August 16, 2019

Company Anicom Holdings, Inc.
Representative Nobuaki Komori,
Representative Director
(Securities Code: 8715,
Tokyo Stock Exchange, First Section)
Inquiries to Tatsuhiko Kamei,
Managing Executive Officer

Notice Concerning Issuance of New Shares for Grant of Restricted Shares

Anicom Holdings, Inc. (the "Company") hereby gives notice that it has resolved, at a Board of Directors meeting held today, to issue new shares as follows (the "New Share Issuance").

1. Overview of Issuance

(1)	Payment date	October 31, 2019		
(2)	Class and number of shares to be issued	12,090 shares of common shares of the Company		
(3)	Issue price	¥4,275 per share		
(4)	Total issue amount	¥51,684,750		
(5)	Allottees and number thereof, number of shares to be allotted	Employees of the Company	2	250 shares in total
		Executive officers of the Company's subsidiaries	3	600 shares in total
		Employees of the Company's subsidiaries	280	11,240 shares in total
(6)	Other	For the New Share Issuance, the Company has submitted a securities registration statement under the Financial Instruments and Exchange Act.		

2. Purposes of and Reasons for Issuance

The Company, at a Board of Directors meeting held today, resolved to issue new shares to introduce an incentive plan (the "Plan") using shares with transfer restrictions (the "restricted shares") for the Company Group's employees (the "Eligible Employees, etc.").

The Eligible Employees, etc. shall pay in monetary claims provided by the Company or its subsidiaries based on the Plan in full amount in the form of property contributed in kind, and shall receive common shares of the Company that shall be issued or disposed of by the Company. In addition, in respect to the aforementioned issuance or disposal of common shares of the Company under the Plan, the Company and each of the Eligible Employees, etc. shall make an agreement on allotment of restricted shares (the "Allotment Agreement"), and such an agreement shall stipulate, among other provisions, that 1) for a certain period, Eligible Employees, etc. shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company allotted under the Allotment Agreement, and 2) the Company shall acquire such common shares without contribution when certain circumstances arise.

In introducing the Plan, the Company considered its business conditions, the scope of the duties of the Eligible Employees, etc. and other circumstances and aimed to secure officers and employees of ability and to further increase the motivation of each of Eligible Employees, etc. In consideration of these purposes, the Company has decided to provide a total of ¥51,684,750 in monetary claims (the "Monetary Claims") and to grant 12,090

common shares (the "Allotted Shares") in exchange for the contribution of the Monetary Claims. Further, the Company has set the transfer restriction period of about three years in order to maintain persistent incentives toward achieving the targets in the med-term management plan for the 20th through the 22nd business year.

In the New Share Issuance, the 285 Eligible Employees, etc. who are entitled to the allotment of shares shall make in-kind contributions of all of Monetary Claims to the Company, and shall be issued the Allotted Shares of the Company. Each of the Eligible Employees, etc. is able to apply for the subscription of restricted shares on a voluntary basis and the Allotted Shares shall be allocated only to Eligible Employees, etc. who wish to exercise the subscription. The Monetary Claims shall be provided on the condition that they are contributed as in-kind claims for the New Share Issuance. An overview of the Allotment Agreement that includes the content above and be executed between the Company and Eligible Employees, etc. is provided in 3. below.

The Company plans to continue the Plan as it takes its business conditions and other circumstances into consideration.

3. Overview of the Allotment Agreement

(1) Transfer restriction period: From October 31, 2019 to April 1, 2022

(2) Conditions for lifting of transfer restrictions

The Company shall lift the transfer restrictions on all of the Allotted Shares upon expiration of the transfer restriction period, on the condition that the relevant Eligible Employee, etc. has remained in the position of director, executive officer not concurrently serving as director or employee of the Company or any of its subsidiaries throughout the transfer restriction period.

