



14th October, 2016

FOR IMMEDIATE RELEASE:

Integral Announces Tender Offer for Shares of Aderans Co., Ltd.

Integral Corporation is pleased to announce that Aderans Co., Ltd.'s ("Aderans"; TSE 8170) CEO Mr. Nobuo Nemoto, its COO Mr. Yoshihiro Tsumura, Integral 2 Limited Partnership and Integral Fund II (A) L.P. have decided today to launch a tender offer for shares of common stock, stock options and bonds with stock acquisition rights of Aderans through Adherence Corporation, which will be jointly held.

This Tender Offer is a part of Management Buyout transactions by Mr. Nemoto and Mr. Tsumura, who will collectively hold approximately 50.1% of the shares of Aderans and continue to serve as management. The board of directors of Aderans has announced today its support for the Tender Offer and decided to recommend its shareholders to tender.

Aderans is a comprehensive haircare company providing high-quality products and services through its bases in 17 countries, primarily in Japan and in the United States. Aderans holds its corporate mission to "help as many people as possible acquire the physical and emotional qualities that underpin the realization of dreams and promote a good impression, and in doing so, bring smiles to faces and support happy lives" and the management vision to "realize 'good company' standard." In Japan, Aderans provides custom-made and ready-made wigs, hair volumizing products and others. Globally, it operates through subsidiaries such as U.S.-based Hair Club providing custom-made wigs, and U.S.-based Bosley providing hair transplant surgery. While Aderans faces various changes of business environment such as slowing growth and intensified competition in domestic businesses as well as increasing new customer needs in overseas businesses, it needs to respond to those changes and make investments through store expansion, developing new services and securing human resource. This Tender Offer aims for Aderans' growth in the long run by undergoing some period of difficult business environment to strengthen the management foundation, which will benefit stakeholders including customers, business partners, financial partners, shareholders and employees.

Integral, whose corporate mission is becoming the "Trusted Investor," makes long-term equity investments based on a relationship of deep trust with the management of invested companies. After investment, Integral will share the "same objectives and time horizon as the management of invested companies" and provides suitable support to maximize corporate value by utilizing its abundant network of talent in both managerial and financial areas and its knowhow pertaining to management and governance. Please refer to the attached press release by Adherence Corporation and "Investors' Guide to Tender the Shares etc. of Aderans Co., Ltd" and Aderans' press release on their website (<http://www.aderans.co.jp/corporate/english/ir/>) for details of the Tender Offer.



Please Contact Integral For Additional Information:

19 F, Meiji Yasuda Life Building 2-1-1, Marunouchi, Chiyoda-ku, Tokyo 100-0005 Japan

Integral Corporation

Tel: +81-3-6212-6100 Fax: +81-3-6212-6099

URL: <http://www.integralkk.com/en/>

About Integral

Integral (Representative Directors: Nobuo Sayama and Reiji Yamamoto) was founded in September 2007 as an independent Japanese private equity company investing in listed and unlisted companies in Japan. “Integral” stands for “integral calculus – accumulation over time” meaning that the company will strive to establish a relationship of highest trust with the management of invested companies, and will aim to accumulate the highest wisdom over time. Integral makes equity investments from a long-range perspective through its unique “hybrid investment” approach, utilizing both principal and fund money for investment. Subsequent to investment, the company will provide optimal support in terms of management and finance through the “i-Engine” corporate value enhancement team, and will collaborate with the invested company sharing the same objectives and time horizon and seeing eye-to-eye with its management. Integral aspires to be a trusted investment fund, contributing to society through the success of invested companies.

[Translation]

October 14, 2016

FOR IMMEDIATE RELEASE

Name of Company: Adherence Corporation
Name of Representative: Kensaku Mizutani,
Representative Director
TEL: +81-3-6212-6098

**Notice of Commencement of Tender Offer
for Shares Etc. of Aderans Company Limited (Securities Code: 8170)**

Adherence Corporation (“Offeror”) hereby announces that it decided on October 14, 2016 to acquire shares of common stock (“Target Company Shares”), Stock Acquisition Rights (as defined in “(ii) Stock Acquisition Rights” of “(2) Class of Share Certificates, Etc. for tender offer” below; hereinafter the same), and Convertible Bonds (as defined in “(iii) Bonds with stock acquisition rights” of “(2) Class of Share Certificates, Etc. for tender offer” below; hereinafter the same) of Aderans Company Limited (Code No: 8170, First Section of the Tokyo Stock Exchange; “Target Company”) through a tender offer (“Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).

The Offeror is a joint stock corporation (*kabushiki kaisha*) incorporated on September 26, 2016 for the main purpose of acquiring and holding Target Company Shares, Stock Acquisition Rights, and Convertible Bonds of the Target Company, and all of its issued shares are owned by Integral Corporation (“Integral”) as of the date hereof.

Integral is an investment company, whose corporate mission is becoming the “Trusted Investor,” that makes long-term equity investments based on a relationship of deep trust with the management of invested companies and under the following three codes of conduct: “a relationship of deep trust is the foundation of all business activities,” “we will pursue single mindedly, the long-term enhancement of corporate value,” and “the ‘highest wisdom’ concentrated on creating ‘innovations.’” Integral has invested in 13 companies including QB Net Co., Ltd. and Skymark Airlines Inc. and has shared the “same objectives and time horizon as the management of invested companies” and provided support in both managerial and financial areas after investment.

