

October 23, 2013

J-STAR Co., Ltd.
Gregory Hara
President & Representative Director

Conclusion of Share Transfer Agreement for Tokachi K.K.

This is to announce that our wholly managed and operated J-STAR Number One Investment Limited Partnership has signed a contract to sell all of shares held of Tokachi K.K. (Headquarters: Kawaguchi-shi, Saitama, Company Representative: Mr Shinji Nagaoka, URL: <http://www.tokachi.co.jp/>, "Tokachi") to Mediaflag Inc. (Headquarters: Shibuya-ku, Tokyo, Company Representative: Mr Yasuo Fukui, URL: <http://www.mediaflag.co.jp/>, Ticker: 6067 on Tokyo Mothers, "Mediaflag") Please note that Mediaflag made an announcement of the conclusion of Share Transfer on October 23, 2013.

Tokachi manufactures and sells Japanese sweets across 26 stores in southern Saitama under a brand called "Tokachi Amanatou Honpo" and 9 stores in Tokyo under a brand called "Kashin-tachibana" through Tokachi's 100% owned subsidiary Tachibana K.K ("Tachibana").

Mediaflag is one of the major mystery shoppers in Japan who researches over 200 thousand stores/shops a year, supporting their clients' sales & marketing strategies. Mediaflag is listed to Tokyo Mothers market on Tokyo Stock Exchange.

After a careful consideration, we came to a conclusion that synergy between Mediaflag' operational/marketing knowledge and brand-power of Tokachi & Tachibana will help expansion of their product mix and further enhance Tokachi's value.

In concluding this contract, we enlisted the assistance of Tokyo-Marunouchi Law Offices as a legal adviser.

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J-STAR Co., Ltd. (<http://www.j-star.co.jp/en/>)

Founded in 2006 as independent Japanese firm, J-STAR is mainly involved in private equity investments for private companies. Management rights are acquired from the company to undertake management buyout (MBO) investments that improve corporate

value. J-STAR has the following three standards for investment: (1) a superior management team and staff, (2) ample potential for increasing added value through the contributions of fund managers and (3) a uniqueness / superiority of market status and business models. Following these standards, we focus on companies with a corporate value ranging from 3 billion yen to 10 billion yen. Since its founding, J-STAR invested in more than 17 transactions in various industries such as consumer goods, B to B/B to C service, Healthcare, Environment, and Manufacturing.