,800	493,800
Certificates of Bonds with Share Option	-	-
Share Certificates, etc. Trust Beneficiary Certificates ()	-	-
Share Certificates, etc. Depository Receipt ()	-	-
Total	37,942,909	37,942,909
(Total number of the potential Share Certificates, Etc.)	(493,800)	(493,800)

(4) Ownership Ratio of Share Certificates, Etc. after the Purchase, Etc.

Category	Number of Voting Rights
Number of voting rights represented by Share Certificates, Etc. owned by the Offeror as of the reporting date hereof (a)	379,429
Number of voting rights represented by the potential Share Certificates, Etc. included in (a) above (units) (b)	4,938
Number of voting rights represented by trust beneficiary certificates for Share Certificates, Etc. and depository receipts for Share Certificates, Etc. included in (b) above (units) (c)	-
Number of voting rights represented by the Share Certificates, Etc. owned by special related parties as of the reporting date hereof (units) (d)	163,494
Number of voting rights represented by the potential Share Certificates, Etc. included in (d) above (units) (e)	-
Number of voting rights represented by trust beneficiary certificates for Share Certificates, Etc. and depository receipts for Share Certificates, Etc. included in (e) above (units) (f)	-

Number of voting rights owned by all shareholders, etc. of the Target (as of September 30, 2019) (units) (g)	641,547
Ownership ratio of the Share Certificates, Etc. after the purchase, etc. $((a+d)/(g+(b-c)+(e-f))\times 100)$ (%)	82.47

(Note 1) “Number of voting rights represented by the Share Certificates, Etc. held by special related parties as of the reporting date hereof (units) (d)” is the total number of voting rights represented by Share Certificates, Etc. owned by each special related party.

(Note 2) “Number of voting rights held by all shareholders, etc. of the Target (as of September 30, 2019) (units) (g)” is the number of voting rights of all shareholders (described as the share unit number is 100 shares) as of September 30, 2019 as stated in the quarterly securities report for the third quarter of the 48th fiscal year filed on February 10, 2020 by the Target. However, given that shares less than one unit and shares of the Target that may be issued through exercise of the Stock Acquisition Rights are also subject to the Tender Offer, the number of voting rights (658,348) represented by the number of shares (65,834,847 shares), obtained by deducting (i) the number of treasury shares owned by the Target as of March 31, 2020 set out in the “Summary of Consolidated Financial Statements for the business year ended March 31, 2020 [Japanese GAAP]” published by the Target on May 8, 2020 (the “**Target Summary of Financial Statements**”) (7,682,005 shares) from (ii) the number of shares (73,516,852 shares) that is equal to the sum of (x) the aggregate of (a) the number of shares (498,900 shares) underlying the Stock Acquisition Rights as of May 7, 2020 (498,900 stock acquisition rights) that is equal in number to the sum of the number of Series 6 Stock Acquisition Rights (according to the Target, 19,000 stock acquisition rights (number of underlying shares: 19,000 shares)) obtained by deducting the Series 6 Stock Acquisition Rights that have been exercised or have expired during the period from July 23, 2019 until May 7, 2020 (according to the Target, 13,800 stock acquisition rights (number of underlying shares: 13,800 shares)) from all of the Series 6 Stock Acquisition Rights as of July 22, 2019 set out in the Second Quarterly Report for the 48th Business Year submitted by the Target on November 13, 2019 (32,800 stock acquisition rights, number of underlying shares: 32,800) and (b) the number of the Stock Acquisition Rights (479,900 stock acquisition rights (according to the Target, 370,200 Series 1 Stock Acquisition Rights (number of underlying shares: 370,200 shares), 27,700 Series 2 Stock Acquisition Rights (number of underlying shares: 27,700 shares), 28,200 Series 3 Stock Acquisition Rights (number of underlying shares: 28,200 shares), 28,400 Series 4 Stock Acquisition Rights (number of underlying shares: 28,400 shares), 25,400 Series 5 Stock Acquisition Rights (number of underlying shares: 25,400 shares))) obtained by deducting the Stock Acquisition Rights that have been exercised or have expired during the period from April 1, 2019 until May 7, 2020 (980,400 stock acquisition rights (according to the Target, 923,400 Series 1 Stock Acquisition Rights (number of underlying shares: 923,400 shares), 10,800 Series 2 Stock Acquisition Rights (number of underlying shares: 10,800 shares), 13,700 Series 3 Stock Acquisition Rights (number of underlying shares: 13,700 shares), 15,300 Series 4 Stock Acquisition Rights (number of underlying shares: 15,300 shares), 17,200 Series 5 Stock Acquisition Rights (number of underlying shares: 17,200 shares))) from all of the Stock Acquisition Rights as of March 31, 2019 set out in the Annual Securities Report for the 47th business year submitted by the Target on June 26, 2019 (1,460,300 stock acquisition rights (number of underlying shares: 1,460,300 shares) and (y) the number of issued shares of the Target as of March 31, 2020 set out in the Target Summary of Financial Statements (73,017,952 shares), is used as the denominator in the calculation of the “ownership ratio of the Share Certificates, Etc. after the purchase, etc.”

(Note 3) The figures in the “Ownership ratio of the Share Certificates, Etc. after the purchase, etc.” are rounded to two decimal places.

(5) Calculation by the Pro Rata Method in the Tender Offer

Not applicable