

October 29, 2018

Nippon Steel & Sumikin Bussan Corporation

Notice Regarding Transfer of Shares in Tsubohachi Co., Ltd.

The following is notice that on this date, Nippon Steel & Sumikin Bussan Corporation (hereafter referred to as “NSSB”) concluded a share transfer agreement with YaMaYa Corporation and Chimney Co., Ltd. (hereafter referred to as “YaMaYa and Chimney Group”) for the transfer of 87.8% of the shares in the NSSB subsidiary company (97.8% NSSB equity stake) Tsubohachi Co., Ltd. (hereafter referred to as “Tsubohachi”) to YaMaYa and Chimney Group.

1. Overview of the transfer

(1) Transferees and number of transferred shares

[1] Number of Tsubohachi shares currently held by NSSB	978,000 (97.8% share of voting rights)
[2] Number of transferred shares and transferees	878,000 (87.8% share)
YaMaYa Corporation	538,000 (53.8% share)
Chimney Co., Ltd.	340,000 (34.0% share)
(3) Number of Tsubohachi shares held by NSSB after the transfer	100,000 (10.0% share)

(2) Planned date of share transfer

November 30, 2018 (Friday)

2. Background of share transfer

The NSSB Foodstuffs Division provides customers with new food value and solutions that are environmentally friendly and prioritize reliability and safety. Having started from the Tsubohachi izakaya restaurants that originated in Hokkaido, Group company Tsubohachi is involved in a wide range of business areas and is committed to delivering the most delightful eating-out experience to its customers by providing safe and high-quality food.

As the environment surrounding food products undergoes large changes that include changing lifestyles and diversifying tastes, the izakaya restaurant industry is facing many challenges, including intensifying competition both from within the industry and with other industries, in addition to the difficulties of fluctuating purchasing cost and insufficient manpower.

Under these conditions, in order for Tsubohachi to continue achieving long-term growth, it will be necessary for it to strengthen its ability to adapt to changes in the environment and accurately meet a range of diversifying customer tastes. For this reason, we concluded that YaMaYa and Chimney Group will make ideal new partners. By utilizing the extensive knowledge and resources of YaMaYa and Chimney Group related to liquor sales and the restaurant business, Tsubohachi can grow its business by combining its strengths with those of the franchise owners to provide food, beverages, and services that will even better satisfy the customers. NSSB will continue to support Tsubohachi through providing high-quality, reliable, and safe foods.

3. Overview of Tsubohachi Co., Ltd.

(1) Company name	Tsubohachi Co., Ltd.
(2) Address	5-1 Toyomi-cho, Chuo-ku, Tokyo
(3) Representative position and name	President and Chief Executive Officer Minoru Shionoiri
(4) Business areas	Restaurant business, food processing and sales, franchise business
(5) Capital	500 million yen
(6) Founded	April 1982

4. Overview of transferees

(1) YaMaYa Corporation

(1) Company name	YaMaYa Corporation
(2) Address	3-4-1 Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi-ken
(3) Representative position and name	President and Representative Director Hideharu Yamauchi
(4) Business areas	Import and retail/wholesale sales of liquors and foods, on-line shopping, restaurant business
(5) Capital	3,247.33 million yen
(6) Founded	November 1970

(2) Chimney Co., Ltd.

(1) Company name	Chimney Co., Ltd.
(2) Address	1-1-15 Kamezawa, Sumida-ku, Tokyo
(3) Representative position and name	President & CEO Manabu Izumi
(4) Business areas	Direct operation and franchise operation of <i>Hana no Mai</i> , <i>Sakanaya Dojo</i> , <i>Uosen Suisan</i> , and other chain restaurants
(5) Capital	5,772.62 million yen
(6) Founded	September 2009

5. Effects on business results

The effect of this share transfer on business results will be minor.

* Inquiries regarding this release:

Corporate Communications Section

General Affairs & Corporate Communications Department

Nippon Steel & Sumikin Bussan Corporation

Tel: +81-3-5412-5003