February 8, 2021

To Whom It May Concern:

Company:	Tsukui Holdings Corporation
Representative:	President and Representative Director, CEO Hiroshi Tsukui
	(Code No. 2398, First Section, Tokyo Stock Exchange)

Statement of Opinion on Tender Offer for Tsukui Holdings Company Shares by MBKP Life LLC

Tsukui Holdings Corporation (the "Company") hereby announces that the Company has resolved, at its Board of Directors meeting held today, to state its opinion approving the tender offer (the "Tender Offer") for the Company's common stock (the "Company Shares") by MBKP Life LLC (the "Tender Offeror"), and to recommend that the Company's shareholders tender their shares in the Tender Offer, as follows.

The resolution of the Company's Board of Directors has been adopted based on the assumption that the Tender Offeror intends to make the Company the Tender Offeror's wholly-owned subsidiary through the Tender Offer and a set of subsequent procedures, and that the Company Shares will be delisted.

1. **Overview of Tender Offeror**

(1)	Name	MBKP Life LLC
(2)	Address	10-3, Nagatacho 2-chome, Chiyoda-ku, Tokyo
(3)	Representative's Title and Name	Representative Member, MBK Partners JC V, L.P. Managing Officer, Kenichiro Kagasa
(4)	Business Activities	(1) Management consulting services; (2) Acquisition, holding and sale of securities; and (3) Any and all businesses incidental and related to the preceding items
(5)	Capital Stock	5,000 yen
(6)	Date Established	May 1st, 2020
(7)	Major Shareholders and Shareholding Ratio	MBK Partners JC V, L.P. 100%
(8)	Relationship between Company and Tender Offeror	

	Capital Relationship	N/A
	Personal Relationship	N/A
	Business Relationship	N/A
	Applicability of Related Party	N/A

2. **Tender Offer Price**

924 yen per Company Share

3. **Details of and Grounds and Reasons for Company's Opinion on Tender Offer**

(1) Details of Company's Opinion on Tender Offer

At the Board of Directors meeting held today, the Company has adopted a resolution that, based on the grounds and reasons described in "(2) Grounds and Reasons for Company's Opinion on Tender Offer" below, the Company will state its opinion approving the Tender Offer, and that the Company recommends its shareholders to tender their shares in the Tender Offer.

The resolution of the Company's Board of Directors was adopted through the method stated in "IV Approval of All of Company's Directors (Including Those Who are Audit and Supervisory Committee Members) Without Conflicts of Interest" under "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(2) Grounds and Reasons for Company's Opinion on Tender Offer

(I) Overview of Tender Offer

The Company has received the following explanation on the overview of the Tender Offer from the Tender Offeror.

The Tender Offeror is a limited liability company (*godo kaisha*) established in May 1, 2020, all of the shares of which are held by MBK Partners Fund JC V, L.P. ("JC Fund"). The main purpose of the Tender Offeror is to, by way of acquiring and holding all of the Company Shares listed on the First Section of Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"), implement the series of transactions (the "Transaction") that assume that the Company Shares are being delisted for the purpose of making the Company its wholly-owned subsidiary, and to control and manage the business of the Company thereafter. The Tender Offeror owns, as of today, 100 shares of the Company Shares (ownership ratio (Note 1): 0.00%).

The Tender Offeror has decided to implement the Tender Offer for the purpose of acquiring all of the Company Shares (excluding, however, the Company Shares owned by the Tender Offeror, the Non-tendered Shares (as defined below; the same applies hereinafter) owned by the largest and major shareholder of the Company, Tsukui Kikaku KK (number of shares held: 18,256,000 shares; ownership ratio: 25.58%; "Tsukui Kikaku") and the treasury shares owned by the Company), as part of the Transaction.

In the Transaction, the Tender Offeror has, for the purpose of maximizing the profits of the general shareholders of the Company, agreed with Tsukui Kikaku to sell the Non-tendered Shares owned by Tsukui Kikaku by the acquiring of treasury shares to be implemented by the Company subject to the conclusion of the Tender Offer and the Share Consolidation (as defined below) coming into effect, rather than tendering the Tender Offer (the "Acquiring Treasury Shares"), based on the assumption that the provision of the exclusion of gross profits of deemed dividends under the Corporation Tax Act (Act No. 34 of 1965, as amended; the "Corporation Tax Act") would apply to Tsukui Kikaku.

JC Fund is a fund to which MBK Partners K.K. or its affiliates (collectively, "MBK Partners Group") provides its services. MBK Partners Group is an independent private equity firm that has a dedicated focus on private equity investments in the three countries of East Asia - Japan, the People's Republic of China ("China") and the Republic of Korea ("Korea").MBK Partners Group has investment assets of approximately 234 hundred million US dollars of funds for investment backed as of today pursuant to support from investors, mainly by institutional investors such as global banks, insurance companies, asset management companies, public pensions, corporate pensions, foundations, fund of funds and government-affiliated investment institutions, and invests not only in large companies, but also in medium-sized companies, particularly in the fields of retail/consumer, telecommunications/media, financial services, business services, transportation and general manufacturing. MBK Partners Group provides aggressive business support for maximizing the value of the company in which it invests. Since its establishment in March 2005, MBK Partners Group has recorded 50 investments in East Asian countries, and of these investments, 11 investments have been recorded in eight Japanese companies, Yayoi Co., Ltd., USJ LLC, INVOICE INC.(former USJ Inc.), Komeda Co., Ltd., TASAKI & Co., Ltd. (former Tasaki Shinju K.K.), Accordia Golf Co., Ltd., Kuroda Electric Co., Ltd. and Godiva Japan, Inc. As a result of having dealt with value-up themes of each company with the managers over the medium and long term, MBK Partners Group has, after the implementation of the investments, succeeded in increasing sales and earning capacity.

The Transaction consists of: (i) Tsukui Kikaku and the Tender Offeror becoming the sole shareholders of the Company through the Tender Offer and the share consolidation that is implemented by the Company if the Tender Offer is concluded, but the Tender Offeror fails to acquire all of the Company Shares (excluding, however, the Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Company) in the Tender Offer (the “Share Consolidation”); (ii) for the purpose of securing funds for implementing the Acquiring Treasury Shares, the Tender Offeror providing to the Company funds appropriated for the consideration for the Acquiring Treasury Shares (the “Funding for Acquiring Treasury Shares”); and (iii) the Acquiring Treasury Shares implemented by the Company under the conditions of the conclusion of the Tender Offer and the Share Consolidation coming into effect, and eventually intending for the Tender Offeror to make the Company its wholly-owned subsidiary. For details regarding the Share Consolidation, please refer to “(5) Post-Tender Offer Reorganization Policy (Matters Regarding a So-called “Two-Step Acquisition”)” below, and for details regarding the Funding for Acquiring Treasury Shares and the Acquiring Treasury Shares, please refer to “(b) Funding for Acquiring Treasury Shares (around May 2021 (scheduled))” and “(c) Acquiring Treasury Shares (around June 2021 (scheduled))” of “(iii). Post-Tender Offer” below.

Upon the Tender Offer, the Tender Offeror entered into a written agreement as of today, with Tsukui Kikaku and the Representative Director of the Company, Mr. Hiroshi Tsukui (“Mr. Tsukui”) that sets forth the various terms and conditions of the Transaction agreed upon by the parties thereto, including such provisions that: (i) all of the 18,256,000 shares of the Company Shares owned by Tsukui Kikaku shall not be tendered in the Tender Offer (ownership ratio: 25.58%; the “Non-tendered Shares”); (ii) all of the 687,600 shares of the Company Shares owned by Mr. Tsukui (ownership ratio: 0.96%; the “Tendered Shares” (Note 2)) shall be tendered in the Tender Offer; and (iii) the Non-tendered Shares shall be sold to the Company in correspondence with the Acquiring Treasury Shares after the Share Consolidation is put into effect (the “Agreement”). For details regarding the Agreement, please refer to “ 4. Material Agreement Concerning the Tender Offer ” below. Tsukui Kikaku and Mr. Tsukui do not intend to reinvest in the Company after the Transaction.

With respect to the Tender Offer, with an intention to make the Company its wholly-owned subsidiary, the Tender Offeror has set a minimum planned purchase quantity of 29,316,000 shares (ownership ratio: 41.08%) (Note 3), and if the total number of share certificates tendered in the Tender Offer (the “Tendered Share

Certificates") falls below this minimum planned purchase quantity, the Tender Offeror will not purchase Tendered Share Certificates. However, the Tender Offeror that aims for the Company Shares to go private by acquiring all of the Company Shares has not set a maximum planned purchase quantity, and if the total number of Tendered Share Certificates is equal to or exceeds the minimum planned purchase quantity (29,316,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates.

(Note 1) The "ownership ratio" refers to the ratio to the number of shares (12,439,909 shares) obtained by subtracting the number of treasury shares owned by the Company as of December 31, 2020 (excluding, however, 295,200 shares of the Company Shares owned by Japan Employee Stock Ownership Plans (J-ESOP) trust of the Company as of December 31, 2020; the same applies hereinafter) (1,102,684 shares) from the total number of issued shares as of December 31, 2020 as stated in the "Financial Summary for the Third Quarter of the Fiscal Year Ending March 2021 [Japanese Standard]" released today by the Company (the "Company's Financial Summary for the Third Quarter") (72,460,800 shares) (rounded to the nearest hundredth). This also applies with regard to subsequent descriptions of ownership ratio.

(Note 2) The number of Company Shares owned by Mr. Tsukui does not include the shares less than one unit indirectly owned by Mr. Tsukui through the cumulative investment in shares of the Company.

(Note 3)The minimum planned purchase quantity in the Tender Offer (29,316,000shares; ownership ratio: 41.08%) was set as the number obtained by the following formula: (i) the number of treasury shares owned by the Company as of December 31, 2020 (1,102,684 shares) is subtracted from the total number of issued shares as of December 31, 2020 as stated in the Company's Financial Summary for the Third Quarter (72,460,800 shares); this amounts to 71,358,116 shares, which corresponds to 713,581 voting rights; (ii) such number of voting rights is then multiplied by 2/3 (475,721 voting rights) (rounded up to the nearest whole number); (iii) such number of voting rights (as rounded) is multiplied by 100 shares, which is the share unit number of the Company; and (iv) the number of the Company Shares owned by the Tender Offeror as of today (100 shares) and the Non-tendered Shares owned by Tsukui Kikaku (18,256,000 shares) are subtracted from the product calculated in step (iii). Since the Tender Offeror aims to make the Company its wholly-owned subsidiary in the Transaction and the special resolution in the shareholders' meeting as provided for in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the "Companies Act") is required upon carrying out the procedures for the Share Consolidation, the minimum planned purchase quantity (29,316,000 shares) was set to enable both the Tender Offeror and Tsukui Kikaku to fulfill this requirement.

The Tender Offeror intends to cover the funds required for the settlement of the Tender Offer by borrowing from MUFG Bank, Ltd. (the "MUFG Bank"), and Bank of Yokohama, Ltd. (the "Bank of Yokohama") (the "Tender Offer Settlement Funds Borrowings"), and accepting contributions from JC Fund and Turtle Finance Limited (the "Turtle Finance") (the "Contribution") and intends to accept the Tender Offer Settlement Funds Borrowings and the Contribution no later than the business day preceding the date of commencement of the settlement of the Tender Offer, under such conditions as the conclusion of the Tender Offer.

Further, as stated in "(5) Post-Tender Offer Reorganization Policy (Matters Regarding a So-called "Two-Step Acquisition")", if the Tender Offeror, despite the conclusion of the Tender Offer, fails to acquire all of the Company Shares (excluding, however, the Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Company) by the Tender Offer, the Tender Offeror intends to request the implementation of the Share Consolidation as part of the Transaction to the Company. However, with respect to the funds required for the acquisition of the Company Shares equivalent to the sum of the fractional shares resulting from the Share Consolidation, the Tender Offeror intends to cover the same by borrowing from MUFG Bank and Bank of Yokohama (the "Fractional Shares Purchase Borrowings").

In addition, refgarding the Acquiring Treasury Shares, while the Tender Offeror intends to carry out the Funding for Acquiring Treasury Shares, the funds required for the Funding for Acquiring Treasury Shares are expected to be covered by borrowing from MUFG Bank and Bank of Yokohama (the "Treasury Shares Acquisition Borrowings").

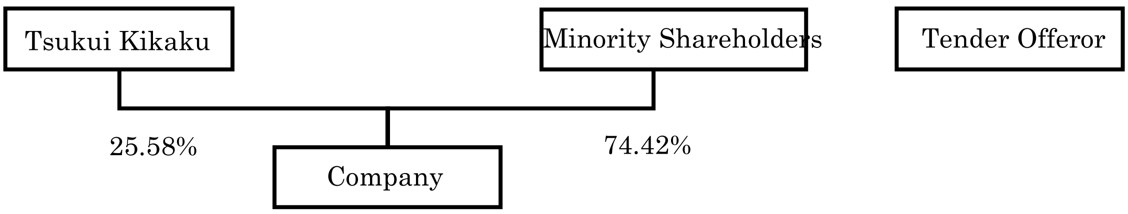
While the details of the Tender Offer Settlement Funds Borrowings, Fractional Shares Purchase Borrowings and Treasury Shares Acquisition Borrowings are to be set forth in the loan agreement regarding the relevant borrowing through separate deliberations by Tender Offeror with MUFG Bank and Bank of Yokohama, the loan agreement regarding the relevant borrowing is scheduled to set forth the terms and conditions for implementing the loan set out in the loan certificate attached to "Tender

Offer Registration Statement" for the Tender Offer and the contractual terms and conditions that are generally set forth in similar loan agreements, such as a certain degree of financial covenant. All of the outstanding shares of the Tender Offeror (the Tender Offeror plans to convert from a limited liability company (godo kaisha) to a stock company (kabushiki kaisha) during the period beginning the day after the last day of the Tender Offer Period until the date that the Tender Offer Settlement Funds Borrowings are executed) and the Company Shares acquired by the Tender Offeror through the Tender Offer and other certain assets of the Tender Offeror are scheduled to be provided as collateral, and after the Company becomes a wholly owned subsidiary of the Tender Offeror through the Transactions, the Company and some of its subsidiaries (refer to subsidiaries of the Company, excluding Tsukui Staff Corporation (currently, a consolidated subsidiary of the Company; hereinafter, "Tsukui Staff") or Tsukui Care-Tec Investment Business Limited Partnership) are scheduled to become joint and several guarantors of the Tender Offeror and certain assets of such companies are scheduled to be provided as collateral.

