

March 31, 2016

To our shareholders

Company:	Laox Co.,Ltd.	
Representative:	Yiwen Luo,	Representative President & CEO
(Code number: 8202 TSE, Second Section)		
Contact:	Norihiko Fujitani,	Executive Officer Administrative Headquarters
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Notice Regarding Closure of Subsidiary Stores

Following the board meeting on March 31, 2016, we hereby regretfully announce our decision to close the following stores operated by our subsidiary.

1. Summary of stores to be closed

Store	Location	Subsidiary	date
Laox Life Nanjing Yinhe Store	No.1, Shanxi Road, Gulou District, Naging City	Laox (Nanjing) Commercial and Trading Co., Ltd.	March 31, 2016
Laox Nanjing Longjiang Store	B1F, New Town Plaza, No.99, CaoshangmenStreet, GulouDistrict, NagingCity		
Laox Nanjing JinboRoad Store	No.183, DajiexiRoad, Dongshantown, NagingCity		

2. Reasons for closure

After considering the future profitability resulting from changes within Chinese trade areas, we have decided to close the three stores listed above. Additionally, as all stores in China will effectively be closed following these closures, we will now be shifting our focus to cross-border e-commerce operations.

3. Effect on profit and loss resulting from this event

We will be announcing the financial impacts on profit and loss resulting from these closures as soon as they are finalized.