



November 8th, 2016

For Immediate Release

Company name: SEPTENI HOLDINGS CO., LTD.  
Representative: President and Representative Director  
Koki Sato  
(JASDAQ code: 4293)

## Notice of Changes in Consolidated Companies (AXEL MARK INC.)

SEPTENI HOLDING CO., LTD. announces that it has decided today to sell some shares of AXEL MARK INC. (TSE Mothers 3624; hereinafter “AXEL MARK”) pursuant to Article 370 of the Companies Act and Article 28 of the Articles of Incorporation of the Company (a written resolution in place of a resolution by the Board of Directors). With the implementation of the sale, AXEL MARK will be excluded from the Company’s consolidation. Details are as follows.

### 1. Reason for the change

AXEL MARK had not been the Company’s subsidiary since the Company positioned the mobile game business conducted by AXEL MARK as a non-core business in September 2016. Nevertheless, it had been included in the scope of consolidation in terms of consolidated financial results based on the International Financial Reporting Standards.

The Company has decided to sell 440,000 shares of the stock of AXEL MARK owned by the Company. If the sale is executed today as planned, the voting rights held by Company will fall to 29.90%, resulting in a decline in the Company’s influence over AXEL MARK, which will be excluded from the consolidation.

### 2. Overview of consolidated company that will be changed (as of September 30, 2016)

(1) Name	AXEL MARK INC.	
(2) Location	1-32-2, Honcho, Nakano-ku, Tokyo	
(3) Name and title of representative	Junji Oshita, President and CEO	
(4) Business activities	• Mobile game business • Content business • Advertising business	
(5) Capital	563 million yen	
(6) Date of establishment	March 1994	
(7) Major shareholders and shareholding ratios	Septeni Holding Co., Ltd	39.96%
	SBI Securities Co., Ltd.	4.26%
	Junji Oshita	3.78%

(8) Relationship with the Company	Capital relationship	The Company owns 39.96% of the outstanding shares of the relevant company.		
	Human relationship	Not applicable.		
	Business relationship	Not applicable.		
(9) Consolidated business results and consolidated financial positions of the relevant company for the most recent three years				
	Closing month	Fiscal year ended September 30, 2014	Fiscal year ended September 30, 2015	Fiscal year ended September 30, 2016
	Consolidated net assets	1,585 million yen	1,503 million yen	998 million yen
	Consolidated total assets	2,029 million yen	1,894 million yen	2,248 million yen
	Consolidated net assets per share	362.66 yen	332.83 yen	225.77 yen
	Consolidated sales	3,391 million yen	3,072 million yen	3,200 million yen
	Consolidated operating income	55 million yen	4 million yen	-377 million yen
	Consolidated ordinary income	53 million yen	-1 million yen	-385 million yen
	Consolidated net income	20 million yen	-130 million yen	-458 million yen
	Consolidated net income per share	4.80 yen	-29.83 yen	-105.01 yen
	Dividend per share	— yen	— yen	— yen

### 3. Transferee of shares

The Company refrains from disclosing the transferee due to an agreement with the party concerned. There are no particular matters to report in terms of capital, human or business relationships between the transferee, which is one Japanese company, and the Company, or from the perspective of the relevant party.

### 4. Number of shares to be transferred, transfer price and status of shares held before and after the transfer

(1) Number of shares held before change	1,746,500 shares (Ownership of voting rights: 39.97%)
(2) Number of shares to be transferred	440,000 shares
(3) Transfer price	In principle, the price will be determined in a reasonable fashion based on the market price at the Tokyo Stock Exchange on a day when the transfer is executed, considering the situation of stock markets as well as the liquidity and volatility of the subject company, through discussions between the Company and the transferee.
(4) Number of shares held after change	1,306,500 shares (ownership of voting rights: 29.90%)

### 5. Schedule of transfer

(1) Date of resolution by the Board of Directors	November 8, 2016
(2) Date of execution of share transfer	Between November 9 and November 30, 2016 (after final closing sessions)

## 6. Future outlook

On the execution date of the share transfer, AXEL MARK will be excluded from the Company's consolidation and become an equity-method affiliate. All temporary income or losses pertaining to the sale of shares and business profit or losses generated until this date will be posted as profit for the period from discontinued operations in the Company's income and loss statement. At this point in time, the Company expects that such net income will be approximately one billion yen, which was reflected in the consolidated forecast for the first quarter of the fiscal year ending September 30, 2017, described in the Summary of Consolidated Financial Statements for the Fiscal Year Ended September 30, 2016 announced today.

The consolidated income statement for the fiscal year ending September 30, 2016, which will be considered as the result for comparison from September 2017, will be corrected retroactively and presented after AXEL MARK's profits or losses are reclassified as those of a discontinued business.

### ■ Inquiries about this news release

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