The outline of the Transaction may be illustrated as follows:

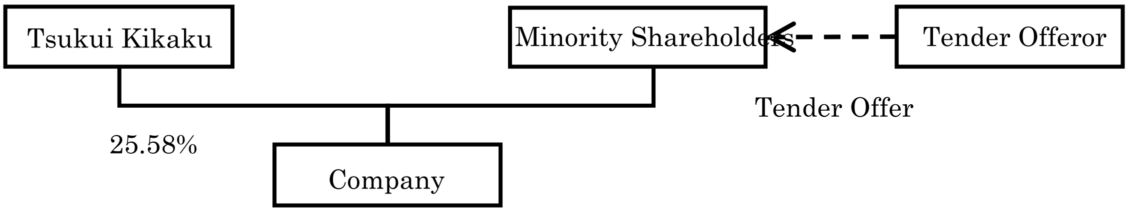
(ｉ) Pre-Tender Offer

As of today, Tsukui Kikaku owns 18,256,000 shares of the Company Shares (ownership ratio: 25.58%), and minority shareholders own the remaining 53,102,116 shares (ownership ratio: 74.42%).



(ii) Tender Offer (from February 9, 2021 to March 24, 2021 (scheduled))

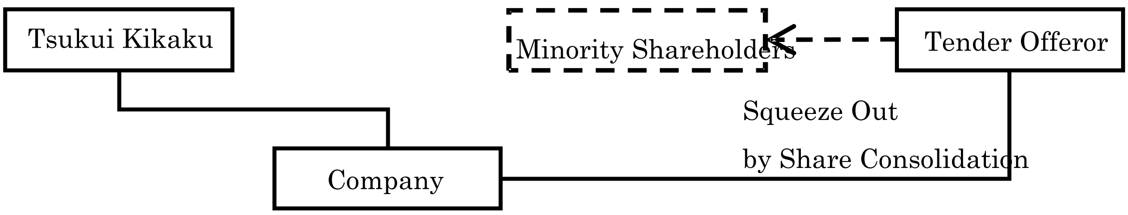
The Tender Offeror implements the Tender Offer with respect to all of the Company Shares (excluding, however, the Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Company). (The purchase price per Company Share (the "Tender Offer Price") is 924 yen.)



(iii) Post-Tender Offer

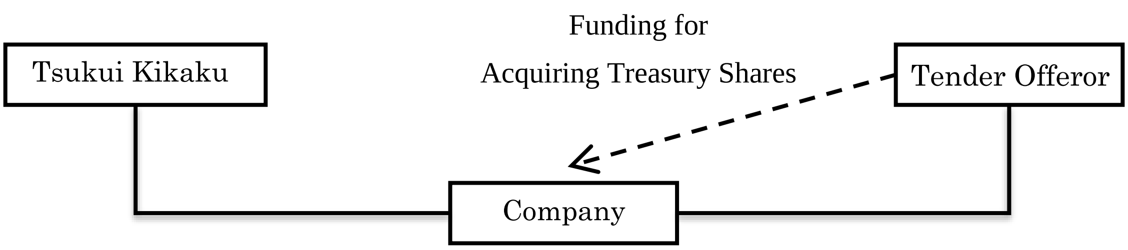
(a) Share Consolidation (around May 2021 (scheduled))

In the Tender Offer, if the Tender Offeror fails to acquire all of the Company Shares (excluding, however, the Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Company), the Tender Offeror will request to carry out the procedures for the Share Consolidation to the Company, and carry out the series of procedures for making the Tender Offeror and Tsukui Kikaku the sole shareholders of the Company after the conclusion of the Tender Offer.



(b) Funding for Acquiring Treasury Shares (around May 2021 (scheduled))

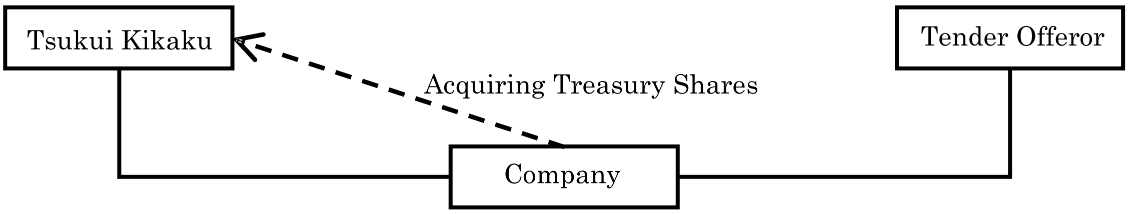
Upon the delisting of the Company Shares and after the Share Consolidation is put into effect, the Tender Offeror implements the Funding for Acquiring Treasury Shares by loans to the Company in order to secure funds required for the Acquiring Treasury Shares stated in (c) below.



(c) Acquiring Treasury Shares (around June 2021 (scheduled))

The Company uses the funds secured by the Funding for Acquiring Treasury

Shares in (b) above to implement the Acquiring Treasury Shares wherein the Non-tendered Shares owned by Tsukui Kikaku are acquired. (Acquiring Treasury Shares Price (as defined below in “(i) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer” of “(II) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer and Management Policy After Tender Offer and Transaction”) is 753 yen. The Tender Offer Price is raised by lowering the Acquiring Treasury Shares Price in light of the fact that the provision of the exclusion of gross profits of deemed dividends under the Corporation Tax Act would be applied to Tsukui Kikaku, and has been set under the estimation that (i) the amount calculated as the after-tax proceeds if Tsukui Kikaku agreed to the Tender Offer at the Tender Offer Price will be equivalent to (ii) the net proceeds that would be obtained if Tsukui Kikaku agreed to the Acquiring Treasury Shares at the Acquiring Treasury Shares Price, and for the purpose of maximizing the profits of the ordinary shareholders of the Company. Therefore, the Transaction is not intended to be an economic profit only for Tsukui Kikaku, which will dispose of the Company Shares through the Acquiring Treasury Shares.)



(II) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer and Management Policy After Tender Offer and Transaction

The Company has received the following explanation on the background, purpose and decision-making process leading to decision by the Tender Offeror to implement the Tender Offer and management policy after the Tender Offer and the Transaction from the Tender Offeror. Note that all information regarding the Company below is based on the information published by the Company, the press release published by the Company, as well as explanations received from the Company.

(i) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer

MBK Partners Group treats the buyout investments (investments associated with listed companies going private) in Japan as a priority on the same level as the investments in China and Korea, and has been for some time selecting competitive Japanese companies to invest in, particularly for the purpose of further increasing the corporate value of quality companies that are expected to grow. Under such circumstances, in mid-October 2020, when Tsukui Kikaku announced the commencement of the sale process regarding the selling out of the Company Shares it owns and made an initial approach to participate in the bidding process to multiple potential buyers, MBK Partners Group was invited to be one of the potential buyers by Tsukui Kikaku and decided to participate in the bidding process since the process proved to be consistent with the investment strategies of MBK Partners Group as a result of discussions of the growth potential / profitability of the Company based on disclosed information and its own analyses. MBK Partners Group appointed Anderson Mōri & Tomotsune as its legal advisor independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui, and the Company Group and commenced its analyses and discussions based on the information disclosed by Tsukui Kikaku. As a result of such discussions, MBK Partners Group concluded that, by making the Company its wholly-owned subsidiary, the business and operations of the Company could be expected to grow and expand not only in terms of capital, but also in terms of business, by improvement of the rate of utilization through regional store strategies and further reinforcement of services in the existing business and collaborations with the Company, such as in inhibiting the turnover rate, and in order to further advance discussions of the acquisition of the Company Shares owned by Tsukui Kikaku (including the Company Shares going private), in late October 2020, MBK Partners Group appointed Daiwa Securities Co., Ltd. ("Daiwa Securities") as its financial advisor independent from any of MBK Partners Group, the Tender Offeror, Tsukui Kikaku, Mr. Tsukui and the Company Group and thereafter in mid-November 2020, submitted a letter of intent to Tsukui Kikaku. In its letter of intent, MBK Partners Group made a proposal based on a scheme of a two-step acquisition wherein: (i) all of the Company Shares (excluding the Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Company) shall be acquired through the Tender Offer and the Share Consolidation thereafter; and (ii) the Company Shares owned by Tsukui Kikaku shall be acquired through the Acquiring Treasury Shares after the Company Shares are delisted through the Tender Offer and the Share Consolidation (the "Scheme"). This proposal was based on the assumption that all of the Company Shares owned by Tsukui Kikaku would be sold out. With respect to the price concerned, MBK

Partners Group made an additional proposal to raise the Tender Offer Price by lowering the Acquiring Treasury Shares Price, based on the assumption that the provision of the exclusion of gross profits of deemed dividends under the Corporation Tax Act would be applied to Tsukui Kikaku, and for the purpose of maximizing the profits of the ordinary shareholders of the Company (with respect to the process of the discussions of the Scheme at the Company, please refer to "(iii) Process of and Reasons for the Decision Making Leading to the Company to Approve of the Tender Offer" below).

Thereafter, Tsukui Kikaku made a request to each potential buyer to have an interview with the managers of the Company and an interview with the President and Representative Director, CEO of the Company as well as the Representative Director of Tsukui Kikaku, Mr. Tsukui. MBK Partners Group had an interview with the managers of the Company in mid-November 2020 and an interview with Mr. Tsukui in late November 2020, and discussed the future business developments.

In such deliberations and discussions, MBK Partners Group acknowledged that focusing on the following items would contribute to increasing the corporate value of the Company: (i) the reinforcement of regional store strategies in the nursing care business; (ii) the improvement of the rate of utilization of existing facilities in the nursing care business through further reinforcement of services; (iii) the expansion of services not covered by long-term care insurance in the nursing care business; (iv) the improvement of employee satisfaction and inhibition of the turnover rate; (v) the reinforcement of sales strategies and organization in the human resource business; and (vi) the establishment of an outside sales regime in the leasing business. MBK Partners Group has also acknowledged that in implementing such strategies, even though it is highly effective to accelerate the decision-making process and to make flexible business decisions by responding flexibly to the change in the business environment, it is assumed not only that costs and investments would precede the strategies, but also that the strategies would require some time to take effect. Further, amid the mounting pressure to increase shareholder returns from the stock market, and since there is a possibility that not all the existing shareholders would be in favor of measures entailing the possibility of short-term dividends and profit decreases, and there is concern of temporary deterioration of earnings and cash flow, MBK Partners Group has determined that it is difficult to save the existing shareholders from temporary economic adverse effects and to conduct a major reform of business operations in the short term while maintaining the listing.

Thereafter, on November 30, 2020, MBK Partners Group received notice from Tsukui Kikaku of its intention to continue the deliberations with MBK Partners

Group, and MBK Partners Group decided to continue the deliberations, after obtaining the exclusive negotiating rights from Tsukui Kikaku. For reference information, with the request from Tsukui Kikaku for MBK Partners Group to also provide a letter of intent regarding the Transaction to the Company, in determining the Company's submission of the letter of intent for the Tender Offer and whether to recommend tendering the Tender Offer to the shareholders of the Company since Tsukui Kikaku and the Company were discussing the Transaction from an independent standpoint, MBK Partners Group has also submitted a letter of intent to the Company in early December 2020. Over approximately six weeks from early December 2020 to mid-January 2021, MBK Partners Group conducted due diligence with respect to the business, finance, tax and legal affairs of the Company and interviewed the managers of the Company, and based on the information obtained in the process thereof, has advanced further analyses and discussions of the significance of the Transaction, acquisition structure, post-acquisition governance and management policy.

As a result of the discussions above, MBK Partners Group has determined that carrying out the various measures in "(ii) Post-Tender Offer and Post-Transaction Management Policy" below would contribute to the overcoming of management challenges, mid- and long-term growth and further enhancement of corporate value of the Company. Based on such results of discussions, in 20 January 2021, MBK Partners Group made a proposal that the Tender Offeror make the Company its wholly-owned subsidiary, and in addition, made a proposal that the total value of the Company Shares shall be 623 hundred million yen, that the Tender Offer Price shall be 917 yen and that the value of the acquisition of the Company Shares owned by Tsukui Kikaku by the Company shall be 747 yen (pre-share consolidation per-share value; "Acquiring Treasury Shares Price") (the "Proposal"). Regarding the Tender Offeror's approach to the Tender Offer Price and the Acquiring Treasury Shares Price, based on the assumption that the provision of the exclusion of gross profits of deemed dividends would apply to Tsukui Kikaku under the Corporation Tax Act, the tender offer price is set high and the Acquiring Treasury Shares Price is set low in order to make use such tax benefits of Tsukui Kikaku, for the purpose of maximizing the profits of the ordinary shareholders of the Company. Specifically, the Company's Acquiring Treasury Shares Price is reduced and the same amount is allocated to increase the total consideration for the sale of minority shareholders of the Company (excluding Tsukui Kikaku), and it has been set after consultation with the advisor of the Tender Offeror so that (i) the amount calculated as the after-tax proceeds when Tsukui Kikaku agrees to the Tender Offer at the Tender Offer Price will be equivalent to (ii) the net proceeds that would be obtained when Tsukui

Kikaku agrees to the Acquiring Treasury Shares at the Acquiring Treasury Shares Price.

For reference information, in the Proposal, MBK Partners Group made a proposal of the Tender Offer Price and Acquiring Treasury Shares Price based on the Scheme. Thereafter, on January 22, 2021, the Company requested an increase in the Tender Offer Price in order to increase the amount to be received by the minority shareholders from the Company upon the Tender Offer, and the Tender Offeror made a proposal on January 28, 2021, setting forth that the Tender Offer Price shall be 924 yen per share and the Acquiring Treasury Shares Price shall be 753 yen per share. Thereafter, on January 29, 2021, the Company again requested an increase in the Tender Offer Price. In response thereto, on February 1, 2021, the Tender Offeror announced its intention not to increase the Tender Offer Price any further and made a final proposal to set the Tender Offer Price at 924 yen and the Acquiring Treasury Shares Price at 753 yen. Subsequently, on February 5, 2021, in response to the Company's acceptance of such final proposal, the Tender Offeror entered into the Agreement with Tsukui Kikaku and Mr. Tsukui as of today, and agreed with setting the Tender Offer Price at 924 yen and the Acquiring Treasury Shares Price at 753 yen.

