The original disclosure in Japanese was released on November 7, 2017 at 16:00 (GMT+9)

To whom it may concern,

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Company representative:	Toshio Kakimoto, President
Securities code and stock exchange listings	2531 Tokyo (1st section)
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Notice Regarding Transfer of Shares Accompanying Change in Consolidated Subsidiary

At the meeting of its Board of Directors held today, Takara Shuzo Co., Ltd. ("Takara Shuzo"), a consolidated subsidiary of the Company, approved the transfer of all of its shares in TAKARA CHOU UN Co., Ltd. ("TAKARA CHOU UN"), a wholly owned subsidiary of Takara Shuzo, to Aspirant Group Inc. SPC Ⅳ ("SPC") owned by AG Ⅱ Investment Limited Partnership ("AG Fund Ⅱ") which is run and administered by Aspirant Group Inc. ("AG"), and concluded a share transfer agreement. Details are as described below.

1. Reason for transfer of shares

The Takara Group is working on the three-year Takara Group Medium-Term Management Plan FY2020 from the current fiscal year and is mapping out a growth strategy with management resources concentrated on its three business segments which are Takara Shuzo (the domestic business), Takara Shuzo International Group (the overseas business), and Takara Bio Group (the biomedical business) while aiming to further enhance the efficient utilization of capital.

In 2006, Takara Butsuryu System Co., Ltd., a consolidated subsidiary of the Company, invested in TAKARA CHOU UN, which subsequently became a wholly owned subsidiary of Takara Shuzo in 2014, and it has achieved steady business earnings through logistics-related services that include transportation, storage, and construction. However, it has not produced enough business synergies with the Group's three focus business segments.

In these circumstances, it has been judged that rather than continuing the business of TAKARA CHOU UN as it stands within the Group, investing the funds obtained from the transfer of the company into the three aforementioned business segments to achieve further concentration of management resources will be more useful in enhancing the corporate value of the Group.

Therefore, AG joined negotiations after a study of stock transferees with the ability to maximize the business assets of TAKARA CHOU UN, including its advanced technical capabilities related to heavy goods transportation and installation, and to further enhance the company's corporate value, and it was ultimately decided to transfer all the shares of TAKARA CHOU UN to a special purpose company (SPC) owned by AG Fund Ⅱ which AG administers and runs.

2. Profile of subsidiary to change

(1)	Company name	TAKARA CHOU UN Co., Ltd.
(2)	Location	22-38, Nishidomari-cho, Nagasaki 850-0075, Japan
(3)	Position and name of representative	Masanao Suzuki, Representative Director and President
(4)	Business	Transportation, warehousing, construction, and customs broker

(5) Capital	¥250 million	
(6) Established	November 1, 1949	
(7) Major shareholder and shareholding ratio	Takara Shuzo Co., Ltd. 100%	
(8) Relationships between Takara Holdings and the company in question	Capital	Takara Holdings indirectly owns 100% of the shares of the company in question.
	Personnel	Two of the directors of Takara Holdings serve concurrently as directors of the company in question, and one executive officer of Takara Holdings serves concurrently as an auditor of the company in question. Takara Holdings has also temporarily assigned four directors to the company in question.
	Transactions	Takara Holdings has transactions with the company in question that include the provision of services and other transactions.

(9) Financial position and business results in the past three years

Fiscal year	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Net assets	¥1,182 million	¥1,229 million	¥1,466 million
Total assets	¥3,798 million	¥4,248 million	¥4,129 million
Net assets per share	¥379.8	¥424.8	¥412.9
Net sales	¥6,001 million	¥5,881 million	¥5,581 million
Operating income	¥298 million	¥346 million	¥408 million
Ordinary income	¥299 million	¥350 million	¥413 million
Net income	¥173 million	¥50 million	¥285 million
Net income per share	¥17.3	¥5.0	¥28.5
Dividend per share	-	¥4.9	¥28.0

3. Profile of the counterparty to the share transfer

(1) Company name	Aspirant Group Inc. SPC Ⅳ
(2) Location	2-23-1, Akasaka, Minato-ku, Tokyo 107-0052, Japan
(3) Position and name of representative	Akitoshi Nakamura
(4) Business	Transportation, warehousing, construction, customs broker, and management of business activities through share ownership
(5) Capital	¥500
(6) Established	October 18, 2017
(7) Net assets	¥1,000

(8)	Total assets	¥1,000	
(9)	Major shareholder and shareholding ratio	AG II Investment Limited Partnership 100%	
(10)	Relationship between the parties	Capital	There are no relationships to be reported between Takara Holdings and Aspirant Group Inc. SPC Ⅳ. There are also no noteworthy relationships between the concerned parties and affiliates of Takara Holdings and the concerned parties and affiliates of Aspirant Group Inc. SPC Ⅳ.
		Personnel	
		Transactions	
		Related parties	Aspirant Group Inc. SPC Ⅳ is not a related party of Takara Holdings. The concerned parties and affiliates of Aspirant Group Inc. SPC Ⅳ are also not related parties of Takara Holdings.

4. Number of shares to be transferred and share owned before and after transfer

(1)	Number of shares owned before transfer	10,000,000 shares (No. of voting rights: 10,000,000, percentage of voting rights owned: 100%)
(2)	Number of shares to be transferred	10,000,000 shares (No. of voting rights: 10,000,000, percentage of voting rights owned: 100%)
(3)	Number of shares owned after transfer	0 shares (No. of voting rights: 0, percentage of voting rights owned: 0%)

Note: Disclosure of the transfer price is withheld based on a duty of confidentiality under the share transfer agreement with the counterparty to the share transfer. The price has been determined through negotiations with the counterparty to the share transfer following fair process and is recognized as a fair price.

5. Schedule

(1)	Date of approval by Board of Directors	November 7, 2017
(2)	Date of conclusion of agreement	November 7, 2017
(3)	Date of execution of share transfer	January 5, 2018 (planned)

6. Future outlook

The impact of the share transfer on the consolidated business results for the fiscal year ending March 31, 2018 has been reflected in “Revision of Consolidated Business Results Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2018” released today.