

June 20, 2013

To whom it may concern

Showa Holdings Co., Ltd.
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Announcement of the Judicial Decision of Administrative Lawsuit
Filed by Our Company and Our Subsidiary

With regards to the “Announcement of National Lawsuit for state reparations Filed by our group” made on 8 December 2010, our company and subsidiary company, Showa Corporation Co., Ltd. (mentioned as “our companies” below), has announced the filed administrative lawsuit with the Government as the accused and the Securities and Exchange Surveillance Commission (mentioned as SESC below) as the executing administrative agency to demand for the rescission of seizure disposition. We would like to announce the judicial decision of the above administrative lawsuit which was made today.

Unfortunately our companies’ claims were dismissed, but another lawsuit filed during the same time by our chairman Mitsuji Konoshita and our Representative Executive Director and CEO Tatsuya Konoshita’s father (mentioned as “individual” below) has been received sentence of rescission of the disposition. Many of our companies’ properties have been returned as a result of the aforementioned trial and we consider it as a great result.

Description

1. Judicial Decision

1. The plaintiff’s claims are to be dismissed.
2. Legal expenses are to be paid by the plaintiff.

(Reference) Details of the judicial decision of the individual lawsuit filed during the same time.

1. The executive administrative agency has rescinded seizure disposition, the properties no.6 and no.7 as listed on the attached inventory of seizure (however, such properties are still detained after being separated from the attached split returned inventory record) on 8 June 2012.
2. Legal expenses are to be paid by the accused.

2. Background that led to the lawsuit

An investigation was carried out by the SESC in our companies with the suspicion of false capital increase on June 8, 2010.

The procedure of the third party allocation, from decision making, payments of increased capital funds, to the issuance of stocks, were done according to the law. We have claimed that the mentioned suspicion is of no basis and needs to be cleared up. Therefore, we have given full cooperation to the investigation.

However, even with sufficient investigation period, not only did the SESC not carry out further investigations, there was also no official contact or response from the SESC which greatly damaged the trust of our business partners leading to continuous disadvantages. In addition, there were many illegalities that cannot be overlooked such as seizure of properties by the SESC which are unrelated to the alleged facts, therefore leading to the filing of administrative lawsuit to rescind the seizure of properties.

A judgment has been passed at the court today.

From the returning of properties except the ones related to the main text of judgment, the above judicial decision is a decision that approves the rescission of all related seizures, and reflects an overall winning of the individual lawsuit. The aforementioned judicial decision is presumed as the recognition of the illegality of the investigation carried out by the SESC and that the investigation is not carried out according to the law and also an act that tramples over human rights. It can also be considered that the judicial decision confirms the legitimacy of our companies' allegations.

3. Details of the lawsuit

The Plaintiff	Showa Holdings Co., Ltd. , Showa Corporation Co., Ltd.
Executing Administrative Agency	Securities and Exchange Surveillance Commission, Securities and Exchange Special Investigator.
Date of Judgment	20 June 2013
Court	Tokyo District Court

Content	Demand for rescission of seizure disposition from the investigations carried out by the executing administrative agency.
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4. Future prospects

The mentioned judicial decision has no effect on our business performance.

We sincerely apologize for the worries caused. We would also like to show our great appreciation towards the understanding and support given by concerned parties.

From now onwards, we will continue to carefully review the correspondence on the examination of the mentioned decision of the lawsuit. As announced in our company's homepage, properties seized by the SESC have been returned over a number of administrative litigation progress and many properties seized have been returned. In similar seizure rescission cases, when seized properties are returned, the claims to rescind seizure are mostly withdrawn due to certain situations and are almost impossible to obtain a favored ruling. Rationally, we consider that certain results are already achieved from the returning of many seized properties and the "winning judgment" of the individual administrative lawsuit.

It has been 3 years since the investigation with no accusation which clarifies the legitimacy of our capital increase. Through the National Lawsuit for state reparations filed by our group on 6 June 2013, we will continue to further the reparations of our companies' damage and trust, as well as to demonstrate justice and to set order to Japan's securities market.

(Please refer to the following URL for details on "The National Lawsuit for State Reparations Filed by Our Group": <http://www.showa-holdings.co.jp/news/doc/news20130606e.pdf>).

We shall work towards not only the aforementioned case, but also the accomplishment of our mid-term management plan, expansion of business performance and improvement of corporate values. Therefore, we would like to ask for the understanding and cooperation of all parties concerned.

Thank you.