The Company concluded that, with respect to the Tender Offer Price (924 yen per share for the Company Shares), the Tender Offer will provide the shareholders of the Company an opportunity to sell the Company Shares at a price with reasonable premiums and under reasonable terms and conditions, based on the facts that (a) the value of the Company Shares per share is from 569 yen to 640 yen pursuant to the market price method, from 587 yen to 815 yen pursuant to the comparable companies method, and from 710 yen to 941 yen pursuant to the discounted cash flow method (the "DCF method") according to the results of the valuation of the Company Shares by Yamada Consulting as stated below in "(I) Company's Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization" in "(3) Matters Pertaining to Valuation" and the Tender Offer Price is 924 yen and is higher than the upper limit of the calculation results by the market price method and comparable companies method and ranks in the top quarter of the calculation results by the DCF method, (b) the Tender Offer Price is the price with premiums of 44.38% (rounded to the nearest whole number; the same applies for the numerical value of premiums for the share price (%)) for the closing value of the Company Shares of 640 yen on the First Section of the Tokyo Stock Exchange on February 5, 2021, which is the previous business day of the announcement date of the Tender Offer, 61.82% for the simple average of the closing prices of the Company Shares of 571 yen on the First Section of the Tokyo

Stock Exchange during the past one (1) month period until February 5, 2021, 62.39% for the simple average of the closing prices of the Company Shares of 569 yen on the First Section of the Tokyo Stock Exchange during the past three (3) month period until February 5, 2021, and 60.70% for the simple average of the closing prices of the Company Shares of 575 yen on the First Section of the Tokyo Stock Exchange during the past six (6) month period until February 5, 2021 and such level of premiums is favorable to the shareholders of the Company in comparison to the average level of premiums in cases of other companies in the same industry and (c) sufficient measures have been taken to ensure fairness of the terms and conditions of the Transaction as described below in “(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest” and the terms and conditions of the Transaction (including the Tender Offer Price (924 yen per share for the Company Shares) have been confirmed as reasonable in the Report obtained from the Special Committee. Since the final proposal has been accepted by the Company, on February 8, 2021, the Tender Offeror entered into a Memorandum of Understanding with Tsukui Kikaku and Mr. Tsukui, and agreed to set forth that the Tender Offer Price shall be 924 yen and the Acquiring Treasury Shares Price shall be 753 yen. The Tender Offeror acquired the Company Shares (100 shares) from Mr. Tsukui by way of private transfer on February 5, 2021 in order to be able to exercise the right to request access to the shareholder register.

(ii) Post-Tender Offer and Post-Transaction Management Policy

As for the post-Transaction development strategies, MBK Partners Group will follow the Company’s current “TSUKUI Vision 2025”, and at the same time, focus on: i) the reinforcement of regional store strategies in the nursing care business; ii) the improvement of the utilization rate of existing facilities in the nursing care business through further reinforcement of services; iii) the expansion of services not covered by long-term care insurance in the nursing care business, iv) the improvement of employee satisfaction and inhibition of the turnover rate; v) the reinforcement of sales strategies and organization in the human resources business; and vi) the establishment of an outside sales regime in the leasing business.

(a) The Reinforcement of Regional Store Strategies in the Nursing Care Business

In an environment in which competition among nursing care providers is expected to intensify in each region in the future, MBK Partners Group will aim to further improve its positioning in each region by restructuring its store opening strategies with a scientific approach based on data analysis, establishing an internal system for development teams and an education system for the business department to accelerate store openings, and promoting M&A that contributes to reinforcing regional store strategies.

(b) The Improvement of the Utilization Rate of Existing Facilities in the Nursing Care Business through Further Reinforcement of Services

In order to achieve the improvement of the utilization rate of existing facilities through further reinforcement of services, MBK Partners Group will promote capital investments in nursing facilities and establish a PDCA management system to share successful cases with the entire company and ensure its thorough implementation.

(c) Expansion of Services not Covered by Long-Term Care Insurance in the Nursing Care Business

Developing comprehensive services from a medium- to long-term perspective by expanding services outside the long-term care insurance coverage and collaborating with services within the long-term care insurance coverage is important in order to realize our corporate philosophy of "Life is 100 years. Live happily." To that end, we will aim to develop comprehensive services by building a business model, recruiting and reinforcing necessary human resources, implementing growth investments that contribute to the expansion of services outside of long-term care insurance coverage, and promoting M & A.

(d) The Improvement of Employee Satisfaction and Inhibition of the Turnover Rate

In the nursing care industry, where a significant shortage of human resources is expected in the future, MBK Partners Group believes it is important to improve employee satisfaction and inhibit the turnover rate. MBK Partners Group will work to achieve the same by reducing the burden on nursing care business by promoting the use of ICT, accelerating the creation of an environment in which diverse human resources can work, and strengthening career path designs.

(e) The Reinforcement of Sales Strategies and Organization in the Human Resources Business

In the human resources business, MBK Partners Group will strengthen its existing human resources business by reviewing the design of its sales incentive system and enhancing its education and training programs to strengthen its sales organizational structure, and by hiring and recruiting personnel with the human resources business experience necessary to promote measures and reforms.

(f) The Establishment of an Outside Sales Regime in the Leasing Business

In the leasing business, MBK Partners Group will strive to establish a business centered on an outside sales regime and expand the scale of business by establishing sales strategies based on potential markets by region and its positioning, building a sales organization, and promoting the establishment of a PDCA management system based on sales promotion.

The Tender Offeror plans to provide maximum support by making use of the similar support achievements of past investment companies, such as planning of real estate development strategies and strengthening of real estate development systems that contribute to the reinforcement of store strategies, setting up M&A implementation teams and incorporating external growth opportunities through M&A, nationwide deployment of internal success cases and implementation of optimal renewal investments to improve the operation rate, strengthening of employee recruitment training and reforms of personnel systems to inhibit the turnover rate, and planning of development strategies based on potential market analysis and developing sales organization systems to reinforce sales strategies.

In addition, MBK Partners Group will, in principle, maintain the employment of the management and employees of the Company after the Transaction, and consider recruiting highly specialized personnel from outside as necessary. After the completion of the Transaction, MBK Partners Group will work to have a majority of the directors of the Company dispatched from the MBK Partners Group, and manage the Board of Directors in accordance with applicable laws and regulations and the articles of incorporation, etc. However, details of the selection and the number of directors to be dispatched have not yet been decided as of today. In addition, the President and Representative Director, CEO of the Company, Mr. Tsukui intends to resign from the position of President and Representative Director, CEO of the Company after the Acquiring Treasury Shares scheduled to be implemented in June 2021.

As of today, Tsukui Staff is listed on the Tokyo Stock Exchange JASDAQ (Standard) Market and the future direction of Tsukui Staff has not been determined.

(III) Decision-Making Process and Reasons Leading to Company’s Approval of Tender Offer

(i) Business Environment Surrounding Company, Company's Management Issues

The Company was founded in June 1969 under the name of Tsukui Civil Engineering K.K. for the purpose of conducting civil engineering, and then in November 1978, changed its trade name to Tsukui Sangyo K.K.. After starting to conduct nursing care business under the newly established welfare services division in March 1983 based on our founder, Mr Sukeroku Tsukui's sentiment, from his own experience, that "We understand the difficulties involved in nursing care and wish to utilize this understanding to contribute to society through providing nursing care jobs," the Company changed its trade name to Tsukui Corporation in November 1999. In April 2004, the Company made an over-the-counter registration of its shares as over-the-counter stock with the Japan Securities Dealers Association. In December 2004, the Company was listed on the JASDAQ Securities Exchange Corporation (the "JASDAQ Securities Exchange") (currently Tokyo Stock Exchange JASDAQ (Standard) Market, by way of making JASDAQ Securities Exchange a subsidiary of the Osaka Stock Exchange Corporation (the "Osaka Stock Exchange") in December 2008, the merger and acquisition of JASDAQ Securities Exchange conducted by the Osaka Stock Exchange in April 2010, and the integration of the Tokyo Stock Exchange and Osaka Stock Exchange in July 2013, etc.), and was then listed on the Second Section of the Tokyo Stock Exchange in March 2011; then, after the Company shares listed on the Osaka Stock Exchange JASDAQ (Standard) Market were delisted in May 2011, the Company was assigned to the First Section of the Tokyo Stock Exchange in March 2012. Subsequently, in January 2016, the Company spun off its human resource development business to establish Tsukui Staff. In April 2017, the Company established Tsukui Capital Corporation ("Tsukui Capital"), its subsidiary, with the purpose of conducting leasing business of assistive vehicles and devices. In September 2020, the Company established Digital Life Corporation ("Digital Life"), its subsidiary, with the purpose of conducting IT business. Then, in October 2020, the Company transitioned to a holding company structure by way of a company split, with its trade name being changed to Tsukui Holdings Corporation, and its business division including the nursing care segment being succeeded to Tsukui Corporation ("Tsukui Corporation"), its subsidiary.

The Company Group (made up of: the Company; Tsukui Corporation, Tsukui Staff, Digital Life and Tsukui Capital, which are all subsidiaries of the Company; and Tsukui Care-Tec Investment Business Limited Partnership, invested in by Tsukui Capital: the same shall apply hereinafter) operates nursing care business, etc., through direct management in all 47 prefectures nationwide, under a Group

Corporate Philosophy comprised of our MISSION “We will meet the challenges of an ultra-aging society and bring about an age where one can live 100 years of fulfilling life,” our VISION “We will turn fears toward aging into hopes and bring about a future where people can live a life befitting themselves” and our VALUE “Our sincere challenges should bring someone hope and peace of mind.” Specifically, in the day services segment, the Company Group provides long-term outpatient day care services (day services) in accordance with the Long-Term Care Insurance Act. In the residential segment, the Company Group: provides “Tsukui Sunshine” paid nursing homes for the elderly, and is designated by prefectures, ordinance-designated cities and core cities as an operator of “Daily Life Long-Term Care Admitted Specified Facilities” in accordance with the Long-Term Care Insurance Act; provides “Tsukui Sunforest” serviced homes for elderly people which provide homes for elderly people and life support in accordance with the Act on Securement of Stable Supply of Elderly Persons’ Housing, and long-term care insurance services, etc.; and provides communal daily long-term care for dementia patients (group homes) in accordance with the Long-Term Care Insurance Act. In the home care segment, the Company Group: provides home visit care services, home visit bathing services, sale of assistive equipment, multifunctional small group nursing home care services, home visit nursing care and long-term care services in accordance with the Long-Term Care Insurance Act; acts as an agent for applications for long-term care insurance in order to enable the elderly to receive long-term care services by using the long-term care insurance system; provides in-home long-term care support, including preparation of in-home service plans (care plans); and provides housing services whose operation has been entrusted to the Company Group. Further, in the human resource segment, Tsukui Staff operates worker dispatching services in accordance with the Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers, fee-charging employment placement services in accordance with the Employment Security Act, and education and training services to be provided to the employees of assisted-living facilities, etc. In the leasing segment, Tsukui Capital operates services specializing in handling assistive vehicles and devices.

Setting out its long-term goal of “Tsukui Vision 2025” towards 2025, which is the year when Japan’s baby boomer generation begins to enter the 75 and over age group, the Company Group presents its vision of desiring to continue providing sustainable nursing care services, through the achievement of three (3) major policies of “building rock-solid foundations as the overwhelmingly top-ranking day services provider”, “establishing integrated community care envisioned by Tsukui” and “ensuring employee happiness and well-being.” Based on the “Tsukui Second Medium-Term Management Plan” whose term will end in the fiscal year ending March 2021, the Company Group is working to realize robust growth through regional strategies focused on the four (4) pillars of “Creating local services by establishing services catering to diverse needs,” “Creating local cooperation hubs by actively investing in regions with advantages to create local services,” “Developing local human resources by training personnel who can multitask to support local cooperation hubs,” and “Reforming entire corporate foundation to support regional strategies”, and has started to work towards new business which will create new values satisfying the needs in areas peripheral to nursing care services. With the fiscal year ending in March 2021 being the final year of the “Tsukui Second Medium-Term Management Plan”, amid the circumstances where the spread of COVID-19 infections has seriously afflicted society from February 2020 onwards, it is imperative for the Company Group, as a provider of nursing care services, to assume social responsibility, and we have therefore paid careful attention to the situations surrounding the spread of COVID-19, carried out various infection prevention measures and handled business continuity in accordance with applicable guidelines, led by the COVID-19 Response Division which was established at the Company (That was established at Tsukui Corporation after transitioning to a holding company structure). The Company Group has taken various measures against the spread of infection, including making efforts to prevent elderly people (the customers of the Company Group’s business) and our employees from being infected and securing their safety, and has continued to provide services to the extent possible with the cooperation of administrative agencies. Nevertheless, from around the end of November 2020, there has been an increase in cancellations of the use of day services as a result of our users refraining from going outside in order to prevent infection in connection with the spread of COVID-19. It seems likely that this pattern of refraining from using such services will continue to occur going ahead under the circumstances where we cannot foresee the end of infection. In addition, since the Company Group has been voluntarily refraining from actively pursuing sales activities and accepting new users, the number of new customers acquired is likely to decrease compared to that of a typical year, and the outlook is uncertain.

Although the market is certain to expand as the number of people requiring long-term care increases as the number of elderly people increases toward 2025,the nursing care industry to which the Company Group belongs has seen rapid changes in the surrounding business environment, including, a shortage in human resources in the nursing care industry, changes in nursing care business policies such as the strict revision of nursing care fees, and changes in customer needs. Furthermore, looking ahead to 2040, in addition to the above changes in the business environment, the decline in the productive-age population will increase the constraints on the labor force, raising concerns about the continuity of the foundation for providing services.

Moreover, amid the revision of the long-term care insurance system, fees for long-term care were revised in April 2018, and promotion of the development of the system for providing high-quality, efficient long-term care was integrated to enable the provision of appropriate services suited to the mental and physical conditions of care recipients as we approach 2025, which is the year when Japan's baby boomer generation begins to enter the 75 and over age group. Additionally, some services completely transitioned from preventive long-term care benefits to community support projects in April 2018. Furthermore, the copayment portion for primary insured persons (aged 65 or over) who earned a certain level of income rose from 20% to 30% in August 2018. In order to appropriately address this revision to the long-term care insurance system, the Company recognizes it as being necessary for us to review personnel staffing standards, make progress with the proactive acquisition of additional long-term care fees, and aim to secure stable business earnings.

Further, the day services segment, residential segment, and home care segment made up 88.5% of consolidated sales in the fiscal year ending March 2020, representing a management constitution which is easily influenced by part of the negative revision of long-term care fees. In order to deal with the risks involving such revision of the long-term care fees, the Company recognizes the need to secure stable business earnings by working to improve profit margins by further increasing the utilization rate, and secure stable business earnings by both side of increasing sales with the proactive acquisition of additional long-term care fees, as well as cost reduction by reviewing personnel staffing standards. In order to essentially avoid the risk of revising long-term care fees and achieve stable growth over the medium to long term, the Company recognizes that it is necessary to leverage our customer base, which reaches 100,000 people. At the same time, the Company recognize the need to actively develop non-long-term care insurance services, including human resource services such as temporary staffing, fee-based job placement, and education and training services, as well as non-long-term care insurance services such as the leasing of welfare vehicles and welfare equipment, which are our customers in the long-term care industry, which is a growth area, and to grow as a pillar of our business.

Furthermore, with the background of conversion to community-based medical care, reorganization of hospital beds, the focus on moderate to severe persons in special nursing-care homes for elderly people, and the rapid increase in the numbers of households composed of only elderly people or single person households, the competition among long-term care service providers has become even fiercer. The Company recognizes that it is necessary for us to strive for to collect information and conduct detailed research on the long-term care insurance business plans, etc. of the municipalities, conduct detailed marketing research, and promote the establishment of foundations centering on metropolitan areas and regional core cities where the increase in demand is expected. The Company also recognizes that it is important to maintain appropriate investment levels which enable sustainable growth and to construct sound financial constitutions, while continuously utilizing measures to reduce the debts incurred through the initial investment. As a part of TSUKUI Vision 2025, the Company has identified "establishing integrated community care as envisioned by TSUKUI" as one of our important policies, and considers it important to expand the operating locations to further respond to our customers' needs in priority regions where the Company can exert our strengths and promote diversification of nursing care services.

