

March 31, 2016

## Announcement Regarding Merger of Overseas Corporations, Trading Companies in China

Okaya & Co., Ltd. is pleased to announce its decision to merge two (2) of its subsidiary overseas corporations, trading companies in China

1. Merger companies and merger method
  - Surviving company: Okaya (Beijing) Co., Ltd.  
(subsidiary wholly owned by Okaya & Co., Ltd.)
  - Merged company: Okaya (Tianjin) Co., Ltd.  
(subsidiary wholly owned by Okaya & Co., Ltd.)
  - Merger method: The surviving company will merge the merged company. (January 2017, scheduled)
2. Purpose of merger
  - We aim to enhance the management foundation and strengthen sales power.
3. Summary of the surviving company after the merger
  - Corporate name: Okaya (Beijing) Co., Ltd.
  - Location: Jing Guang Centre, Room No.305, Hu Jia Lou, Chao Yang Qu, Beijing, China
  - President: Yoshikazu Matsui
  - CEO: Kunihiro Yamamoto
  - Capital: US\$ 1.6 million
  - Number of employees: 49 employees (scheduled)
  - Annual Sales: JPY 12 billion (foreseen for fiscal year ending Dec. 2017)
4. Summary of the merger companies
  - Corporate name: Okaya (Beijing) Co., Ltd.
  - Location: Jing Guang Centre, Room No.305, Hu Jia Lou, Chao Yang Qu, Beijing, China
  - President and CEO: Yoshikazu Matsui
  - Establishment: 2006
  - Capital: US\$ 1.0 million
  - Number of employees: 25 employees
  - Annual Sales: JPY 9.3 billion (fiscal year ending December 2015)
  - Corporate name: Okaya (Tianjin) Co., Ltd.
  - Location: The Exchange Tower1, No.1807, Nanjing Rd.189, Heping District, Tianjin, China
  - President and CEO: Kunihiro Yamamoto
  - Establishment: 2005
  - Capital: US\$ 0.6 million
  - Number of employees: 23 employees
  - Annual Sales: JPY 2.0 billion (fiscal year ending December 2015)
5. Influence on consolidated business results
  - As the merger is of two consolidated subsidiaries of Okaya & Co., Ltd., there will be no influence on the consolidated business results.