

8 April 2014

To whom it may concern

Showa Holdings Co., Ltd.
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**Announcement Regarding the Confirmation of Judgment of
Administrative Lawsuit**

We would like to announce that the government did not appeal and the judgment at appeal court had been confirmed, regarding the administrative lawsuit filed by our shareholder, A.P.F. Holdings co.,Ltd. ("A.P.F. Holdings" hereafter).

This is the case which was announced on 10 March 2014 that the claims were acknowledged partly and provisional holdings were revoked.

Administrative lawsuits filed by corporations in the private sector against the government are usually very hard to win.

In addition, the claims made by A.P.F. Holdings were acknowledged at the first hearing and appeal court, and the provisional holding was revoked.

Moreover the government did not appeal to the ruling in favor of A.P.F. Holdings at the appeal court.

It proves that the provisional holding made by the Securities and Exchange Surveillance Commission (SESC) was illegal and that the claims made by A.P.F. Holdings until now was legal.

We believe a result of such judgments has further deepened its confidence towards its legality and the legitimacy of its claims.

As of now, our companies have filed a national lawsuit for claims against the investigation made by the SESC on 6 June 2013.

A.P.F. Holdings commented "This judgment also re-confirms the illegality of the actions taken by the SESC. The numerous judgments in the administrative lawsuits have made it clear that the investigation made by the SESC is illegal. We are unable to forgive the SESC for trying to justify their investigations

which ignores the law and human rights. We will put in our best efforts not only to retrieve our innocence and trust, but also for the concerned parties which has been troubled and worried by this case.”

(Please refer to the following link for our company IR regarding the National Lawsuit for State Reparations

<http://www.showa-holdings.co.jp/news/doc/news20130606e.pdf>)

Description

1. Confirmed Judgment of Appeal Court

1. Dismissal of appeal
2. Expenses for the appeal shall be borne by the appellant

2. Details of the Appeal

Appellant	Japanese Government
Executing Administrative Agency	-Securities and Exchange Surveillance Commission -Stock Exchange Special Investigator
Date of Judgment	5 March 2014
Court	Tokyo High Court
Details	The appeal to the revoke the revocation of the provisional holdings ruled at the first hearing with regards to the investigation made by the executing administrative agency and other.

3. Future Prospects

The mentioned case is related to our shareholder and therefore does not have any effect on our business.

However, the confirmation of the mentioned judgment further proves the illegality of the investigation made by the SESC. The SESC who is supposed to keep surveillance over the law has continued to break the law itself. It can even be said that the SESC now does not have the ability to keep control over the stock market.

It will be 4 years since the investigation on our company this coming June. But they're still with continued silence in terms of accusations or contacts for cooperative investigations from the SESC, moreover the

limitation of the administrative monetary penalty finally expired. We believe that this further proves the legality of the capital increase we implemented in June 2008.

In order to reclaim the loss and trust lost from the investigation, we will prove our innocence and try to set the capital market in Japan back to a little more normal and proper order through the National Lawsuit for State Reparations filed on 6 June 2013.

We will work towards the earning of growth and improvement of our corporate value by the accomplishment of our mid-term business plan, and we would like to ask for your understanding on this matter.

Thank you