With regard to the recruitment, development and retention of human resources, while the labor force is decreasing due to the continued progress of the declining birthrate and aging population, the long-term care service industry continues to face a high turnover rate and a chronic shortage of human resources due to the severe labor environment and low salary levels of employees. In order to strengthen the recruitment of human resources, the Company recognizes the need to increase the number of personnel in charge of recruitment, make efforts to recruit human resources, and accept foreign technical intern trainees. The Company also recognizes that it is necessary to improve the skills of employees through the further enhancement of training systems utilizing e-learning and support for acquisition of qualifications, as well as to further promote measures for the hiring, development and retention of nursing care personnel, such as appropriate personnel evaluation through the introduction of an in-house certification test system, fixation of the career path system, and revision of the personnel system for full-time employees. At the same time, we recognize that it is necessary to improve the labor environment, improve the retention rate of employees, and strengthen the development of human resources to provide high-quality services by establishing a consultation desk exclusively for employees, etc. We also recognize the need to continue working to ensure the appropriateness of operations through ongoing education on corporate governance, risk management and compliance.

Meanwhile, the situation surrounding us is that, since the increasing number of people infected with COVID-19 influences the amount of use of our services by customers, the time when the number of infected people will decrease largely correlates to our business performance, and the business results in the fiscal year ending March 2021 will inevitably be affected thereby. Having said that, the Company recognizes that the nursing care services that the Company provides are vital for our customers and their family members to continue their daily lives, and that, since it is important for the Company to provide this necessary nursing care service to our customers on a continuous basis, we are socially required to continue to provide this service to the extent possible while securing the safety of our customers and employees and taking countermeasures against infection.

(ii) Process of and Reasons for Decision-Making by Company

As stated in "(II) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer and Management Policy After Tender Offer and Transaction" above, Tsukui Kikaku Corporation ("Tsukui Kikaku") considered it helpful for the Company to also make use of external managerial resources in addition to its own efforts, in order to achieve further growth in the future. From early October to late November 2020, with a view to considering a new capital alliance partner for the Company from the perspective of strengthening the Company's competitiveness and enhancing its corporate value, Tsukui Kikaku informed the Company of having started considering such prospective partner and made inquiries to seven (7) business companies/funds, and Tsukui Kikaku selected MBK Partners Group as the final tender candidate through the selection process, in consideration of ,according to Tsukui Kikaku, that (1) MBK Partners Group's proposal on the growth strategy was considered to be concrete and suitable for the direction of the Company's medium- to long-term management ploicy, and (2) terms and conditions (the Total value of the Company shares) were the highest among the tender candidates.

On December 2, 2020, the Company received proposals regarding the Transaction from MBK Partners Group, which had been selected as the final tender candidate. Accordingly, on December 16, 2020, as stated in "(I) Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization" and "(II) Advice to Company from Independent Law Firm" under "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below, with a view to ensuring the fairness and appropriateness of the decision-making by its Board of Directors regarding the Transaction including the Tender Offer, the Company appointed Yamada Consulting Group Co., Ltd. ("Yamada Consulting") as a financial advisor and a third-party valuation organization independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and the Company Group, and appointed TMI Associates as a legal advisor, in relation to the Transaction, and also established a special committee as an advisory body of the Company to consider proposals regarding the Transaction (the "Special Committee"; for details of the composition and specific activities, etc. of the Special Committee, please see "(III) Establishment of Independent Special Committee by the Company and Acquisition of Report from Said Special Committee" under "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below).

After having established the aforementioned systems, the Company considered MBK Partners K.K.'s proposals regarding the Transaction, and discussed and negotiated the Tender Offer Price and other various terms and conditions of the Transaction with MBK Partners K.K., based on negotiation policies, as well as opinions, instructions and requests in important negotiation phases, which had been confirmed by the Special Committee in advance, and also by obtaining advice from Yamada Consulting and TMI Associates.

Thereafter, the Company carefully discussed and considered the Transaction principally from the perspective of whether its corporate value would be enhanced and whether various terms and conditions of the Transaction were found to be reasonable, by taking into account the contents of a share valuation report acquired from Yamada Consulting (the "Share Valuation Report") and the legal advice obtained from TMI Associates, the Company's legal advisor, regarding matters to be noted in the Company's decision-making in relation to the Transaction including the Tender Offer, and by respecting, to the fullest extent possible, the report dated February 5, 2021, submitted by the Special Committee (the "Report"; for the outline of this Report, please see "(III) Establishment of Independent Special Committee by Company and Acquisition of Report from Said Special Committee" under "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below).

As a result thereof, the Company has determined, from the following perspectives, that the Transaction will contribute to enhancing the Company's corporate value:

(a) Expanding Business Scale by Diversification and Efficiency of Expanding Operating Locations in priority regions.

As described above, the Company considers it necessary to promote the establishment of new business bases principally in metropolitan areas and local urban areas where increased demand is expected, and to promote multi-tiered nursing care services in priority regions where the Company can exert its strengths, by means of expanding operating locations which further respond to the customers' needs, and relocation and integration, etc. of existing facilities, as well as conversion from the conventional single-format facility openings to diversified facility openings through renovations, etc.

In its previous investment activities, MBK Partners Group has had many experiences of being involved in a large number of multi-facility type businesses that are also focused on providing services to senior customers, such as the businesses operated by Komeda Co., Ltd. and Accordia Golf Co., Ltd. The Company recognizes MBK Partners Group's achievements of having contributed to expanding the business scales of its investment targets through the establishment of new operating locations, such as by way of providing them with support in the planning of facility opening strategies, and in the preparation of analysis formats.

Accordingly, in developing the Company's operating locations, the Company expects that MBK Partners Group will contribute to diversification and efficiency of expanding operating locations, through engagement in activities such as conducting economic-efficiency comparison analysis in line with the relevant method of procuring necessary real estate, and introducing potential partners (including financial institutions and healthcare REITs) to the Company, by making use of its expertise and know-how gleaned from its experience in the past.

(b) Improving Profitability by Enhancing Facility Utilization Rates and Optimization of Staffing

As described above, there has been an issue in day services of the need to improve profitability principally by enhancing facility utilization rates. While possible measures for enhancing facility utilization rates include developing routes to acquire new users and improving operability in each given region as a whole by combining multiple services instead of providing single services, MBK Partners Group also has experience in engaging in activities such as establishing new sales channels in multi-facility type businesses operated by its investment targets. Accordingly, with regard to enhancing facility utilization rates, the Company believes that there is chance of achieving improved profitability by making various systems of user acquisition and improving management of foundations by obtaining MBK Partners Group's advice and instructions from the perspective of an outside party, based on its experience in the past, rather than through the sole efforts of the Company.

(c) Developing and Expanding Services not Covered by Long-Term Care Insurance

As described above, the Company's management constitution is substantially influenced by revision of the long-term care insurance system, fees for long-term care, the Company considers it necessary to expand services not covered by long-term care insurance including human resources business such as temporary staffing, a fee-charging employment placement, education and training services, etc., and leasing business of welfare vehicles and welfare equipment, etc. to enable its medium- to long-term and stable growth.

To expand services not covered by long-term care insurance, it is important to make active investments and to secure personnel having specialized expertise in such services. In this regard, MBK Partners Group has undertaken to provide a considerable amount of investment funds to the Company for the Company's management after the Transaction, aside from ordinary working capital. In addition, the Company expects that MBK Partners Group will hire professional human resources necessary for the Company in a timely basis, drawing from its extensive network created based on its continuous investment activities in Japan, and that MBK Partners Group will also contribute to make active investments and to secure personnel having specialized expertise in such services that is important to expanding its services that are not covered by long-term care insurance.

(d) Securing Personnel Necessary for Growth

While further shortages of care personnel are anticipated in the future, it is essential for the medium- to long-term growth of the Company to secure care personnel, with the aim of providing high quality services. In its previous investment activities, MBK Partners Group has provided actual support to its investment targets in their recruiting and training, and improving the retention rates of their employees, as well as carrying out personnel system reforms. Accordingly, the Company believes that MBK Partners Group will be able to utilize its expertise and know-how gleaned through such experience, for the purpose of measures to be taken for the recruitment, development and retention of the Company's nursing care personnel.

(e) Actively Utilizing M&A in expanding foundations and developing Services not

Covered by Long-Term Care Insurance

While active utilization of M&A (mergers and acquisitions) for nursing care business and services not covered by long-term care insurance may be a possible means to enable the medium- to long-term growth of the Company, MBK Partners Group is also skilled in supporting its investment targets' M&A deals. The Company expects that MBK Partners Group will fully support each and every step of such M&A deals, from implementation/funding and project sourcing to post-merger integration (PMI), by making use of its expertise, network and resources to the fullest extent possible.

In addition, if the Company goes private as a result of the Transaction, this will likely facilitate MBK Partners Group's medium- to long-term investment in the Company in certain respects, without the need to be overly concerned about short-term profits. It is therefore expected that, if the Company goes private, this will facilitate MBK Partners Group actively working on M&A deals which may reduce the Company's profits due to the burden for amortization of goodwill in the short run but is expected to contribute to enhancing the Company's corporate value when viewed from a medium- to long-term perspective.

(f) Enabling Prompt Decision-Making by Company Going Private

As described above, in order to carry out the aforementioned measures in a timely manner in response to the rapidly-changing business environment surrounding the Company Group, it is essential for the Company to build a prompt decision-making system and to enhance flexibility in its management. By going private, the Company will likely be able to build a management system which enables agile decision-making and enhance the expansion of foundations and speed of business development.

With respect to the method for conducting the Transaction, a scheme combining the Tender Offer and the Acquiring Treasury Shares held by Tsukui Kikaku was proposed by MBK Partners Group, and the Company is reviewing such scheme, and confirmed that (i) compared to a scheme where only a tender offer is made, Tsukui Kikaku is expected to be subject to the provision on the exclusion of deemed dividends from gross profits set forth in the Corporation Tax Act with such scheme, and by making use of enjoying such tax benefits of Tsukui Kikaku, and setting the tender office high and the treasury shares acquisition price low, it will become possible to increase the amount that can be enjoyed by the minority shareholders of the Company, (ii) the Tender Offeror will provide funds to the Company with respect to funds that are required for the Acquiring Treasury Shares, and (iii) contract terms that are ordinarily set forth in similar loan agreements are expected to be provided in the loan agreement regarding the Funding for Acquiring Treasury Shares.

Therefore, the Company believes that compared to a scheme where only a tender offer will be made, the scheme of the Transaction will not have especially adverse effects on the financial status of the Company, nor is it a prejudicial scheme for not only the minority shareholders of the Company but also for the Company.

Furthermore, in addition to the Tender Offer and the squeeze out procedures thereafter in the scheme of the Transaction, since a lending to the Company and the acquiring of treasury shares are scheduled, the timing of the completion of making the Company a wholly-owned company will be delayed compared to a scheme where only a tender offer is made, however, in that regard, based on the advantages of increasing the amounts that the minority shareholders of the Company can enjoy due to the scheme of the Transaction, it can be thought that the determination it not an issue of special concern is not unreasonable.

Moreover, the Company has determined that the Tender Offer will provide its shareholders with opportunities to sell the Company Shares under reasonable terms and conditions and at a price which includes a reasonable premium, after having principally taken the following factors into account: (a) According to the share valuation report acquired from Yamada Consulting, as specified in "(I) Company's Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization" in "(3) Matters Pertaining to Valuation" below, although the share value of one (1) share of the Company Shares will be 569 yen to 640 yen according to the average market price method, 587 yen to 815 yen according to the comparable company analysis method, and 710 yen to 941 yen according to the discounted cash flow method, the Tender Offer Price is 924 yen and greater than the maximum value of the valuation results according to the average market price method and the comparable company analysis method, and in the top quartile of the valuation results according to the DCF Method, (b) the Tender Offer Price is also the average price to which premiums of 44.38% for the closing value of the Company Shares of 640 yen on the First Section of the Tokyo Stock Exchange on February 5, 2021, which is the previous business day of the announcement date of the Tender Offer, 61.82% for the simple average of the closing prices of the Company Shares of 571 yen on the First Section of the Tokyo Stock Exchange during the past one (1) month period until February 5, 2021, 62.39% for the simple average of the closing prices of the Company Shares of 569 yen on the First Section of the Tokyo Stock Exchange during the past three (3) month period until February

5, 2021, and 60.70% for the simple average of the closing prices of the Company Shares of 575 yen on the First Section of the Tokyo Stock Exchange during the past six (6) month period until February 5, 2021, is added, and the level of such premium was confirmed to be at an advantageous level for the Company's shareholders compared to the average premium level in similar cases for other companies, (c) the measures to ensure fairness of the transaction terms for the Transaction as specified in "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below having been sufficiently taken; and the terms and conditions of the Transaction, including the Tender Offer Price (924 yen per Company Share) having been acknowledged as being reasonable in the Report acquired from the Special Committee.

Based on the above, the Company has resolved, at its Board of Directors meeting held today, to state its opinion approving the Tender Offer and to recommend that all shareholders of the Company tender their shares in the Tender Offer.

For details of the resolution by the Board of Directors, please see IV Approval of All of Company's Directors (Including Those Who are Audit and Supervisory Committee Members) Without Conflicts of Interest" under "(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(3) Matters Pertaining to Valuation

(I) Company's Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization

In expressing the Company's opinion on the Tender Offer, the Company requested Yamada Consulting, the Company's advisor and third-party valuation organization independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and the Company Group, to calculate the value of the Company Shares, and acquired the Share Valuation Report as of February 5, 2021. Yamada Consulting is not a related party of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and Tsukui Group and has no material interest in relation to the Transaction, including the Tender Offer. In addition, the Company has not received a written opinion on the fairness of the Tender Offer Price (fairness opinion) from Yamada Consulting. Moreover, the considerable part of the fees payable to Yamada Consulting in connection with the Transaction is the transaction fee payable upon the announcement of the Transaction and the completion of the squeeze-out of shareholders other than the Tender Offeror, and the Company has elected Yamada Consulting as its financial advisor and third-party valuation organization based on the above-mentioned remuneration system, taking into consideration general practice, etc. in similar transactions.

As a result of the consideration of the valuation method in the Tender Offer, based on the idea that the valuation of the Company Shares should be evaluated from various perspectives on the premise the Company is a going concern, Yamada Consulting calculated the value of the Company Shares by adopting: (i) the average market price method as the Company Shares are listed on the First Section of the Tokyo Stock Exchange; (ii) the comparable company analysis method as there are several comparable listed companies and it is therefore possible to analogize the value of the Company Shares in comparison with the share value of similar listed companies; and (iii) the discounted cash flow method (the "DCF Method") to reflect the status of future business activities in the calculation.

