

October 9, 2018

(Translation)

Dear Sir/Madam,

Company: JP-HOLDINGS, INC.  
Representative: Koichiro Furukawa,  
President and Representative Director  
(Stock Code: 2749, First Section of TSE)  
Contact: Akihiko Fukuoka, Director  
(Tel: +81 52 933 5419)

### **Notice Concerning Out-of-Court Settlement**

JP-HOLDINGS, INC. announces that in relation to the matters raised by, and which resulted in a lawsuit being brought by Mother Care Japan Co., Ltd. (hereinafter referred to as “Mother Care Japan”), an out-of-court settlement was established on October 9, 2018. The details of this matter are as specified below.

#### 1. Background from the filing of the lawsuit to the out-of-court settlement

As disclosed in the “Notice Concerning the Receipt of a Complaint Related to the Filing of a Lawsuit for Damages Against the Company” (only available in Japanese) announced on May 8, 2018, the Company received notification of the filing of a lawsuit against the Company, on the ground that the Company treated the exercise of the voting rights of Mother Care Japan to be unrecognized at the extraordinary shareholders meeting held on March 23, 2018, requesting the payment of damages of 264,822,800 yen and interest thereon at the rate of 5% per annum for the period from March 23, 2018, until the payment was completed. The said lawsuit was pending at the Tokyo District Court, and an out-of-court settlement was concluded on October 9, 2018, on the recommendation of settlement by the Tokyo District Court. For the details of the circumstances regarding this lawsuit, please refer to the “Notice Concerning the Receipt of a Complaint Related to the Filing of a Lawsuit for Damages Against the Company” (only available in Japanese) announced on May 8, 2018.

#### 2. Content of the out-of-court settlement

The out-of-court settlement was concluded, the contents of which do not cause any financial burden, or any other burden of any kind, arising as a result of the settlement being concluded.

#### 3. Future performance

The impact of this settlement on our business results is expected to be minor, and so there is no change to the forecasts for the fiscal year ending March 2019 announced on August 8, 2018.