(3) Treatment in cases where an Eligible Employee, etc. resigns or retires during the transfer restriction period due to expiration of the term of office or reaching the mandatory retirement age

1) Time of lifting of transfer restrictions

In the case where an Eligible Employee etc. resigns or retires from the position as director, executive officer not concurrently serving as director or employee of the Company or any of its subsidiaries due to expiration of the term of office or reaching the mandatory retirement age (except for in case of resignation or retirement due to death), the transfer restrictions on the number of shares set forth in 2) below shall be lifted immediately after the resignation or retirement of such Eligible Employee, etc. In a case of resignation or retirement for reason of death, the transfer restrictions shall be lifted as of a time separately determined by the Board of Directors after the death of the Eligible Employees, etc.

2) Number of shares subject to lifting of transfer restrictions

The number obtained by multiplying the Allotted Shares held by an Eligible Employee, etc. at the time of resignation or retirement set forth in 1) by 0.25 when the number of months from the month containing the beginning day of the Company's 20th business year to the month containing the date of resignation or retirement of the relevant Eligible Employee, etc. (the "Service Term") is less than 12 (However, any fractions less than one share unit resulting from the calculation shall be rounded down).

When the Service Term is 12 months or more, the number obtained by multiplying the Allotted Shares held by an Eligible Employee, etc. at the time of resignation or retirement set forth in 1) by the number of years of the Service Term divided by three (However, any fractions less than one share unit resulting from the calculation shall be rounded down).

(4) Reasons for acquisition without contribution by the Company

Upon expiration of the transfer restriction period or lifting of transfer restrictions as set forth in (3) above, the Company shall automatically acquire without contribution the Allotted Shares regarding on which the transfer restrictions have not been lifted.

(5) Management of shares

During the transfer restriction period, the Allotted Shares shall be managed in dedicated accounts opened by each of the Eligible Employees, etc. with Nomura Securities Co., Ltd., to ensure that they cannot be transferred, created a security interest on, or otherwise disposed of during said period. The Company has entered into an agreement with Nomura Securities Co., Ltd. in connection with the management of accounts for the Allotted Shares owned by Eligible Employees, etc., in order to ensure the effectiveness of the transfer restrictions, etc. on such Allotted Shares. In addition, Eligible Employees, etc. shall consent to the particulars of the management of such accounts.

(6) Treatment at the time of organizational restructuring, etc.

In the case where the Company's General Meeting of Shareholders (in the case of an organizational restructuring and the like that does not require approval of the Company's General Meeting of Shareholders, the Company's Board of Directors) approves a merger agreement under which the Company is the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other organizational restructuring and the like during the transfer restriction period, then by a resolution of the Board of Directors, the transfer restriction shall be lifted, as of a time immediately prior to the business day preceding the date such organizational restructuring, etc. takes effect, for the number of shares obtained by multiplying the Allotted Shares held by an Eligible Employee, etc. at the approval date of such organizational restructuring, etc. (the "Approval Date of Organizational Restructuring, etc.") by (i) 0.25 when the number of months from the month containing the beginning day of the Company's 20th business year through the month containing the Approval Date of Organizational Restructuring, etc. (the "Service Term (Organizational Restructuring, etc.)") is less than 12 (However, any fractions less than one share unit resulting from the calculation shall be rounded down); and by (ii) the number of years of the Service Term (Organizational Restructuring, etc.) of the Eligible Employee, etc. divided by three when his or her Service Term (Organizational Restructuring, etc.) is 12 months or more (However, any fractions less than one share unit resulting from the calculation shall be rounded down). Further, as of the time immediately after the lifting of the transfer restrictions, the Company shall automatically acquire without contribution the Allotted Shares regarding on which the transfer restrictions have not been lifted.

4. Basis for Calculation of the Payment Amount and Details Thereof

To ensure that the issue price is not arbitrarily determined, said price shall be set at ¥4,275, the closing price for the Company's common shares on the First Section of the Tokyo Stock Exchange on August 15, 2019 (the business day prior to the date of the Board of Directors resolution). This is a market price immediately prior to the date of Board of Directors resolution, and so is considered to be reasonable and to not constitute a particularly advantageous price.