The ranges of values per Company Share calculated by Yamada Consulting by each of the above methods are as follows:

Average market price method:	569 yen to 640 yen
Comparable company analysis method:	587 yen to 815 yen
DCF method:	710 yen to 941 yen

In the average market price method, the range of the value per Company Share was calculated to be 569 yen to 640 yen based on the closing price of the Company Shares on the First Section of the Tokyo Stock Exchange on the base date of February 5, 2021, which was 640 yen; the simple average of the closing prices for the one (1) month prior to the base date (from January 6, 2021 to February 5,2021), which was 571 yen (rounded to the nearest whole number; the same applies hereinafter in the calculation of the simple average); the simple average of the closing prices for the three (3) months prior to the base date (from November 6, 2020 to February 5, 2021), which was 569 yen, and the simple average of the closing prices for the six (6) months prior to the base date (from August 6,2020 to February 5, 2021), which was 575 yen.

In the comparable company analysis method, the range of the value per Company Share is calculated to be from587 yen to 815 yen by analyzing the value of the Company Shares through comparison of financial indicators showing the market share price and profitability, etc. of several listed companies that operate businesses similar to that of the Company.

In the DCF Method, the range of the value per Company Share was calculated to be710 yen to 941 yen based on the corporate value and share value of the Company, which was calculated by discounting to present value, at a certain discount rate, the free cash flow expected to be generated by the Company in and after the fourth quarter of the fiscal year ending March 2021 on the assumption of various factors, including the sales projection for the fiscal year ending March 2021, the business plan for the period from the fiscal year ending March 2022 to the fiscal year ending March 2026 prepared by the Company, the Company's financial information for the third quarter of the fiscal year ending March 2021, as well as publicly available information.

The Company's business plan used by Yamada Consulting for the calculation by the DCF Method includes fiscal years in which significant increases or decreases in profits are expected in comparison with the previous fiscal year. Specifically, as a result of the recovery of sales declined due to the impact of COVID-19 and the decrease in expenses for countermeasures against the COVID-19, consolidated net sales is expected 97,933 million yen (up 3.8% year on year) and consolidated operating income is expected 4,940 million yen (up 54.1%). In addition, the synergies expected to be realized from the execution of the Transaction are not taken into account in such business plan as those amounts are difficult to estimate specifically at this time.

(II) Valuation Method of the Tender Offeror

In determining the Tender Offer Price, the Tender Offeror reviewed matters, including the materials on financial information disclosed by the Company, the results of the due diligence conducted on the Company during the period from early December, 2020 until mid-January, 2021, the examples (excluding examples of management buyout and a controlling shareholder's acquisition of a subsidiary), of premiums actually paid in tender offers conducted by parties other than the issuer for purposes of making a company into a wholly-owned subsidiary, the question of whether the Company's board of directors has approved of the Tender Offer, the market price trends of the Company Shares for the past six months, and the prospects of participation in the Tender Offer. The Company Shares have been analyzed as follows.

In consideration of the fact that the Company Shares are traded through the financial exchange, the Tender Offeror made reference to the changes between the closing price of the Company Shares on the Tokyo Stock Exchange on February 5, 2021, which is the business day immediately preceding the date of announcement of the implementation of the Tender Offer (640 yen), the simple average of the closing prices of the Company Shares for the most recent one month (from November 6, 2021 to February 5, 2021) (571 yen) (rounded to the nearest whole number, which also applies to the subsequent calculation of the simple average), the simple average of the closing prices of the Company Shares for the most recent three months (from June 6, 2020 to February 5, 2021) (569 yen) and the simple average of the closing prices of the Company Shares for the most recent six months (from August 6, 2020 to February 5, 2021) (575 yen).

Furthermore, taking into account whether the Company approves of the Tender Offer and the prospect of the implementation of the Tender Offer, the Tender Offeror determined the Tender Offer Price at 924 yen as of today after consultation and negotiation with the Company and Tsukui Kikaku. The Tender Offeror has determined the Tender Offer Price in consideration of the aforementioned factors and through consultation and negotiation with the Company and Tsukui Kikaku and has not obtained a share valuation report or an opinion concerning fairness of the Tender Offer Price from an independent third-party valuation organization. The Tender Offer Price includes a premium of 44.38% (rounded to the nearest hundredth; the same applies hereinafter to the calculation of the premium rate) on 640 yen, which is the closing price of the Company Shares on the First Section of the Tokyo Stock Exchange on February 5, 2021, the business day immediately preceding the announcement date of the implementation of the Tender Offer, a premium of 61.82 % on 571 yen, which is the simple average of the closing prices of the Company Shares on the First Section of the Tokyo Stock Exchange for the latest one-month period up to February 5, 2021, a premium of 62.39 % on 569 yen, which is the simple average of the closing prices of the Company Shares on the First Section of the Tokyo Stock Exchange for the last three months up to February 5, 2021, and a premium of 60.70 % on 575 yen, which is the simple average of the closing prices of the Company Shares on the First Section of the Tokyo Stock Exchange for the last six months up to February 5, 2021.

The Tender Offer Price also includes a premium of 44.36% on 640 yen, which is the closing price of the Company Shares on the First Section of the Tokyo Stock Exchange on February 5, 2021, the business day immediately preceding the date of filing of this Statement.

Although the Tender Offeror has obtained the Company Shares (100 shares) on February 5, 2021, at the closing price of the Company Shares on the First Section of the Tokyo Stock Exchange (610 yen) on February 3 pursuant to the share transfer agreement executed on February 4, 2021 between the Tender Offeror and Mr. Tsukui, in order to enable the Tender Offeror to exercise its right to request the Company to inspect the shareholders' register, etc., the Tender Offeror did not add a premium to the closing price with respect to such acquisition.

(4) Possibility of Delisting and Reasons Therefor

As of the date of filing of this Statement, the Company Shares are listed on the First Section of the Tokyo Stock Exchange, and since the Tender Offeror has not set a maximum planned purchase quantity with respect to the Tender Offer, depending on the results of the Tender Offer, it is possible that the Company Shares may become delisted following the designated procedures in accordance with the delisting standards established by the Tokyo Stock Exchange.

Futher, even if the delisting standards do not apply as of completion of the Tender Offer, in accordance with the procedures described in “(5) Post-Tender Offer Reorganization Policy (Matters Regarding a So-called “Two-Step Acquisition”)” above, the Tender Offeror plans to make the Tender Offeror and Tsukui Kikaku the sole shareholders of the Company, and make the Company private. In such case, the Company Shares will become delisted following the designated procedures, in accordance with the delisting standards established by the Tokyo Stock Exchange. After being delisted, it will be impossible to trade the Company Shares on the First Section of the Tokyo Stock Exchange.

(5) Post-Tender Offer Reorganization Policy (Matters Regarding a So-called “Two-Step Acquisition”)

As is stated in “(I) Overview of the Tender Offer” under “(2) Grounds and Reasons for Company’s Opinion on Tender Offer” above, the Tender Offeror’s policy is to make the Company its wholly-owned subsidiary. Once the Tender Offer is complete, and if the Tender Offeror fails to acquire all of the Company Shares (provided, however, that this excludes the Company Shares held by the Tender Offeror, the Non-tendered Shares held by Tsukui Kikaku and treasury shares held by the Company) through the Tender Offer, the Company will implement the following procedures and a series of procedures to make the Tender Offeror and Tsukui Kikaku the sole shareholders of the Company.

Specifically, the Tender Offeror will request that the Company hold a special shareholders’ meeting (the “Special Shareholders’ Meeting”) and that proposals be submitted that will include implementation of Share Consolidation of Company Shares in accordance with Article 180 of the Companies Act, and subject to the Share Consolidation being effective, changes to the Company’s articles of incorporation that will eliminate provisions on a share unit number. The Tender Offeror and Tsukui Kikaku will approve each of the proposals above at the Special Shareholders’ Meeting.

If proposals concerning the Share Consolidation are approved at the Special Shareholders’ Meeting, the Company shareholders will, as of the effective date of the Share Consolidation, each retain a number of the Company Shares corresponding to the Share Consolidation ratio approved at the Special Shareholders’ Meeting. If the Share Consolidation results in fractional shares that are less than one share, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and regulations, the Company shareholders retaining the fractional shares will be provided with money to be obtained through the sale of Company Shares equivalent to the sum of the fractional shares (if the sum of the fractional shares is less than one share, the fractional shares will be discarded) by the Company or the Tender Offeror. With respect to the sale price of the Company Shares equivalent to the sum of the fractional shares, a petition for permission for voluntary sale will be filed with a court, after ensuring that as a result of the sale of fractional shares, the monetary amount provided to each Company shareholder who did not apply for the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku) will be the same as the value calculated when the number of the Company Shares owned by each shareholder is multiplied by the Tender Offer Price. Furthermore, although the consolidation ratio of the Company Shares has not yet been decided as of today, the consolidation ratio will be determined such that as a result of the Share Consolidation, the shareholders of the Company who did not tender their Company Shares into the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku) will each hold fractional shares less than one share and that after the settlement of the sale of the sum of the fractional shares, the Tender Offeror and Tsukui Kikaku will own all of the Company Shares (excluding treasury shares held by the Company). The Company plans to comply with these requests by the Tender Offeror if the Tender Offer is successful.

For the purpose of protecting the rights of minority shareholders in relation to the Share Consolidation, if the share consolidation is implemented, and results in fractional shares that are less than one share, the Companies Act allows Company shareholders (excluding the Tender Offeror, the Company and Tsukui Kikaku) to demand that the Company purchase all fractional shares less than one share owned by them at a fair price, as well as to petition a court for a decision regarding the sale price of their Company Shares, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. As described above, in connection with the Share Consolidation, the Company Shares to be owned by Company shareholders who did not apply for the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku) will be fractional shares less than one share. Therefore, the Company shareholders who oppose the Share Consolidation will be able to petition a court for a decision regarding the above sale price of their Company Shares. If the above petition is made, the sale price will be ultimately determined by a court.

In implementing the above procedures, implementation methods and time may change, depending on the status of amendments to, execution of, and interpretation by relevant authorities of, the relevant laws and regulations, the percentage of ownership of shares, etc. of the Tender Offeror and Tsukui Kikaku after the Tender Offer as well as the holding status of Company Shares of Company shareholders other than the Tender Offeror and Tsukui Kikaku, etc. To be specific, if a shareholder holds the same number or more of the

Company Shares as the number of Company Shares owned by Tsukui Kikaku (the “Major Shareholder”), or when there is a reasonable possibility that a Major Shareholder will appear before the effective date of the Share Consolidation, then, after the completion of the settlement of the Tender Offer, Tsukui Kikaku and the Tender Offeror may, in lieu of the procedures for the Share Consolidation and the Acquiring Treasury Shares, take actions that are necessary for the Share Consolidation of the Company Shares which are intended to consolidate the shareholders of the Company as the sole Tender Offeror. However, even in that event, measures will be taken by which monetary consideration will be ultimately provided to each Company shareholder who did not apply for the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku), and the value of that consideration will be calculated to be the price obtained when the number of Company Shares owned by each Company shareholder is multiplied by the Tender Offer Price.

If the Special Shareholders’ Meeting is held, it will be held in mid-May 2021, but the Company will promptly announce the specific procedures therefor, and implementation timing thereof, once they are determined after consultation between the Tender Offeror and the Company. The Tender Offer is not intended to solicit the Company shareholders to approve the relevant proposals at the Special Shareholders’ Meeting. In addition, the Company shareholders are each personally responsible for consulting with experts, such as certified public tax accountants, regarding the handling of taxes relating to applications for the Tender Offer, and the procedures described above.

(6) Measures to Ensure Fairness of Tender Offer, Such as Measures to Ensure Fairness of Tender Offer Price and Measures to Avoid Conflicts of Interest

The Tender Offer is not a so-called management buyout (MBO), nor does fall under a tender offer by controlling shareholders. However, based on the fact that, among other things: (a) the Tender Offeror plans to make the Company a wholly-owned company; and (b) the Tender Offeror has executed a Non-Tender Agreement with Tsukui Kikaku, the largest and major shareholder of the Company, as specified in “4. Material Agreements Regarding Tender Offer” below, and it is therefore presumed that the Company will implement the acquisition of its treasury shares by acquiring the shares of common stock of the Company owned by Tsukui Kikaku, the Company and the Tender Offeror have taken the measures specified below in order to ensure the fairness of the Tender Offer Price, and also to eliminate any arbitrariness in the decision-making with respect to the Transaction, to ensure fairness, transparency and objectivity of the Company’s decision-making process, and to avoid conflicts of interest.

Among the measures specified below, any measures taken by the Tender Offeror are based on the explanations given by the Tender Offeror.

(I) Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization

Upon determining its opinion on the Tender Offer, the Company requested the calculation of a valuation of the Company Shares to Yamada Consulting, a third-party evaluation organization independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr Tsukui and the Company Group and the Company received the Share Valuation Report from Yamada Consulting as of February 5, 2021. Yamada Consulting does not fall under a related party of the Tender Offeror, MBK Partners Group, the Company Group or Tsukui Kikaku, nor does it have any material interest in the Transaction, including the Tender Offer. The Company has not received a written opinion on the fairness of the price of the Tender Offer (i.e. a fairness opinion) from Yamada Consulting.

Moreover, the Special Committee, at its first meeting, approved Yamada Consulting's appointment as the Company's third-party evaluation organization and financial advisor, as there is no issue with respect to its independence and expertise, and further confirmed that the Special Committee may also receive a professional advice, as necessary.

A substantial part of the compensation to Yamada Consulting pertaining to the Transaction is said to be transactional compensation that is paid upon the announcement of the Transaction and the completion of the squeeze-out of the shareholders other than the Tender Offeror; and the Company has appointed Yamada Consulting as the Company's financial advisor and third-party evaluation organization pursuant to the above compensation system, also taking into consideration the general practices in the same kind of transactions and other matters.

As to the outline of the Share Valuation Report, please refer to "(I) Company's Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization" under "(3) Matters Pertaining to Valuation."

(II) Advice to Company from Independent Law Firm

The Company has appointed TMI Associates as its legal advisor independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and the Company Group in order to ensure the fairness and appropriateness of the decision-making of the Company's Board of Directors; the Company receives legal advice from TMI Associates on the method and process of the decision-making of the Company's Board of Directors for the Tender Offer and the subsequent series of procedures, as well as other matters requiring considerations on the decision-making. TMI Associates does not fall under a related party of the Tender Offeror, MBK

Partners Group, Tsukui Kikaku, Mr Tsukui or the Company Group and has no material interest in the Transaction.

In addition, the Special Committee, at its first meeting, approved TMI Associates' appointment as the Company's legal advisor, as there is no issue with respect to its independence and expertise, and further confirmed that the Special Committee may also receive professional advice as necessary.

