

February 20, 2017

Company Name	SAKATA INX CORP.
Division	Public & Investor Relations Div.
E-mail	inx-prir@inx.co.jp

Notice of Promotion of Business Alliance and Continuation of Capital Alliance with TOYO INK SC HOLDINGS CO., LTD.

SAKATA INX CORP. announced today that a resolution was passed at the Board of Directors' meeting held on February 20, 2017 to promote business alliance and to continue capital alliance with TOYO INK SC HOLDINGS CO., LTD.

1. Reasons and details, etc. of the alliance

SAKATA INX CORP. and TOYO INK SC HOLDINGS CO., LTD. have been considering and promoting a business alliance in the areas of production, logistics, digital-related business and international business since its beginning in 1999. However, 18 years have passed since the enforcement of the alliance, and the environment surrounding the industry has significantly changed.

In this environment, both SAKATA INX CORP. and TOYO INK SC HOLDINGS CO., LTD. have agreed to facilitate alliance in the following areas, with a focus on cost reduction to strengthen their business foundations in anticipation of changes in the market environment that are expected in the future.

- ① Further improvement in efficiency in the area of logistics
- ② Mutual complementation in the area of production
- ③ Complementary production in domestic and overseas locations in the event of an emergency based on BCP measures

In addition, SAKATA INX CORP. and TOYO INK SC HOLDINGS CO., LTD. have agreed to continue to own common stocks equivalent to 80% of shares mutually held at the moment (※) to enhance the effectiveness of business alliance mentioned above and to build a long-term partnership.

※The number of shares owned as of December 31, 2017

The number of common stocks of TOYO INK SC HOLDINGS CO., LTD. owned by SAKATA INX CORP.	: 14,595,000 shares (4.82% of total number of shares issued)
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The number of common stocks of SAKATA INX CORP. owned by TOYO INK SC HOLDINGS CO., LTD.	: 10,536,000 shares (16.83% of total number of shares issued)
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2. Summary of TOYO INK SC HOLDINGS CO., LTD.

(1) Company name	TOYO INK SC HOLDINGS CO., LTD.	
(2) Location of head office	Kyobashi 2-1, Kyobashi 2-chome, Chuo-ku, Tokyo	
(3) Representative	Katsumi Kitagawa, President and Representative Director	
(4) Business content	Planning of the Group's strategy and control and management of each business company as holding company	
(5) Capital	31,733 million yen (Fiscal year ending March 2016)	
(6) Establishment	January 15, 1907	
(7) Total number of shares Issued	303,108,724 shares (As of December 31, 2016)	
(8) Consolidated net assets	214,673 million yen (Fiscal year ending March 2016)	
(9) Consolidated total assets	360,526 million yen (Fiscal year ending March 2016)	
(10) Major shareholders and shareholding ratio	(As of September 30, 2016) Toppan Printing Co., Ltd. 22.51% SAKATA INX CORP. 4.82% National Mutual Insurance Federation of Agricultural Cooperatives 2.95% Japan Trustee Services Bank, Ltd. (Trust Account) 2.89% The Master Trust Bank of Japan, Ltd. (Trust Account) 2.74%	

3. Schedule

Resolution at the Board of Directors' meeting	February 20, 2017
Date of the memorandum of agreement	February 20, 2017

4. Outlook

While the impact of the agreement on the promotion of the business alliance and the continuation of the current capital alliance on consolidated operating results is expected to be minor at this moment, it is currently under close investigation.