

January 25, 2016

To whom it may concern,

Company Name: Laox Co., Ltd.  
Representative President & CEO: Yiwen Luo  
(Code:8202, Tokyo Stock Exchange 2nd Division)  
Contact: Main Manager of Executive Officer Management Norihiko Fujitani  
(TEL. 03-6852-8880)

### Notice of foreign subsidiary establishment

On January 25, 2016, our company had decided at the board of directors meeting to establish a foreign subsidiary as written below.

#### 1. Purpose of the establishment

As announced on December 14, 2015, in "The notice to start supplying products to Taiwan's only government-authorized duty-free shops 'Everrich'", we have been working not only to provide Japanese premiums to the customers visiting Japan but to customers from around the world visiting Taiwan. Furthermore, Taiwan is geographically and culturally close to Japan with similar customs, and visitors travelling from Taiwan in 2015 reached 3,680,000 people ranking just below south Korea and China, making it a target area for us to focus our business on attracting more customers to our stores.

Therefore, to improve and advance our business in Taiwan, we have come to establishing a new foreign subsidiary.

#### 2. Outline of the subsidiary

(1)	Company name	Undecided
(2)	Address	Taipei, Taiwan
(3)	Name and position of the representative	Undecided
(4)	Business description	Wholesale business, etc.
(5)	Capital	One billion yen (Planned)
(6)	Date of establishment	February 2016 (Scheduled)
(7)	Date of business launch	March 2016 (Scheduled)
(8)	Accounting period	December 31

#### 3. Future outlook

We believe that this will only have a slight effect on our corporate performance but, shall there be any effect on our corporate performance, we will notify without delay.