(III) Establishment of Independent Special Committee by the Company and Acquisition of Report from Said Special Committee

In order to ensure the fairness of the Tender Offer Price, and also to eliminate any arbitrariness in the decision-making with respect to the Transaction, to ensure the fairness, transparency and objectivity of the decision-making process, and to avoid conflicts of interest, on December 16, 2020, the Company's Board of Directors established the Special Committee as a voluntary council to consider and determine whether or not to carry out the Transaction and the appropriateness of the transaction terms, including the structure of the Transaction, as well as the fairness of the procedures of the Transaction, from the standpoint of enhancing corporate value and ensuring the interests of minority shareholders, when the Company gives consideration as to whether or not to carry out the Transaction. The Special Committee is comprised of four (4) members, namely, Mr. Naohito Miya (the Company's Outside Director), Mr. Masao Torikai (the Company's Outside Director), Mr. Kenji Yamada (the Company's Outside Director) and Ms. Chiaki Kurihara (the Company's Outside Director), all of whom are independent from any of the Tender Offeror, MBK Partners Group, Tsukui Kikaku , Mr. Tsukui and the Company Group (the members of the Special Committee have remained unchanged since its establishment, and Mr. Masao Torikai has been appointed as the chairman of the Special Committee by mutual vote from among the members; moreover, the compensation for the members of the Special Committee is a fixed fee, and no contingent fee is arranged).

Further, the Company's Board of Directors has consulted with the Special Committee on the Transaction, including the Tender Offer, with regard to: (a) matters concerning the reasonableness of the purpose of the Transaction (including whether the Transaction will contribute to enhancing the Company's corporate value); (b) matters concerning the appropriateness of the terms of the Transaction; (c) matters concerning the fairness of the Transaction procedures; and (d) based on the foregoing, whether minority shareholders will incur any disadvantage from the Transaction (if the Tender Offer is implemented in the Transaction, the content of the opinion expressed pertaining to the Tender Offer) (collectively, the "Advisory Matters"), and the Company's Board of Directors has entrusted the Special Committee to submit a report on the above matters to the Company. The Company's Board of Directors has also resolved that, upon determining the opinion concerning the Tender Offer, it should respect the opinion of the Special Committee to the fullest extent possible, and if the Special Committee determines that the terms of the Transaction are inappropriate, the Company's Board of Directors should not agree with the Tender Offer on such terms. The Company has given consideration to the opinion expressed pertaining to the Tender Offer under the assumption that the process for making the Company a wholly-owned company will be implemented after the completion of the Tender Offer.

In addition, the Company's Board of Directors has granted the Special Committee the authority to: (a) conduct an investigation into the Transaction (including asking questions to the Company's officers or employees involved in the Transaction or the Company's advisors pertaining to the Transaction, and seeking explanations on the matters necessary for consideration of the Advisory Matters); (b) require the Company to (i) inform the tender candidates of the proposals of the Special Committee and other opinions or questions, and (ii) arrange an opportunity for the Special Committee to engage in consultation, at its initiative, with the Tender Offeror and MBK Partners Group (including their officers and employees involved in the Transaction and their advisors pertaining to the Transaction) (upon receiving the request from the Special Committee, the Company shall exert its utmost efforts to fulfill such request); (c) not approve any advisor appointed by the Company if the Special Committee determines that there is any concern with the independence of such advisor (in such case, the Company must respect the intention of the Special Committee to the fullest extent possible); and (d) appoint the Special Committee's own advisor at the Company's expense.

As to Yamada Consulting, as the Company's third-party evaluation organization and financial advisor, and TMI Associates, as the Company's legal advisor, the Special Committee has approved them as the Company's third-party evaluation organization and financial advisor, and legal advisor, respectively, as there is no issue with respect to their independence and expertise, and has further confirmed that the Special Committee may also receive professional advice, as necessary.

During the period between December 21, 2020 and February 5, 2021, a total of six (6) Special Committee meetings were held. The Special Committee carefully discussed and considered the Advisory Matters, at the meetings and both before and after the meetings made during the above period, by engaging in deliberations and decision-making via electronic mail and other means.

Specifically, the Special Committee received explanations from Yamada Consulting and TMI Associates on the circumstances leading to the Transaction, the outline of the scheme, the outline of the presumed schedule and the measures to ensure fairness presumed in the Transaction, and held a question-and-answer session regarding the roles required of the members of the Special Committee and other matters with respect to the above points.

The Special Committee has asked questions to MBK Partners Group about the background leading to the Transaction, the purpose of the Transaction, the content of the scheme of the Transaction, the measures to be taken to ensure the fairness of the Transaction, and the management system and management policy after the Transaction; the Special Committee has received answers from MBK Partners Group and given consideration to these points. In addition, the Special Committee has also confirmed the content of the agreement that the Tender Offeror will execute upon implementation of the Transaction.

Moreover, the Special Committee has received explanations from the Company on the business environment surrounding the Company, management issues and the Company's current approach to these issues, the advantages and disadvantages of the Transaction, whether there are any synergies with MBK Partners Group, the evaluation on the Tender Offer Price proposed by MBK Partners Group, the content of measures and management policies presumed after the Transaction, the status of consideration of the Transaction by the Company, the content of discussions with MBK Partners Group, and other matters, and held a sufficient question-and-answer session regarding these matters.

Furthermore, the Special Committee has received explanations from Yamada Consulting, the Company's financial advisor and third-party evaluation organization, on the valuation of the Company Shares and held a question-and-answer session regarding the reasons for selecting the calculation methods and the calculation process in each calculation method, and other matters; and also, the Special Committee has received legal advice from TMI Associates on the process of the Company's decision-making regarding the Transaction and other matters requiring consideration and has engaged in deliberations and consideration therefor.

Under the circumstances described above, as a result of a series of careful discussions and consideration by the Special Committee on the Advisory Matters, the Special Committee submitted its report, mainly to the following effect, to the Company's Board of Directors as of February 5, 2021, with the unanimous consent of the members.

(i) Reasonableness of Purpose of the Transaction

The Special Committee received explanations from the Company and asked questions as to the purpose of the Transaction and the effects of the Transaction on the Company's corporate value. The summary of the contents thereof are as follows.

(a) (Recent Situation)

With the fiscal year ending in March 2021 being the final year of the "Tsukui Second Medium-Term Management Plan", amid the circumstances where the spread of COVID-19 infections has seriously afflicted society since February 2020, the Company Group has taken various measures against the spread of infection, including making efforts to prevent elderly people (the customers of the Company Group's business) and its employees from being infected and securing their safety, and has continued to provide services. During the epidemic of COVID-19, there were effects such as the occurrence of refraining from using and a decrease in the number of new customers acquired, but with the support measures of the government, profits are expected to be secured at a certain level in the fiscal year ending March 2021. However, the end of the infection is still uncertain, and the outlook for the next fiscal year and beyond is uncertain.

(b) (Business Environment of the Nursing Care Industry)

Although, in the nursing care industry, the market is certain to expand as the number of people requiring long-term care increases as the number of elderly people increases toward 2025, the decline in the productive-age population will increase the constraints on the labor force, raising concerns about the continuity of the foundation for providing services, in addition, it is pointed that the instability of the business performance being influenced by the revision of long-term care fees due to the financial situation is pointed out.

(c) (Strategies of the Company)

Since our core business is a day service which has a high proportion of nursing care insurance, our management constitution is easily influenced by part of the negative revision of long-term care fees. In order to deal with the risks involving such revision of the long-term care fees, it is necessary to work to improve profit margins by further increasing the utilization rate, and to secure stable business earnings by both side of increasing sales with the proactive acquisition of additional long-term care fees, reviewing personnel staffing standards. In addition, it is necessary to promote the expansion of operating locations to further respond to our customers' needs in priority regions where the Company can exert our strengths, such as centering on metropolitan areas and regional core cities where the increase in demand is expected and promote diversification of nursing care services. Furthermore, in order to essentially avoid the risk of revising long-term care compensation, it is necessary to leverage the customer base, which reaches 100,000 people, as well as actively develop non-insurance services with the long-term care industry itself as a growth area, and to grow as a business pillar.

(d) (Human Resources of the Company and Corporate Governance)

Under these circumstances, the hiring, development and retention of nursing care personnel is an ongoing issue, because the Company continues to face a high turnover rate and a chronic shortage of human resources due to the severe labor environment and low salary levels of employees. It is necessary to improve the skills of employees through the further enhancement of training systems and support for acquisition of qualifications, as well as to further promote measures for the hiring, development and retention of nursing care personnel, such as appropriate personnel evaluation through the introduction of an in-house certification test system, fixation of the career path system, and revision of the personnel system for full-time employees. Furthermore, since it is a highly public-oriented project, it is necessary to continue working to ensure the appropriateness of operations through corporate governance, risk management and compliance.

(e) (Importance of Continuing Long-term Care Services)

Among the epidemics of COVID-19 infection, the nursing care services we provide are vital for customers and their family members to continue their daily lives. It is socially necessary to continue providing services to the extent possible while securing the safety of our customers and employees and taking countermeasures against infection.

Based on the business environment surrounding the Company and the Company's management issues, by conducting the Transaction, the effects that are expected from the Transaction that are stated in "(ii) Process of and Reasons for Decision-Making by Company" of "(III) Decision-Making Process and Reasons Leading to Company's Approval of Tender Offer" of "(2) Grounds and Reasons for Company's Opinion on Tender Offer" of "3. Details of and Grounds and Reasons for Company's Opinion on Tender Offer" can be expected, and it will be possible thereby to accommodate the changes of the above business environment and respond to the management issues, and the Company arrived at the conclusion that it will contribute to the further improvement of the Company's corporate value.

The Special Committee held a sufficient question-and-answer session with the Company regardingthe above such recognition by the Company, and verified the reasonableness thereof, and nothing particularly unreasonable was found in the Company's recognition.

In addition, in order to verify the reasonableness of the Company's recognition above, the Special Committee received explanations from MBK Partners Group about what MBK Partners Group is attempting to realize through the Transaction, the Company's issues that are recognized by MBK Partners Group,how the Transaction will resolve the Company's issues, measures for improving the Company's corporate value that are being assumed after the Transaction, and the advantages and disadvantages of the Transaction that MBK Partners Group is assuming. In addition, the Special Committee confirmed the discussions that were consulted on by the Company and MBK Partners Group as to the business operations of the Company after the Transaction.

Through the above, the Special Committee recognized that MBK Partners Group is thinking of following "TSUKUI Vison 2025" that is currently held by the Company as the management policy after the Transaction, and focusing on i) strengthening the strategy for priority regions in the nursing care business, ii) continuously improving the profit margin in the nursing care business, iii) developing and expanding services other than those covered by nursing care insurance, iv) improvement of employee satisfaction levels and control of job separation rate, v) strengthening business strategies and the organization in the human resource development business, and vi) constructing outside sales systems in the leasing business.

From the above, it can be said that the elements expected by the Company of MBK Partners Group through the Transaction reasonably match with the management policy of MBK Partners Group after the Transaction and the external managerial resources that MBK Partners Group can provide, and, in this regard, can be determined that there were no unreasonable points in the Company's recognition above.

Furthermore, since the Transaction is premised on the Company going private, the disadvantages to the Company for going private were also considered.

In general, while restrictions on financing due to going private may arise, according to the Company, from the current status of the financial market, the effects are expected to be small.

In addition, according to the Company, even upon the Company becoming a holding company last year, no particular impact on the employees due to Tsukui, a business company, going private was recognized, and according to MBK Partners Group, in light of past privatization cases it participated in, it does not think that going private will lower employees' motivations.

Furthermore, according to MBK Partners Group, in consultations with the directors of the Company, it does not think there are risks from going private even in the relationships between the Company and government agencies and local governments.

From the above, there were no particular points that would become problematic as disadvantages due to the Company going private.

Based on the above such points, as a result of careful discussions and consideration by the Special Committee, the Transaction was recognized to contribute to the improvement of corporate value from the Company's mid- to long-term perspective, and its purpose was believed to be reasonable.

(ii) Appropriateness of Transaction Terms of the Transaction

(a) Share valuation report by Yamada Consulting

According to the share valuation report acquired from Yamada Consulting, a financial advisor and third-party valuation organization that is independent from anyof the Tender Offeror, MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and the Company Group, although the share value of one (1) share of the Company Shares will be 569 yen to 640 yen according to the average market price method, 587 yen to 815 yen according to the comparable company analysis method, and 710 yen to 941 yen according to the discounted cash flow method, the Tender Offer Price is 924 yen and greater than the maximum value of the valuation results according to the average market price method and the comparable company analysis method, and in the top quartile of the valuation results according to the DCF Method.

The Special Committee then received detailed explanations from Yamada Consulting on the calculation methods that were used for the share valuation, and as a result of considerations after a question-and-answer session with Yamada Consulting and the Company regarding the selection of the valuation method and the preconditions including the financial outlook based on the Company's business plan that will be the basis of the calculation, no unreasonable points were recognized in light of general valuation practices.

In addition, the Tender Offer Price is the average price to which premiums of 44.38% (rounded to the nearest whole number; the same applies for the numerical value of premiums for the share price (%)) for the closing value of the Company Shares of 640 yen on the First Section of the Tokyo Stock Exchange on February 5, 2021, which is the previous business day of the announcement date of the Tender Offer, 61.82% for the simple average of the closing prices of the Company Shares of 571 yen on the First Section of the Tokyo Stock Exchange during the past one (1) month period until February 5, 2021, 62.39% for the simple average of the closing prices of the Company Shares of 569 yen on the First Section of the Tokyo Stock Exchange during the past three (3) month period until February 5, 2021, and 60.70% for the simple average of the closing prices of the Company Shares of 575 yen on the First Section of the Tokyo Stock Exchange during the past six (6) month period until February 5, 2021, is added, and the level of such premium was confirmed to be at an advantageous level for the Company's shareholders compared to the average premium level in similar cases for other companies.

(b) Fairness of Negotiation Process Procedures

As stated in "(iii) Fairness of Transaction Procedures," the negotiation process procedures regarding the Transaction including the Tender Offer can be recognized as fair. In addition, as stated in "(d) Discussion and Negotiation by the Company" under "(iii) Fairness of Transaction Procedures," through such negotiations, the price offered by the Tender Offeror was actually increased, and the Tender Offer Price can be recognized to have been decided through such negotiation.

(c) Method for Conducting the Transaction

With respect to the method for conducting the Transaction, a scheme combining the Tender Offer and the Acquiring Treasury Shares was proposed by MBK Partners Group, and the Company is reviewing such scheme, and it is confirmed that (i) compared to a scheme where only a tender offer is made, Tsukui Kikaku is expected to be subject to the provision on the exclusion of deemed dividends from gross profits set forth in the Corporation Tax Act with such scheme, and by making use of enjoying such tax benefits of Tsukui Kikaku, and setting the tender office high and the treasury shares acquisition price low, it will become possible to increase the amount that can be enjoyed by the minority shareholders of the Company, (ii) the Funding for Acquiring Treasury Shares will be provided , and (iii) contract terms that are ordinarily set forth in similar loan agreements are expected to be provided in the loan agreement regarding the Funding for Acquiring Treasury Shares, compared to a scheme where only a tender offer will be made.

