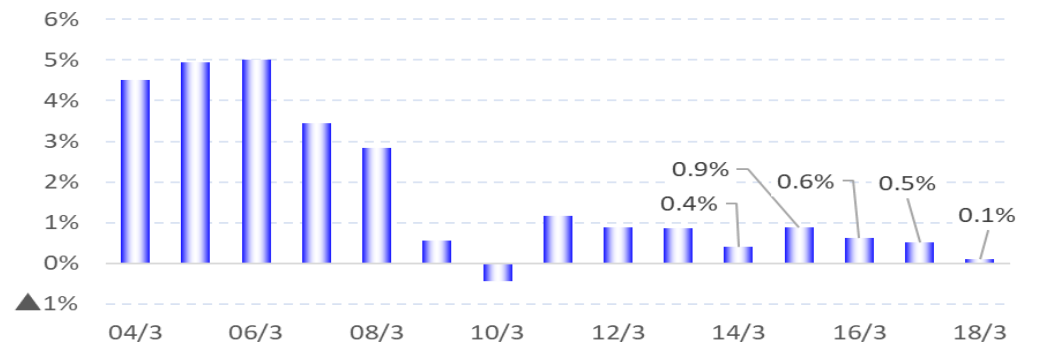


Company name	Strategic Capital Shareholder proposal	Percentage in favor of Strategic Capital proposal)														
Tosho Printing (7913) Subsidiary of Toppan Printing	A) Special dividend of ¥ 280 per share. B) Establish an optional nomination and remuneration committee. C) Sell cross-holding shares in the next 3 years.	<table border="1"> <tr> <td rowspan="3">Company announcement</td> <td>A</td> <td>16.0</td> </tr> <tr> <td>B</td> <td>15.7</td> </tr> <tr> <td>C</td> <td>16.1</td> </tr> <tr> <td rowspan="3">Excluding Toppan</td> <td>A</td> <td>36.7</td> </tr> <tr> <td>B</td> <td>35.5</td> </tr> <tr> <td>C</td> <td>36.5</td> </tr> </table>	Company announcement	A	16.0	B	15.7	C	16.1	Excluding Toppan	A	36.7	B	35.5	C	36.5
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	B	35.5														
	C	36.5														
Chori (8014) Subsidiary of Toray	A) Bonuses are paid to directors only when ROE 10% target can be achieved B) Sell cross-holding shares in the next 3 years C) Disposal of surplus shall be resolved not by the Board of Directors but by general meeting of shareholders D) Annual dividend of ¥ 192 per share (payout ratio 100%) ※ D assumes that C will be passed	<table border="1"> <tr> <td rowspan="3">Company announcement</td> <td>A</td> <td>6.5</td> </tr> <tr> <td>B</td> <td>11.2</td> </tr> <tr> <td>C</td> <td>27.4</td> </tr> <tr> <td rowspan="3">Excluding Toray</td> <td>A</td> <td>15.1</td> </tr> <tr> <td>B</td> <td>26.2</td> </tr> <tr> <td>C</td> <td>64.1</td> </tr> </table>	Company announcement	A	6.5	B	11.2	C	27.4	Excluding Toray	A	15.1	B	26.2	C	64.1
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Shin Nippon Air Tech. (1952)	After Strategic Capital, Inc. announced a formal shareholder proposal, Shin Nippon Air Technologies announced the following shareholder return plan: <ul style="list-style-type: none"> Target a pay out ratio of 50% of net profits Acquisition of treasury stock up to 10% of the total number of issued shares 	We withdrew the shareholder proposal														

Current status and issues of Tosho Printing

Low operating margin

■ The operating margin for the fiscal year ending 31st March 2018 is about 0.1%



Period	Operating Margin
04/3	4.5%
06/3	5.0%
08/3	3.5%
10/3	2.8%
12/3	1.2%
14/3	0.9%
16/3	0.6%
18/3	0.1%

Over accumulated cash and other capital

Liabilities and net assets	
Current liabilities	17,833 (16.5%)
Fixed liabilities	14,087 (13.1%)
The value of Securities / Unrealized gains 25,866 (24%)	
Net Assets: (31st March 2018)	75,943 (70.4%)
Per share ¥1,749	

Net Cash Formula	
Cash and deposits + securities + investment securities - interest bearing liabilities - deferred tax liabilities	
= 5,086 + 20,900 + 40,801 - 350 - 10,496 = ¥55,941 million	

Market Capitalization	
Net Assets	0.56
Net Cash	0.76
Market Capitalization (30th June 2018):	42,703
Per share ¥990	

Net Cash	
(31st March 2018)	55,941
Per share ¥1,308	

Discussion at the shareholders' annual general meeting (28th June 2018)

Strategic Capital, Inc.:

- The sale Recruit Holdings stock will generate over 30 billion yen of capital gains profit and proceeds after tax. What is the rationale behind Tosho managements view that selling Recruit Holdings stock "risks damaging corporate value"?

Tosho:

- We will keep it [Recruit Holdings stock] as a source of funds for when investment is considered in the future.

Strategic Capital, Inc.:

- Tosho management provides no explanation as to how selling Recruit Holdings stock would damaging corporate value.
- Tosho is a listed company and we want management to be aware that they have a responsibility to use the capital provided by shareholders to efficiently to raise profits.
- Tosho has significant cash, assets and as such a very low ROE. We would like Tosho to return cash that has no planned use to shareholders to increase capital efficiency.