

December 17, 2020

Menicon Co., Ltd.

President and CEO: Hidenari Tanaka

Securities Code: 7780

TSE, 1st section, NSE, 1st section

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**Notice Regarding Acquisition of Shares (Conversion into Subsidiary) of
Itabashi Trading Co., Ltd. by Menicon Co., Ltd.**

Menicon Co., Ltd. (Menicon) hereby announces that the Executive Officers' meeting held on December 17, 2020, resolved that Menicon will acquire all shares of Itabashi Trading Co., Ltd. (Itabashi Trading), and make it a subsidiary.

For details, please refer to the followings.

1 . Purpose of the acquisition of shares

Menicon's orthokeratology lens* business in China consists of sales of the Alpha Ortho-K lens made by its subsidiary Alpha Corporation as well as its own lens care products. By making Itabashi Trading a subsidiary, Menicon will utilize the sales force and the technical team of Itabashi Trading's medical device sales subsidiary in China, Itabashi Medical Device Co., Ltd. Dalian, to further strengthen its position in this area. Furthermore, full-scale entry into the rapidly growing Chinese market is expected to lead to an expansion of Menicon's contact lens and related product business as well as accelerate growth of its international business.

* Orthokeratology lens: a hard contact lens with a special design on the inner surface that corrects the shape of the cornea while sleeping to improve vision in people with myopia. As the cornea temporarily retains this new shape, users can go about their day without spectacles or contact lenses.

2. Outline of the company to be converted into a subsidiary

(1)	Name	Itabashi Trading Co., Ltd.		
(2)	Address	2-11-4 Ginza, Chuo-ku, Tokyo, Japan		
(3)	Name and title of the representative	Tatsuro Itabashi, Representative Director		
(4)	Business	Sales and export/import of medical equipment and consulting services. Sales and export/import of agricultural products and fishery products.		
(5)	Capital	10 million yen		
(6)	Established	December 8, 1992		
(7)	Major shareholders and ownership percentage	I.B CO., LTD. 86%		
(8)	Relationships between Menicon and the company	Capital relationship	Menicon owns 14% of the company’s share.	
		Personnel relationship	None	
		Business relationship	Menicon sells contact lenses and care products to the company.	
(9)	Operating performance and financial condition in the last three fiscal years			
	Fiscal year ending	March 31, 2018	March 31, 2019	March 31, 2020
	Consolidated net assets	1,118 million yen	1,430 million yen	1,938 million yen
	Consolidated total assets	2,201 million yen	2,744 million yen	4,007 million yen
	Consolidated net assets per share	5,592,853.17yen	7,153,169.48 yen	9,694,031.17 yen
	Consolidated net sales	4,938 million yen	6,129 million yen	8,398 million yen
	Consolidated operating profit	503 million yen	691 million yen	939 million yen
	Consolidated ordinary profit	506 million yen	594 million yen	795 million yen
	Profit attributable to owners of parent	344 million yen	392 million yen	510 million yen
	Basic earnings per share	1,723,447.83 yen	1,960,650.71yen	2,550,311.98 yen
	Dividend per share	- yen	- yen	- yen

(Note) The above figures are the consolidated financial figures of Itabashi Trading and its five subsidiaries (including sub-subsidiaries).

The above figures have not been audited by Auditors.

3. Outline of the party from whom shares will be acquired

(1)	Name	I.B CO., LTD.	
(2)	Address	2-11-4 Ginza, Chuo-ku, Tokyo, Japan	
(3)	Name and title of the representative	Ryuta Itabashi, Representative Director	
(4)	Business	Sales and export/import of agricultural products, fishery products and medical equipment.	
(5)	Capital	20 million yen	
(6)	Established	April 11, 2017	
(7)	Net assets	△5 million yen (March 31, 2020)	
(8)	Total assets	209 million yen (March 31, 2020)	
(9)	Major shareholders and ownership percentage	Ryuta Itabashi, 50% Haruko Itabashi, 50%	
(10)	Relationships between Menicon and the company	Capital relationship	None
		Personnel relationship	None
		Business relationship	None
		Applicability to related parties	None

4. Number of shares to acquire, the purchase price, and shareholding before and after the acquisition

(1)	Number of shares held before the change	28 shares (Voting rights : 28) (Voting rights ownership: 14%)	
(2)	Number of shares to acquire	172 shares (Voting rights : 172)	
(3)	Purchase price	Common shares of Itabashi Trading	3,500 million yen
		Advisory fees, etc. (approximate amount)	60 million yen
		Total (approximate amount)	3,560 million yen
(4)	Number of shares to be held	200 shares (Voting rights : 200) (Voting rights ownership: 100%)	

5. Schedule

(1)	Date of resolution of the Executive Officers' meeting	December 17, 2020
(2)	Date of signing contract for share transfer	December 17, 2020
(3)	Execution date of share transfer	January 8, 2021 (plan)

6. Outlook

Menicon forecasts that the agreement will have only a minimal effect on the Company's consolidated business results for the fiscal year ending March 31, 2021 because Itabashi Trading and its subsidiaries' profit and loss will reflect on our consolidated financial result from the fiscal year ending March 31, 2022. The impact of future business results will be incorporated into the consolidated business forecast for the fiscal year ending March 31, 2022.

End.