

November 7, 2017

Trade name: Noevir Holdings Co., Ltd.
Representative: Takashi Okura, President and CEO
(Securities Code Number: 4928, TSE, First Section)
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Notice of Decision on Matters Pertaining to a Repurchase of Treasury Stock and Cancellation of Treasury Stock

(Repurchase of the Company's own stock based on the provision set forth in the Articles of Incorporation pursuant to Article 165-2 of the Companies Act and cancellation of its treasury stock pursuant to Article 178 of the Companies Act)

Noevir Holdings hereby announces that a resolution was adopted at a meeting of the Board of Directors held on November 7, 2017 approving matters related to the purchase of treasury stock pursuant to Article 156 of the Companies Act as applied in light of the relevant provisions in Article 165-3 of the same Act. Also approved was the cancellation of treasury stock pursuant to Article 178 of the Companies Act. Details of the resolution are as follows.

1. Reason for repurchase and cancellation of treasury stock

To raise capital efficiency and improve profit returns to shareholders.

2. Details of the repurchase

- (1) Class of shares to be repurchased: Common stock of the Company
- (2) Total number of shares to be repurchased: 1,500,000 (maximum) [Ratio to total number of outstanding shares (excluding treasury stock): 4.23%]

Note: The Company has been notified by Hiroshi Okura, controlling shareholder and Chairman and Representative Director of the Company, that he intends to satisfy the repurchase by selling a portion of his common stock holdings.

- (3) Total repurchase price of shares: ¥11,000,000,000 (maximum)
- (4) Repurchase date: November 8, 2017 to November 17, 2017
- (5) Repurchase method: Off-auction own share repurchase trading system (ToSTNeT-3) of the Tokyo Stock Exchange

3. Details of the cancellation of treasury stock

- (1) Class of shares to be cancelled: Common stock of the Company
- (2) Total number of shares to be cancelled: All of the treasury shares repurchased in 2. above plus 30 shares (treasury shares owned by the Company other than those in 2. above).
- (3) Planned cancellation date: November 28, 2017

4. Matters concerning transactions with controlling shareholders

(1) Compliance with the guidelines pertaining to the reasonableness of transactions with controlling shareholders and measures for protecting minority shareholders

The repurchase of the treasury stock falls under the category of transactions with controlling shareholders, as it involves the participation of Hiroshi Okura, controlling shareholder and Chairman and Representative Director of the Company, as the seller. Compliance of this transaction with the “Guidelines Concerning Policies for Protecting Minority Shareholders in Transactions with Controlling Shareholders,” which were presented in the updated corporate governance report disclosed on April 28, 2017, is detailed below.

These guidelines dictate that transactions with controlling shareholders shall be conducted properly, for example by determining the pros and cons of carrying out the transaction after reviewing the transaction details and the reasonableness of the transaction terms at the Board of Directors' meeting, so that the Company and therefore the minority shareholders are not impaired. To that end, the Company held a Board of Directors' meeting on November 7, 2017, attended by five directors (of whom two were outside directors) and three corporate auditors (of whom two were outside corporate auditors) who have no vested interests in the controlling shareholders. The meeting confirmed that the repurchase and cancellation of treasury stock will be conducted primarily to raise capital efficiency and improve profit returns to shareholders. In addition, the matter was sufficiently discussed, taking into account current stock price levels and the potential of future capital policies, and the directors unanimously passed a resolution to carry out the treasury stock repurchase and cancellation. For this reason, the Company has judged that the repurchase and cancellation of treasury stock complies with the guidelines.

(2) Matters pertaining to measures for ensuring fairness and avoiding a conflict of interest

To implement measures to ensure fairness, Noevir Holdings will purchase the shares using the Tokyo Stock Exchange's off-auction own share repurchase trading system (ToSTNeT-3) at the closing price (including closing special quotation) of the day before. In conjunction with the repurchase and cancellation of treasury stock, Hiroshi Okura, who is Chairman and Representative Director of the Company and a controlling shareholder of the Company, and Takashi Okura, President and CEO of the Company, who jointly own the Company's shares pursuant to the Financial Instruments and Exchange Act, did not participate in the proceedings as chairpersons, in the discussions, or in the resolution at the Board of Directors' meeting to avoid a conflict of interest. In addition, as described hereunder in “(3) Summary of a written opinion received from persons who have no interest in the controlling shareholder, stating that the relevant transactions are not detrimental to the Company's minority shareholders,” on November 7, 2017, the Company received a written opinion from Masakazu Ueda and Kazuhiro Kida, both of whom are independent officers as well as outside corporate auditors of the Company, stating that the repurchase and cancellation of treasury stock are not detrimental to the Company's minority shareholders in view of the objectives, decision-making procedures, and repurchase method.

For this reason, the Company has decided that measures have been taken to ensure fairness and avoid a conflict of interest in the repurchase and cancellation of the treasury stock.

(3) Summary of a written opinion received from persons who have no interest in the controlling shareholder, stating that the relevant transactions are not detrimental to the Company's minority shareholders

The following is a summary of the written opinion received from Masakazu Ueda and Kazuhiro Kida, both of whom are independent officers as well as outside corporate auditors of the Company.

(i) The repurchase and cancellation of treasury stock, in light of the timing and method of repurchase, will raise capital efficiency and contribute to an improvement in profit returns to shareholders.

(ii) The repurchase and cancellation of treasury stock are not detrimental to the interests of minority shareholders, as the Company executes them, from the preparatory stage until a decision is made, in accordance with the “Guidelines Concerning Policies for Protecting Minority Shareholders in Transactions with Controlling Shareholders,” while taking sufficient measures to ensure fairness and avoid a conflict of interest.

(iii) Fairness in transaction terms is ensured as they are conducted through ToSTNeT-3.

(Reference) Status of treasury stock as of October 31, 2017

- Total number of issued shares (excluding treasury shares): 35,451,623
- Number of treasury shares: 30