Therefore, the scheme of the Transaction is not expected to have especially adverse effects on the financial status of the Company, nor is it a prejudicial scheme for not only the minority shareholders of the Company but also for the Company.

Furthermore, in addition to the Tender Offer and the squeeze out procedures thereafter in the scheme of the Transaction, since a lending to the Company and the Acquiring Treasury Shares are scheduled, the timing of the completion of making the Company a wholly-owned company will be delayed compared to a scheme where only a tender offer is made, however, in that regard, based on the advantages of increasing the amounts that the minority shareholders of the Company can enjoy due to the scheme of the Transaction, it can be thought that the determination it not an issue of special concern is not unreasonable.

Moreover, in the Transaction, if a reverse stock split is conducted after the Tender Offer, it can be recognized that the sales price of the total number of the fractions arising from the reverse stock split will be calculated so that the amount of monies that will be delivered to the Company's shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku) will be the same as the price of the Tender Offer Price multiplied by the number of the Company Shares held by each such shareholder will be explicitly stated in the press release.

(d) Types of Consideration

Considering that MBP Partners Group, which is a substantial Tender Offeror, is a so-called investment fund, since the method whereby shares will be consideration is fundamentally inconceivable, monies being the consideration of the Transaction would not be particularly unreasonable.

(e) Summary

Based on the above points, as a result of careful discussions and consideration, the Special Committee came to the determination that the transaction terms are appropriate.

(iii) Fairness of the Procedures of the Transaction

(a) Establishment of Special Committee

The Special Committee has been established from when the MBK Partners Group proposed the Transaction to the Company and by being granted the right to appoint advisors etc., the Company has respected the opinion of the Special Committee to the fullest extent possible and if the Special Committee determines that the terms of the Transaction are inappropriate, a resolution to not agree with the Tender Offer was made. Thus, there is no issue with respect to the independence, structure such as expertise and attribution as well as consideration framework of advisors of the Special Committee, etc.

(b) Review Method by the Company

From the perspective of ensuring the fairness of the tender offer price, eliminating arbitrariness in the decision-making process leading to the decision to implement the Transaction, and avoiding conflicts of interest, the Company has received advise and opinions from Yamada Consulting, the Company’s financial advisor and third-party evaluation organization independent from any of the Tender Offeror, the MBK Partners Group, Tsukui Kikaku, Mr. Tsukui and the Company Group, and TMI Associates, the Company’s legal advisor; and the Company carefully deliberated and discussed the appropriateness of the purchasing terms and conditions of the Tender Offer such as the tender offer price and the fairness of the series of procedures of the Transaction from the viewpoints of improving the Company's corporate value and, consequently, the common interests of shareholders, and providing the shareholders of the Company with opportunities to sell shares on reasonable terms, in considering the Transaction.

Also, it was confirmed that the Special Committee may also receive expert advice from Yamada Consulting and TMI Associates when necessary and it is actually receiving advice and opinions from them.

(c) Company’s Acquisition of Share Valuation Report from Independent Third-Party Valuation Organization

In expressing the Company’s opinion on the Tender Offer, the Company requested Yamada Consulting to calculate the value of the Company Shares, and acquired the Share Valuation Report as of February 5, 2021.

(d) Discussion and Negotiation by the Company

In line with the negotiating policy and advice presented by the Special Committee, the Company has held several substantive discussions and negotiations with the Tender Offeror to ensure the fairness of the tender offer price from the viewpoint of protecting the interests of minority shareholders. Specifically, the Company, through Yamada Consulting, made a total of 2 requests to Tender Offeror to raise the tender offer price and negotiated with the Tender Offeror until the Tender Offeror finally expressed its intention not to be able to raise the Tender Offer Price any further, based on the negotiation policy and advice presented by the Special Committee.

As a result of raising the price offered by the Tender Offeror through these negotiations, the tender offer price was set at 924 yen per the Company Share.

(e) Non-involvement of Specially Interested Parties in the Negotiation and Decision-making Processes of the Transaction

Directors who consider and negotiate the Transaction on behalf of the Company do not include persons who have a special interest in the Transaction, and there is no evidence to suggest that the Tender Offeror, MBK Partners Group, or any other person who has a special interest in the Transaction exerted an undue influence on the Company's side in the course of the discussion, consideration, and negotiation of the Transaction.

Mr. Tsukui, Representative Director of Tsukui Kikaku, refrained from participating in the deliberations of all proposals in relation to consideration of the Transaction at the Company’s Board of Directors meeting, and also refrained from participating in the consideration of the Transaction or discussions or negotiations with respect to the Transaction, with the Tender Offeror on behalf of the Company.

(f) Condition of Majority of Minority

In the Tender Offer, as Tender Offeror intends to make the Company a wholly-owned subsidiary, Tender Offeror sets the minimum number of shares to be purchased as 29,316,000 shares (Ownership ratio: 41.08%). If the total number of share certificates, etc. ("Tendered Share Certificates") tendered to the Tender Offer is less than the minimum number of shares to be purchased, Tender Offeror will not purchase all of the Tendered Share Certificates. As a result, the Tender Offer cannot be made unless the majority of shareholders other than Tsukui Kikaku and Mr. Tsukui, who are parties to the Tender Offer, subscribes, and the so-called "Majority of Minority” conditions are set.

(g) Securing Competing Purchase Opportunities

(i) A Tender Offer Period of thirty (30) business days is set with respect to the Tender Offer, which is longer than the minimum period of twenty (20) business days provided by relevant laws and regulations and (ii) the Tender Offeror and the Company has not entered into any agreement that limits the opportunities for a competing offeror to have contact with the Company, such as an agreement that includes deal protection provisions that prohibit the

Company from having contact with a competing offeror; in addition to the above Tender Offer Period being set, as opportunities of competing purchases are secured, it can be said that consideration is given to ensuring the fairness of the Tender Offer.

(h) Proper Information Disclosure

In the Transaction, it is expected that sufficient disclosure will be made in the tender offer notification to be submitted by the Tender Offeror and the press release to be published by the Company regarding the reverse stock split and the acquisition of treasury stock by Tsukui Kikaku, which are scheduled to take place after the completion of the Tender Offer.

As described in (ii) (c) above, if a reverse stock split is conducted after the Tender Offer, it can be recognized that the sales price of the total number of the fractions arising from the reverse stock split will be calculated so that the amount of monies that will be delivered to the Company’s shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror, the Company and Tsukui Kikaku) will be the same as the price of the Tender Offer Price multiplied by the number of the Company Shares held by each such shareholder will be explicitly stated in the press release. Therefore, it can be said that appropriate measures to decrease the heavy pressure applied to subscribe to the Tender Offer has been taken.

(i) Summary

Based on the above, the Special Committee carefully discussed and considered the matter and concluded that appropriate fairness security measures had been taken for the Transaction and that the procedures for the Transaction were fair.

（iv） Whether the Transaction (including the content of the comment regarding the Tender Offer) is Disadvantageous to Minority Shareholders

After careful consideration of the above (i) through (iii) and other matters, the Board of Directors of the Company has concluded that the decision to implement the Transaction will not be disadvantageous to the minority shareholders of the Company. In other words, the Board of Directors of the Company has concluded that (1) it expresses its opinion in support of Tender Offer and recommends that the shareholders of the Company to subscribe to the Tender Offer, (2) it decides to implement the going private transaction after the Tender Offer by using the reverse stock split, and (3) it is not disadvantageous to the minority shareholders of the

Company even if the Company decides to acquire treasury shares from Tsukui Kikaku after the said reverse stock split comes into effect.

(IV) Approval of All of Company's Directors (Including Those Who are Audit and Supervisory Committee Members) Without Conflicts of Interest

The Company's Board of Directors carefully discussed and considered the Transaction, from the perspective of enhancing the Company's corporate value, the appropriateness of the various conditions associated with the Transaction, etc., based on the details of the Share Valuation Report and legal advice received from TMI Associates, respecting to the fullest extent the details of the Report provided by the Special Committee.

As a result, as stated in "(III) Decision-Making Process and Reasons Leading to Company's Approval of Tender Offer" under "(2) Grounds and Reasons for Company's Opinion on Tender Offer" above, the Company believes that the Transaction, including the Tender Offer, contribute to enhancing the Company's corporate value and that the Tender Offer Price is reasonable, and determined that the said Transaction would provide the Company's shareholders with a reasonable opportunity to sell their shares. The Company, at its Board of Directors meeting held today, declared its support of the Tender Offer and resolved to recommend that the Company's shareholders tender their shares in the Tender Offer.

At the aforementioned Board of Directors meeting, the seven (7) directors (Mr. Masaaki Koizumi, Mr Hiroshi Takabatake, Mr. Toshikazu Takajo, Ms. Chiaki Kurihara, Mr. Naohito Miya, Mr. Masao Torikai and Mr. Kenji Yamada) of the Company, comprising all of the eight (8) directors of the Company other than Mr. Tsukui, resolved unanimously, after deliberation, to express the above opinion.

In addition, among the seven (7) directors who participated in the said Board of Directors meeting, no officer has any conflicts of interest, such as concurrently serving as an officer of Tsukui Kikaku, the Company's largest and major shareholder.

It should be noted that, from the viewpoint of avoiding the risk of conflicts of interest and ensuring the fairness of the Transaction, among the eight (8) directors of the Company, Mr. Tsukui, Representative Director of Tsukui Kikaku, refrained from participating in the deliberations of all proposals in relation to consideration of the Transaction at the Company's Board of Directors meeting, and also refrained from participating in the consideration of the Transaction or discussions or negotiations with respect to the Transaction, with the Tender Offeror on behalf of the Company.

(V) Measures to Secure Purchase Opportunities from Other Tender Candidates

As is described in “(II) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer and Management Policy After Tender Offer and Transaction “ under “(2) Grounds and Reasons for Company’s Opinion on Tender Offer” above, Tsukui Kikaku conducted a biddingprocess whereby they consulted with multiple tender candidates about transferring all of the Company Shares held thereby, and selected the Tender Offeror as the final tender candidate by comparing it to the several other tender candidates under certain competitive conditions. Therefore, while it is believed that adequate opportunities were provided for tender offers for the Company Shares by entities other than the Tender Offeror, the Tender Offeror has set a tender offer period of thirty (30) business days, which is longer than the minimum period of twenty (20) business days provided by relevant laws and regulations. According to the Tender Offeror, by setting such a comparatively long tender offer period, it intends to provide an appropriate opportunity to allow the Company’s shareholders to decide whether to tender their shares into the Tender Offer, and at the same time, to ensure opportunities for a tender candidate other than the Tender Offeror to make an offer, etc., and to ensure the appropriateness of the Tender Offer Price.

The Company has not entered into any agreement with the Tender Offeror that limits the opportunities for a competing offeror to have contact with the Company, such as an agreement that includes deal protection provisions that prohibit the Company from having contact with a competing offeror, and also plans to ensure the fairness of the Tender Offer by setting the tender offer period described above and by ensuring opportunities for competitive tender offers, etc.

4. Material Agreement Concerning the Tender Offer

As is stated in “(I) Overview of the Tender Offer” under “(2) Grounds and Reasons for Company’s Opinion on Tender Offer” under “3. Details of and Grounds and Reasons for Company’s Opinion on Tender Offer” above, In implementing the Tender Offer, the Tender Offeror has entered into the Agreement with Tsukui Kikaku and Mr. Tsukui as of today, and agreed not to tender into the Tender Offer with respect to the Non-tendered Shares owned by Tsukui Kikaku (18,256,000 shares; ownership ratio: 25.58%) and to tender into the Tender Offer with respect to the Tendered Shares owned by Mr. Tsukui (686,800 shares; ownership ratio: 0.96%).

In the Agreement, with respect to the Transaction, it has been agreed that: (a) the Tender Offeror would implement the Tender Offer and Mr. Tsukui would tender the Tender Offer Shares in the Tender Offer; (b) the Tender Offeror and Tsukui Kikaku would, subject to the completion of the settlement of the Tender Offer, cause the Company to hold a shareholders’ meeting wherein the resolution on the Share Consolidation would be resolved and to vote in favor of the resolution on the Share Consolidation; (c) after the Share Consolidation comes into effect, the Tender Offeror and Tsukui Kikaku would cause the Company to acquire by the Acquiring Treasury Shares all of the Company Shares owned by Tsukui Kikaku immediately after the Share Consolidation comes into effect for 13.7 billion yen in total (provided, however, that any fractional shares resulting with respect to the Non-tendered Shares from the Share Consolidation shall serve as the amount from which the amount paid to Tsukui Kikaku in consideration of the relevant fractional shares is deducted), and Tsukui Kikaku would assign to the Company all of the relevant Company Shares for the relevant amount. If a Major Shareholder exists, or when there is a reasonable possibility that the Major Shareholder will appear before the effective date of the Share Consolidation, then, after the completion of the settlement of the Tender Offer and if a request is made by the Tender Offeror, Tsukui Kikaku and the Tender Offeror have agreed that, in lieu of the procedures for the Share Consolidation and the Acquiring Treasury Shares, they will take actions necessary for the Share Consolidation of the Company Shares, which is intended to consolidate the shareholders of the Company as the sole Tender Offeror.

In addition, in the Agreement, Tsukui Kikaku has agreed: (a) except in the case of the Acquiring Treasury Shares, not to assign, provide as collateral, provide or otherwise dispose of any of the Non-tendered Shares (including the tendering in the Tender Offer), and not to agree, orally or in writing, on any disposal; (b) with respect to any transaction and other related acts that may be in competition with, or conflict with, the Transaction, or may make the Transaction difficult to implement (the "Competitive Transaction") between anyone other than the Tender Offeror and Mr. Tsukui, not to: (i) provide information necessary for discussions and deliberations; (ii) offer, solicit an offer, request or solicit; (iii) discuss, deliberate, negotiate, agree on, implement or otherwise conduct any and all acts which may contradict or conflict with the Transaction (excluding, however, in the case where Tsukui Kikaku, Mr. Tsukui or the Company receives a proposal of the Competitive Transaction from a third party, sharing such proposal between themselves, exchanging information between themselves and mutually discussing and deliberating on such proposal in order to achieve the purpose of the transaction); and (c) if a proposal on the Competitive Transaction is received from anyone other than the Tender Offeror, to promptly notify the Tender Offeror of the proposal and to discuss the response to the proposal.

5. Details of Provision of Benefits by Tender Offeror or its Special Related Parties

Not applicable.

6. **Response Policies in Terms of Basic Policies on Control of Companies**

Not applicable.

7. **Questions to Tender Offeror**

Not applicable.

8. **Request for Extension of Tender Offer Period**

Not applicable.

