

18 December, 2013

To whom it may concern

Showa Holdings Co., Ltd.
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Notice regarding the progress (victorious) Administrative Lawsuit

With regards to the notice announced the other day concerning the ruling of the administrative lawsuit filed by an individual and our shareholders on the capital increase implemented by our company in 2008 in our favor, we would like to announce the comments received by the individual and corporation.

The individual who won the lawsuit commented, "As an elderly visiting the hospital on a regular basis, I was summoned from the hospital without any prior notice by an investigating officer. I was held under brutal investigations against my will without letting me contact anyone. The days after the investigation were spent in fear, but I could finally feel relieved after winning the lawsuit. I wish the investigating officers at the Securities Exchange Surveillance Commission will seriously reflect on themselves to prevent the same situation from happening again."

A.P.F. Holdings Co., Ltd., our shareholder commented, "The extensive criminal investigation carried out by the Securities Exchange Surveillance Commission is clearly illegal as it has ignored human rights, laws and democracy.

It is a severe matter that the Securities Exchange Surveillance Commission, originally given the authorities to maintain law and public order, and to strive for public benefits with self-restraint as its principle, has broken the rules of human rights, laws and democracy by abusing their rights. The Securities Exchange Surveillance Commission, who should be supporting from behind the scenes, seems as they have lost it just for the sake of fame and self-display under commission leader, Kenichi Sado.

We will join hands with Showa Holdings Co., Ltd. and Wedge Holdings, both listed companies, and our group companies to fight against them in public.

We will continue to claim the legality of our company in public such as courts, for our company's honor, the benefits of our business partners and all shareholders, and for the normalization of the Securities Market of Japan.

In the adjudication, we will request for the introspection, formal apology and the disclosure of recurrence prevention measures from the Securities Exchange Surveillance Commission leader, Kenichi Sado.”

As we have informed earlier, the individual and corporation is related to the criminal investigation made by the Securities Exchange Surveillance Commission and had filed state compensation suits against the commission. The court will be the main place for us to claim the legitimacy and legality of our company.

We will continue to aim for the improvement of our corporate values by advancing with our main business and realization our midterm business plan. Therefore, we deeply ask for your understanding and support.

Thank you.