



[Translation]

April 06, 2020

Company Name: Prospect Co., Ltd.

Representative: President and CEO Masato Tabata

(Security Code: 3528 TSE 2nd Section)

Contact: Chief of General Affairs Jiro Taketani

(TEL: +81-03-3470-8411)

Cancellation of “Notice regarding change in major shareholders”

Prospect Co., Ltd. (the “Company”) announced “Notice regarding change in major shareholders” (the “Notice”) on April 1, 2020, based on The Large Shareholding Report (Report on Changes) submitted by Shinwa Industry Co., Ltd. (hereinafter “Shinwa Industry”) and Hiroshi Nishimura (hereinafter “Mr. Nishimura”) on March 31, 2020. The Report states that Nobuyoshi Fujisawa (hereinafter “Mr. Fujisawa”) and Japan Pocket Co., Ltd. (hereinafter “Japan Pocket”) were joint owners with Shinwa Industry and Mr. Nishimura, which were determined to be major shareholders of the Company.

The authorities later confirmed again that the number of voting rights of the Company's shares held by Mr. Fujisawa is 74,000 (1.67%), and the number of voting rights of the Company's shares held by Japan Pocket is 167,961 (3.78%). The ratio to the number of total voting rights is less than 10%, which is not enough to be qualified as "major shareholder" based on the definition in Article 163, Paragraph 1 of the Financial Instruments and Exchange Act, as well as Article 402, Item 2b of the Securities Listing Regulations. Therefore, the Company will cancel the Notice today.

* Note: The number of total voting rights of all shareholders 4,442,978, is calculated by deducting 2,780,152 shares without voting rights from 447,090,984 outstanding shares as of September 30, 2019 and rounded to three decimal places.

End