

September 18, 2014

Notice Concerning Establishment of Subsidiary

Miroku Jyoho Service Co., Ltd. (MJS) announces that, at the board of directors meeting held on today, the company resolved to establish a subsidiary, MJS Co., Ltd M&A Partners (M&A Partners) .

1. Purpose for establishment of subsidiary

The declining birth rate and the aging population is one of the changes of economic social structure in Japan. Regarding small/mid-sized companies which support Japanese economy, due to growing aging population of managers, there is a difficulty in securing successors and it causes worsening the problem of business succession. On the other hand, for the tax revision in 2014, there was a review of applicable requirement of business succession tax system. Therefore, progress of smooth business succession is expected in the future.

In these circumstances, in order to contribute for continuation of business activity and job security of small/mid-sized companies, Miroku Jyoho Service will establish a subsidiary to support succession and regeneration of small/mid-sized companies by using its method of M&A.

After the establishment, M&A Partners will work with accounting firms that use the MJS's accounting and management systems, and contribute for maintaining the vibrant Japanese economy by supporting smooth business succession and business regeneration.

2. Profile of subsidiary

- | | |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Name | MJS Co., Ltd M&A Partners |
| (2) Location | Shinjuku Center Building 48th floor, 1-25-1 Nishishinjuku, Shinjuku-ku, Tokyo |
| (3) Representative | Toshimitsu Yui (Managing Director of MJS), President and CEO
Kenji Kasai (Managing Executive Officer of MJS), Director
Masanori Suzuki (Adviser of MJS), Outside Director
Hirofumi Gomi (Auditor of MJS), Auditor |
| (4) Business activities | Services of business succession and regeneration for small/mid-sized companies |
| (5) Capital | 90 million yen |
| (6) Shareholder | Miroku Jyoho Service Co., Ltd. 100% |
| (7) Date of establishment | September 22, 2014 (scheduled) |

3. Outlook

The impact of the establishment of the subsidiary on consolidated operating results for FY3/2015 is considered to be minimal but it will be contribute for corporate value of MJS in medium and long term.