



TRANSLATION FOR REFERENCE ONLY

March 25, 2015

For Immediate Release

|                |  |
|----------------|--|
| Company Name   | Aplix IP Holdings Corporation  |
| Representative | Ryu Koriyama, CEO & Representative Director<br>(Code: 3727, TSE Mothers) |
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**Notice Concerning Issuance of New Shares / D-1 to D-3 series of subscription rights to shares through private placement (Target Issue Program "TIP" subject to Issuer's approval for exercise) and completion of proceeds from issuance price for new shares and subscription rights to shares**

The Company announces that it confirmed on March 25, 2015, the completion of payments for the total issuance amount of new shares (303,000,000 yen) and that for subscription rights to shares (3,155,000 yen), regarding new shares via private placement through Deutsche Bank AG, London Branch (hereinafter referred to as "new shares"), and the issuance of Aplix IP Holdings Corporation's D-1 through D-3 subscription rights to shares (hereinafter referred to as "subscription rights to shares") that were passed by resolution at the Board of Directors meeting on March 9, 2015.

Please refer to *Notice Concerning Issuance of New Shares, Conclusion of Stock Acquisition Agreement and Issuance of D-1 through D-3 Subscription Rights to Shares and Agreement to Acquire Subscription Rights to Shares (Target Issue Program "TIP" subject to issuer's approval for exercise)* dated March 9, 2015, for details regarding the issuance of new shares and subscription rights to shares.

1. Completion of payment on the issuance of new shares and subscription rights to shares through private placement

<Overview of new shares issuance>

|                                      |  |
|--------------------------------------|--|
| (1) Payment date                     | March 25, 2015                                 |
| (2) Number of new shares issued      | 200,000 common shares                          |
| (3) Issue price                      | 1,515 yen per share                            |
| (4) Total amount of issuance         | 303,000,000 yen                                |
| (5) Amount of capitalization         | 757.5 yen per share                            |
| (6) Total amount of capitalization   | 151,500,000 yen                                |
| (7) Subscription or allotment method | Through private placement                      |
| (8) Allottee                         | Deutsche Bank AG, London Branch 200,000 shares |

<Total amount of shares issued and capital raised through this private placement of shares>

|  |   |
|--|---|
| Total number of outstanding shares before capital increase | 12,553,930 shares (capital prior to increase: 13,264,700,000 yen) |
| Additional number of shares through capital increase       | 200,000 shares (additional capital: 151,500,000 yen)              |
| Total number of outstanding shares after capital increase  | 12,753,930 shares (capital after increase: 13,416,200,000 yen)    |

**Note:** This press release is provided to share information about Aplix business activities, and it is not intended to solicit investment in Aplix shares. While the materials may describe information such as forecasts related to future business performance, this information has been created based on the judgment of Aplix at the time the materials were created. As a result, Aplix offers no guarantee that the conditions described will come to pass, and any of the information described is subject to change without notice in the future.

2. Issuance of subscription rights to shares through private placement and completion of payment for the issuance amount of subscription rights to new shares

<Overview of the issuance of subscription rights to shares>

|     |  |  |
|-----|--|--|
| (1) | Allotment date   | March 25, 2015   |
| (2) | Number of subscription rights to shares issued         | 1,500,000 units<br>D-1 series subscription rights to shares 500,000 units<br>D-2 series subscription rights to shares 500,000 units<br>D-3 series subscription rights to shares 500,000 units  |
| (3) | Issuance price   | Total amount: 3,155,000 yen (D-1 series subscription rights to shares: 2.34 yen per unit; D-2 series subscription rights to shares: 2.02 yen per unit; D-3 series subscription rights to shares: 1.95 yen per unit)  |
| (4) | Number of dilutive shares as a result of this issuance | 1,500,000 shares (One share per one unit of subscription rights to shares)<br>D-1 series subscription rights to shares:<br>No upper limited to exercise price<br>Lower limit to exercise price 1,515 yen<br>D-2 series subscription rights to shares:<br>No upper limited to exercise price<br>Lower limit to exercise price 1,515 yen<br>D-3 series subscription rights to shares:<br>No upper limited to exercise price<br>Lower limit to exercise price 1,515 yen |
| (5) | Subscription or allotment method                       | Private placement  |
| (6) | Allottee   | Deutsche Bank AG, London Branch  |

[Reference]

- \* Target Issue Program "TIP" subject to Issuer's approval for exercise

This program involves three series of subscription rights to shares with three different strike prices set based on the Company's target price for issuing new shares (see table below). The Company has set three different strike prices for each series of subscription rights to shares on the expectation that it would be able to issue new shares in stages (target issue) in line with a rise in the Company's share price in the future. Deutsche Bank AG, London Branch is not allowed to exercise the subscription rights to shares without the Company's approval. Deutsche Bank AG, London Branch, must exercise the subscription rights to shares within the prescribed limit set for the number of shares to be issued and the time period provided under the issuer's approval under the exercise clause. The Company will make a decision to grant its approval to exercise the subscription rights to shares based on its funding requirements and market conditions. The Company will disclose every approval it grants. In principle, the strike price of subscription rights to shares is fixed at the target price, but the Company has the option to reset the strike price when 1) the Company's share price rises drastically above the fixed strike price during the exercise period, or 2) urgent fund raising needs arise. The characteristics of the Target Issue Program (TIP) is that the exercise price is fixed at where it was reset after the Company decides to reset the exercise price, so in other words, the strike price does not become a Moving Strike Price (the strike price fluctuates in line with changes to the daily stock price). In addition, Article 410, paragraph 1 of the Securities Listing Regulations as established by the exchanges and Article 2, item 2 entitled "MSCB, etc." of the *Rules Concerning Handling of Allotment of New Shares To Third Party, etc.* established by the Japan Securities Dealers Association do not apply to this program, given that the frequency of the reset made to the exercise price is less than once in six months.

|  | D-1 series<br>subscription rights to<br>shares | D-2 series<br>subscription rights to<br>shares | D-3 series<br>subscription rights to<br>shares |
|--|--|--|--|
| Number of shares issued                | 500,000  | 500,000  | 500,000  |
| Total issuance amount                  | 1,170,000 yen                                  | 1,010,000 yen                                  | 975,000 yen                                    |
| Issuance price                         | 2.34 yen                                       | 2.02 yen                                       | 1.95 yen                                       |
| Exercise price                         | 1,800 yen                                      | 1,900 yen                                      | 2,000 yen                                      |
| Items for "revision to exercise price" | Yes  | Yes  | Yes  |
| Exercise request period                | 3 years  | 3 years  | 3 years  |
| Clause on approval to exercise         | Yes  | Yes  | Yes  |

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