9. **Future Prospects**

See "(II) Background, Purpose and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer and Management Policy After Tender Offer and Transaction," and "(III) Decision-Making Process and Reasons Leading to Company's Approval of Tender Offer" under "(2) Grounds and Reasons for Company's Opinion on Tender Offer," "(4) Possibility of Delisting and Reasons Therefor" and "(5) Post-Tender Offer Reorganization Policy (Matters Regarding a So-Called "Two-Step Acquisition")" under "3. Details of and Grounds and Reasons for Company's Opinion on Tender Offer" above.

10. **Other Information**

At the Company's Board of Directors meeting held today, the Company resolved not to pay year-end dividends for the fiscal year ending 2021, revising its dividend forecast for the fiscal year ending 2021, which was announced on October 5,2020, and to abolish the shareholder special benefit plan from the fiscal year ending March 31, 2021, subject to the successful completion of the Tender Offer. For more details, please see the "Notice Concerning Revision of Dividend Forecast for Fiscal Year Ending March 2021 (Non-Payment of Dividends) and Abolition of Shareholder Special Benefit Plan" published today by the Company.

(Reference) "Notice Concerning Commencement of Tender Offer for the Shares of Tsukui Holdings Corporation (Code. 2398) by MBKP Life LLC" dated today (as attached)

End

February 8, 2021

To whom it may concern:

Company: MBKP Life LLC
Managing Partner: MBK Partners JC V, L.P.
Representative: Executive Manager Kenichiro Kagasa
(TEL 03-4550-0430)

Notice Concerning Commencement of Tender Offer for the Shares of Tsukui Holdings Corporation (Code No. 2398)

MBPK Life LLC (the "Tender Offeror") announces that it resolved on February 8, 2021 to acquire the issued and outstanding common shares (the "Target Company Shares") of Tsukui Holdings Corporation (listed on the 1st Section of Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"), Code No. 2398; the "Target Company") through tender offer (the "Tender Offer") pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) as set out in the attachment.

The Tender Offeror is a limited liability company (*godo kaisha*) established in May 1, 2020 all of the shares of which are held by MBK Partners JC V, L.P. ("JC Fund"). The main purpose of the Tender Offeror is to, by way of acquiring all of the Target Company Shares listed on the First Section of Tokyo Stock Exchange, implement the series of transactions (the "Transaction") which are based on the Target Company Shares being delisted for the purpose of making the Target Company its wholly-owned subsidiary, and to control and manage the business of the Target Company thereafter. The Tender Offeror, as of the date hereof, owns 100 shares of the Target Company Shares (ownership ratio (Note 1): 0.00%).

The Tender Offeror has decided to implement the Tender Offer for the purpose of acquiring all of the Target Company Shares (excluding, however, the Target Company Shares owned by the Tender Offeror, the Non-tendered Shares (as defined below; the same applies hereinafter) owned by the largest and major shareholder of the Target Company, Tsukui Kikaku KK (number of shares held: 18,256,000 shares; ownership ratio: 25.58%; "Tsukui Kikaku") and the treasury shares owned by the Target Company), as part of the Transaction.

In the Transaction, the Tender Offeror has, for the purpose of maximizing the profits of the general shareholders of the Target Company, agreed with Tsukui Kikaku to sell the Non-tendered Shares owned by Tsukui Kikaku by the acquiring of treasury shares to be implemented by the Target Company subject to the conclusion of the Tender Offer and the Share Consolidation (as defined below) coming into effect, rather than tendering the Tender Offer (the "Acquiring Treasury Shares"), based on the assumption that the provision of the exclusion of gross profits of deemed dividends under the Corporation Tax Act (Act No. 34 of 1965, as amended; the "Corporation Tax Act") would apply to Tsukui Kikaku.

JC Fund is a fund to which MBK Partners K.K. or its affiliates (collectively, "MBK Partners Group") provides its services. MBK Partners Group is an independent private equity firm that has a dedicated focus on private equity investments in the three countries of East Asia - Japan, the People's Republic of China and the Republic of Korea - established in March 2005. MBK Partners Group has investment assets of approximately 234 hundred million US dollars as of the date hereof pursuant to support from investors, mainly by institutional investors such as global banks, insurance companies, asset management companies, public pensions, corporate pensions, foundations, fund of funds and government-affiliated investment institutions, and invests not only in large companies, but also in medium-sized companies, particularly in the fields of retail/consumer, telecommunications/media, financial services, business services, transportation and general manufacturing. MBK Partners Group provides aggressive business support for maximizing the value of the company in which it invests. Since its establishment in March 2005, MBK Partners Group has recorded

50 investments in East Asian countries, and of these investments, 11 investments have been recorded in eight investments have been recorded in Japanese companies, in Yayoi Co., Ltd., USJ LLC (former USJ K.K.), INVOICE INC., Komeda Co., Ltd., TASAKI & Co., Ltd. (former Tasaki Shinju K.K.), Accordia Golf Co., Ltd., Kuroda Electric Co., Ltd. and Godiva Japan, Inc. As a result of having dealt with value-up themes of each company with the managers over the medium and long term, MBK Partners Group has, after the implementation of the investments, succeeded in increasing sales and earning capacity.

The Transaction consists of: (i) Tsukui Kikaku and the Tender Offeror becoming the sole shareholders of the Target Company through the Tender Offer and the share consolidation that is implemented by the Target Company if the Tender Offer is concluded, but the Tender Offeror fails to acquire all of the Target Company Shares (excluding, however, the Target Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Target Company) in the Tender Offer (the "Share Consolidation"); (ii) for the purpose of securing funds for implementing the Acquiring Treasury Shares, the Tender Offeror providing to the Target Company funds appropriated for the consideration for the Acquiring Treasury Shares; and (iii) Acquiring Treasury Shares eventually intending for the Tender Offeror to make the Target Company its wholly-owned subsidiary.

Upon the Tender Offer, the Tender Offeror entered into a written agreement on February 8, 2021 with Tsukui Kikaku and the Representative Director of the Target Company, Mr. Hiroshi Tsukui ("Mr. Tsukui") that sets forth the various terms and conditions of the Transaction agreed upon by the parties thereto, including such provisions that: (i) all of the 18,256,000 shares of the Target Company Shares owned by Tsukui Kikaku shall not be tendered in the Tender Offer (ownership ratio: 25.58%; the "Non-tendered Shares"); (ii) all of the 687,600 shares of the Target Company Shares owned by Mr. Tsukui (ownership ratio: 0.96% (Note 2)) shall be tendered in the Tender Offer; and (iii) the Non-tendered Shares shall be sold to the Target Company in correspondence with the Acquiring Treasury Shares after the Share Consolidation is put into effect.

With respect to the Tender Offer, with an intention to make the Target Company its wholly-owned subsidiary, the Tender Offeror has set a minimum planned purchase quantity of 29,316,000 shares (ownership ratio: 41.08%) (Note 3), and if the total number of share certificates tendered in the Tender Offer (the "Tendered Share Certificates") falls below this minimum planned purchase quantity, the Tender Offeror will not purchase Tendered Share Certificates. However, the Tender Offeror that aims for the Target Company Shares to go private by acquiring all of the Target Company Shares has not set a maximum planned purchase quantity, and if the total number of Tendered Share Certificates is equal to or exceeds the minimum planned purchase quantity (29,316,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates.

(Note 1)The "ownership ratio" refers to the ratio to the number of shares (12,439,909 shares) obtained by subtracting the number of treasury shares owned by the Target Company as of December 31, 2020 (excluding, however, 295,200 shares of the Target Company Shares owned by Japan Employee Stock Ownership Plans (J-ESOP)' trust of the Target Company as of December 31, 2020; the same applies hereinafter) (1,102,684 shares) from the total number of issued shares as of December 31, 2020 as stated in the "Financial Summary for the Third Quarter of the Fiscal Year Ending March 2021 [Japanese Standard]" released on February 8, 2021 by the Target Company (the "Target Company's Financial Summary for the Third Quarter") (72,460,800 shares) (rounded to the nearest hundredth). This also applies with regard to subsequent descriptions of ownership ratio.

(Note 2) The number of Target Company Shares owned by Mr. Tsukui does not include the shares indirectly owned by Mr. Tsukui through the cumulative investment in shares of the Target Company.

(Note 3)The minimum planned purchase quantity in the Tender Offer (29,316,000 shares; ownership ratio: 41.08%) was set as the number obtained by the following formula: (i) the number of treasury shares owned by the Target Company as of December 31, 2020 (1,102,684 shares) is subtracted from the total number of issued shares as of December 31, 2020 as stated in the Target Company's Financial Summary for the Third Quarter (72,460,800 shares); this amounts to 71,358,116 shares, which corresponds to 713,581 voting rights; (ii) such number of voting rights is then multiplied by 2/3 (475,721 voting rights) (rounded up to the nearest whole number); (iii) such number of voting rights (as rounded) is multiplied by 100 shares, which is the share unit number of the Target Company; and (iv) the number of the Target Company Shares owned by the Tender Offeror as of the date of filing of this Statement (100 shares) and the Non-tendered Shares owned by Tsukui Kikaku (18,256,000 shares) are subtracted from the product calculated in step (iii). Since the Tender Offeror aims to make the Target Company its wholly-owned subsidiary in the Transaction and the special resolution in the shareholders' meeting as provided for in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended) is required upon carrying out the procedures for the Share Consolidation, the minimum planned purchase quantity (29,316,000 shares) was set to enable both the Tender Offeror and Tsukui Kikaku to fulfill this requirement.

The summary of the Tender Offer is as follows.

(1) Summary of the Target Company

(i)	Name	Tsukui Holdings Corporation	
(ii)	Location	1-6-1, Kamiooka-nishi, Konan-ku, Yokohama-shi, Kanagawa	
(iii)	Name and title of representative	Hiroshi Tsukui, President and Representative Director, CEO	
(iv)	Description of business	Administration, management, etc. of group companies	
(v)	Amount of share capital	JPY 3,342million (As of December 31, 2020)	
(vi)	Date of incorporation	June 2, 1969	
(vii)	Major shareholders and shareholding ratio (As of September 30, 2020)	Tsukui Kikaku KK	25.58%
		Custody Bank of Japan, Ltd. (Trust account)	12.46%
		The Master Trust Bank of Japan, Ltd. (Trust account)	8.73%
		Tsukui Employee Shareholding Association	2.78%
		KIA FUND 136 (Standing proxy: Citibank, N.A., Tokyo branch)	2.22%
		BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/ JASDEC/JANUS HENDERSON HORIZON FUND (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo branch, Custody Business Department)	1.91%
		BBH/SUMITOMO MITSUI TRUST BANK, LIMITED (LONDON BRANCH)/SMTTIL/JAPAN SMALL CAP FUND CLT AC (Standing proxy: Sumitomo Mitsui Banking Corporation)	1.78%
		THE BANK OF NEW YORK 133972 (Standing proxy: Mizuho Bank, Ltd., Settlement Service Department)	1.54%
		The Bank of Yokohama, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.)	1.44%
		Custody Bank of Japan, Ltd. (Trust Account 5)	1.31%

(viii)	Relationship between the Tender Offeror and the Target Company	
	Capital relationship	The Tender Offeror owns 100 shares of the Target Company.
	Personnel relationship	Not applicable
	Business relationship	Not applicable
	Status as related party	Not applicable

(2) Schedule

(i) Schedule:

Date of public notice for commencement of Tender Offer	February 9, 2021 (Tue) Public notice will be made electronically via the Internet, and a notice to that effect will be published in the Nihon Keizai Shimbun. (URL of the electronic notice: https://disclosure.edinet-fsa.go.jp/)
Date of filing the Tender Offer Notification	February 9, 2021 (Tue)

(ii) Purchase period originally specified in the Tender Offer Notification:
From February 9, 2021 (Tue) until March 24, 2021 (Wed) (30 business days)

(iii) Possible extension by request from the Target Company:
Not applicable

(3) Type of share to be purchased and price of tender offer

Common stock 924 yen per share

(4) Scheduled number of shares to be purchased

Scheduled number of shares to be purchased	Minimum limit of the number of shares to be purchased	Maximum limit of the number of shares to be purchased
53,102,016 shares	29,316,000 shares	—

(5) Date of commencement of settlement

March 31, 2021 (Wed)

(6) Tender offer agent

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

For further details of the Tender Offer, please see the Tender Offer Notification for the Tender Offer to be filed by the Tender Offeror on February 9, 2021. The Tender Offer Notification may be viewed on EDINET (https://disclosure.edinet-fsa.go.jp/).

END

- This press release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should read the tender offer explanation statement concerning the Tender Offer first and make an offer to sell their shares at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or solicitation to sell or purchase any securities, and neither this press release (or a part of this press release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this press release may not be relied upon at the time of entering into any agreement.

・ The Tender Offer shall be implemented in compliance with the procedures and information disclosure standards provided by the Financial Instruments and Exchange Act of Japan, which procedures and standards are not necessarily identical to the procedures and information disclosure standards applied in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended, the "1934 Securities Exchange Act") or the rules promulgated under such Article do not apply to the Tender Offer, and the Tender Offer is not necessarily in compliance with the procedures and standards thereunder. All financial information contained in this press release are based on the accounting standards of Japan and are not based on the accounting standards of the U.S. and the contents may not be equivalent to the financial information in the U.S. In addition, because the Tender Offeror is a company established outside the United States and their officers are not U.S. residents, it may be difficult for investors to exercise their rights or demands that may be asserted based on U.S. securities laws. It may also not be possible to initiate legal proceedings in a court outside the United States against a company outside the United States and its officers based on a violation of U.S. securities laws. Furthermore, a corporation outside the United States and its subsidiaries and affiliates may not necessarily be subject to the jurisdiction of U.S. courts.

・ Unless otherwise stated, all procedures in connection with the Tender Offer shall be conducted in the Japanese language. While a part or all of the documents in connection with the Tender Offer may be prepared in English, the Japanese language documents shall control in any discrepancies between the Japanese language documents and the corresponding English language documents.

・ This press release contains "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the 1934 Securities Exchange Act. The actual results may be grossly different from the projections implied or expressly stated as "forward-looking statements" due to known or unknown risks, uncertainties, or other factors. The Tender Offeror or its affiliates are not in a position to covenant that the projections implied or expressly stated as "forward-looking statements" will actually be realized. "Forward-looking statements" contained herein were prepared based on information available to the Tender Offeror as of the date of this press release and, unless required by laws and rules of the financial products exchange, neither the Tender Offeror nor its affiliates shall have an obligation to update or correct the statements made herein in order to reflect future events or circumstances.

・ The financial advisor of the Tender Offeror or the Target Company and the tender offer agent (including their respective affiliates) may, in the ordinary course of their business and within the scope permitted under the laws and regulations related to Japan's financial instruments transactions, purchase or arrange to purchase the Company's common shares before commencement of the Tender Offer or during the Tender Offer Period outside of the Tender Offer in their own or their customer's account in accordance with the requirements of Rule 14e-5(b) of the 1934 Securities Exchange Act. If any information concerning such purchase is disclosed in Japan, the information will also be made on the English website (or in any other disclosure methods) of the financial advisor or the tender offer agent that conducted the purchase.