March 31, 2017

Skylark Co., Ltd

(Code 3197)

Notice Regarding Change in the Parent Company and Other Related Company

Skylark Co., Ltd (the **"Company"**) hereby announces that as described in details below, Bain Capital Skylark Hong Kong Limited ceased to be the parent company of the Company and came to be other related company of the Company as a result of the partial sale of shares of the common stock of the Company outside Japan by Bain Capital Skylark Hong Kong Limited (the "**Transaction**"), as announced in the press release titled "Notice Regarding Partial Sale of Shares by the Parent Company" dated March 27, 2017.

Particulars

1. Background of change

After taking into consideration the decrease in the number of the shares of the Company held by Bain Capital Skylark Hong Kong Limited as a result of the Transaction as well as additional facts and circumstances such as the status of the distribution of the shareholders and the exercise of voting rights, pursuant to the control criteria, Bain Capital Skylark Hong Kong Limited ceased to be the parent company of the Company and came to be other related company of the Company.

2. Summary description of Bain Capital Skylark Hong Kong

(1)	Name	Bain Capital Skylark Hong Kong Limited
(2)	Location	Room 5101, Cheung Kong Center, 2 Queen's Road Central, Hong Kong
(3)	Representative's Name and Title	Director John Connaughton
(4)	Type of Business	Holding company
(5)	Stated Capital (As of December 31, 2016)	HK$ 9,261 million
(6)	Date Established	October 14, 2011
(7)	Net Assets (As of December 31, 2015)	US$ 2,509 million
(8)	Total Assets (As of December 31, 2015)	US$ 2,509 million
(9)	Major Shareholders and Shareholding Ratios (As of March 31, 2017)	Bain Capital Wing Cayman,L.P 100.00%
(10)	Relationship between the Party Companies	
	Capital Relationships	Bain Capital Skylark Hong Kong limited held 76,494,000 shares (39.26%) of the Company as of December 31, 2016.
	Personnel Relationships	As of the end of the most recent fiscal year of the Company, three directors of the Company, Yuji Sugimoto, David Gross-Loh and Atsushi Yokoyama were seconded from group companies of Bain Capital Partners LLC, which provides investment advice to funds which indirectly held Bain Capital Skylark Hong Kong limited.
	Business Relationships	Not applicable

Note: This press release does not constitute an offer of securities for sale in the United States. The securities referred to above have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The securities referred to above may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

3. Number and percentage of voting rights held by Bain Capital Skylark Hong Kong Limited before and after change

	Attributes	Number of voting rights (Percentage of voting rights)			Large shareholder rank
		Holds directly	Holds indirectly	Total	
Before change (As of December 31, 2016)	Parent company	764,940 (39.26%)	0 (0.00%)	764,940 (39.26%)	No. 1
After change (As of March 31, 2017)	Other related company	550,606 (28.26%)	0 (0.00%)	550,606 (28.26%)	No. 1

Notes: 1. In the calculation of the "Percentage of voting rights", the total number of voting rights as of December 31, 2016 (1,948,269) is used as the denominator.
2. The percentages stated above are rounded to the nearest second decimal place.

4. Date of change

March 31, 2017

5. Change in unlisted parent company to be disclosed

Not Applicable.

6. Future Outlook

There will be no effect on the Company's performance outlook due to the change described above.

End.

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