With respect to operation of invested companies, Integral in principle respects their existing management framework and provides as necessary management assistance for various management issues by dispatching members of Integral to those companies, and, by truly sharing the “same objectives and time horizon as the management of invested companies.” Integral provides the most suitable support in both managerial and financial areas in order to maximize corporate value. Integral’s motto is to aim for permanent business growth and development by conducting long-term investments and resource allotment rather than to pursue a short-term profit only by conducting cost reduction and enhancing operational efficiency. As an independent domestic fund with personnel who have engaged in M&A related businesses and corporate management for a long time and have a high level of expertise regarding these areas, Integral makes every effort to support invested companies in facilitating their growth strategies by giving the highest priority to enhancing corporate value of invested companies while fully understanding and respecting the characteristics of management teams in Japanese companies.

The Offeror will conduct the Tender Offer as part of a series of transactions designed to acquire all of the Target Company Shares other than treasury shares held by the Target Company and the Non-Tendered Shares, Stock Acquisition Rights, and Convertible Bonds and to make the Target Company a private company. Non-Tendered Shares means the Target Company Shares held by Mr. Nobuo Nemoto, who is the founder and the Representative Director, Chairman and President as well as the second largest

shareholder of the Target Company, other than the Target Company Shares held by Mr. Nemoto through the management stock ownership plan.

The outline of the Tender Offer is as follows.

- (1) Name of the Target Company
Aderans Company Limited
- (2) Class of Share Certificates, Etc. for tender offer
 - (i) Common stock
 - (ii) Stock acquisition rights
 - i) Stock acquisition rights issued pursuant to the resolution at the board of directors meeting of the Target Company held on June 21, 2012 (the “Fourth Series Stock Acquisition Rights”)
 - ii) Stock acquisition rights issued pursuant to the resolution at the board of directors meeting of the Target Company held on May 23, 2013 (the “Fifth Series Stock Acquisition Rights”)
 - iii) Stock acquisition rights issued pursuant to the resolution at the board of directors meeting of the Target Company held on May 22, 2014 (the “Sixth Series Stock Acquisition Rights”)
 - iv) Stock acquisition rights issued pursuant to the resolution at the board of directors meeting of the Target Company held on May 28, 2015 (the “Seventh Series Stock Acquisition Rights”)
 - v) Stock acquisition rights issued pursuant to the resolution at the board of directors meeting of the Target Company held on May 26, 2016 (the “Eighth Series Stock Acquisition Rights,” and collectively with the Fourth, Fifth, Sixth and Seventh Series Stock Acquisition Rights, the “Stock Acquisition Rights”)
 - (iii) Bonds with stock acquisition rights
JPY denominated convertible bonds with stock acquisition rights due 2019 issued pursuant to the resolution at the board of directors meeting of the Target Company held on September 17, 2014 (the “Convertible Bonds”)
- (3) Tender offer period
From Monday, October 17, 2016 through Tuesday, November 29, 2016 (30 business days)
- (4) Price of tender offer
 - (i) Common stock 620 yen per share
 - (ii) Stock acquisition rights 1 yen per Fourth Series Stock Acquisition Right
1 yen per Fifth Series Stock Acquisition Right
1 yen per Sixth Series Stock Acquisition Right

- (iii) Bonds with stock acquisition rights
- 1 yen per Seventh Series Stock Acquisition Right
 10,100 yen per Eighth Series Stock Acquisition Right
 1,453,280 yen per 5,000,000 yen in face value of Convertible Bonds

- (5) Number of Share Certificates, Etc. to be purchased in tender offer

Number of Share Certificates, Etc. to be purchased	Minimum number of Share Certificates, Etc. to be purchased	Maximum number of Share Certificates, Etc. to be purchased
36,459,753 (shares)	19,532,800 (shares)	- (shares)

- (6) Commencement date of settlement

December 6, 2016 (Tuesday)

- (7) Tender Offer Agent

Mizuho Securities Co., Ltd. 1-5-1, Otemachi, Chiyoda-ku, Tokyo

For details of the Tender Offer, please see Tender Offer Registration Statement to be submitted regarding the Tender Offer on October 17, 2016 by the Target Company.

End

October 14, 2016

To: Shareholders of Aderans Co., Ltd. who Reside in
the United States

Adherence Corporation

Announcement of the Tender Offer
for the Securities of Aderans Co., Ltd.

We hereby inform the shareholders residing in the United States that we made a public announcement on October 14, 2016 of a tender offer (hereinafter, the “Tender Offer”) for the common shares, stock options, and convertible bonds (hereinafter, collectively, the “Securities”) issued by Aderans Co., Ltd. (hereinafter, “Aderans”) under the Financial Instruments and Exchange Law of Japan and will commence the Tender Offer on October 17, 2016. Aderans, through a meeting of its Board of Directors held on October 14, 2016, resolved to express its opinion to support the Tender Offer and to recommend that shareholders tender their common shares in the Tender Offer.

In connection with the Tender Offer, please see the Press Release dated October 14, 2016 titled “Notice of Commencement of Tender Offer for Shares Etc. of Aderans Company Limited (Securities Code: 8170)” and “Notice of Implementation of MBO and Recommendation of Tender Acceptance”.

Shareholders residing in the United States, who wish to tender their Securities in the Tender Offer, are required to tender their Securities to Mizuho Securities Co., Ltd. through their shareholders’ standing proxies in Japan, and such shareholders may not directly tender their Securities in the Tender Offer. As such, before tendering their Securities in this Tender Offer, the shareholders residing in the United States may wish to consult with their standing proxies in Japan to verify the procedures and tender their Securities in the Tender Offer to Mizuho Securities Co., Ltd. through such shareholders’ standing proxies in Japan.

The standing proxies of the shareholders residing in the United States may request to receive the Tender Offer materials, which explain the procedures to tender the Securities from Mizuho Securities Co., Ltd. if they are requested to do so by the shareholders.