

March 29, 2017

To whom it may concern:

Name of company:	USEN CORPORATION
Name of representative:	Kimimasa Tamura, President and Representative Director (Code Number: 4842, JASDAQ)
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Announcement of the results of tender offer for share certificates of USEN Corporation by Kabushiki Kaisha U-NEXT SPC1, and the changes to the parent company, other associated company, the largest shareholder of the principal shareholders and principal shareholders

USEN Corporation (hereinafter the “Company”) hereby announces that the tender offer (the “Tender Offer”) for the common shares of the Company (the “Company’s Shares”) conducted by Kabushiki Kaisha U-NEXT SPC1 (the “Tender Offeror”) since February 14, 2017 has ended on March 28, 2017.

The Company also announces that the Tender Offer will result in the changes to the parent company, other associated company, the largest shareholder of the principal shareholders and principal shareholders of the Company as of April 4, 2017, which is the commencement date of payments for the Tender Offer as described below.

I. Results of the Tender Offer

The Company received a report on March 28, 2017 from the Tender Offeror regarding the results of the Tender Offer as described in “Announcement of the results of the tender offer by our consolidated subsidiary (Kabushiki Kaisha U-NEXT SPC1) and the changes to the consolidated subsidiary (second-tier subsidiary)”.

II. Changes to the parent company, other associated company, the largest shareholder of the principal shareholders and principal shareholders

1. Scheduled date of change

April 4, 2017 (the commencement date of payments for the Tender Offer)

2. Background to the changes

The Company received a report on March 28, 2017 from the Tender Offeror regarding the results of the Tender Offer that 107,825,794 shares of the Company's Shares were tendered, and as this exceeded the minimum number of share certificates, etc. scheduled to be tendered (65,934,200 shares) and the Tender Offer was implemented, the Tender Offeror will purchase all such Company's Shares. As a result, in the case where the payment for the Tender Offer is made on April 4, 2017 (the commencement date of payments for the Tender Offer), as the voting rights holding ratio of the Tender Offeror against the voting rights of all shareholders of the Company will exceed 50% as of such date, the Tender Offeror will newly become the Company's parent company and the largest shareholder of the principal shareholders, and Kabushiki Kaisha U-NEXT ("U-NEXT"), which holds 100% of the voting rights of the Tender Offeror, will also newly become the Company's parent company, as it will indirectly hold the Company's Shares through the Tender Offeror. On the other hand, in line with this change, Mr. Yasuhide Uno, who was the largest shareholder of the principal shareholders, will cease to be the largest shareholder, although he will still hold the same number of the Company's Shares (63,400,402 shares and shareholding ratio of 30.77%).

The Company also received a report from the Tender Offeror that HIKARI TSUSHIN, INC. ("Hikari Tsushin") (which is other associated company and a principal shareholder of the Company) tendered a part of the Company's Shares held by Hikari Tsushin (29,380,335 shares and shareholding ratio of 14.26%) and all of the Company's Shares held by Kabushiki Kaisha Infoservice (which is a shareholder of the Company and a subsidiary of Hikari Tsushin) (4,146,300 shares and shareholding ratio of 2.01%) and Kabushiki Kaisha Broad Peak (which is a shareholder of the Company and a subsidiary of Hikari Tsushin) (224,100 shares and shareholding ratio of 0.11%) (total of 33,750,735 shares and shareholding ratio of 16.38% for the three companies) in response to the Tender Offer, and that the Tender Offeror will acquire all such Company's Shares. As a result, Hikari Tsushin will cease to be other associated company and a principal shareholder of the Company.

Furthermore, the Company received a report from the Tender Offeror that GSTK2 Holdings Godo Kaisha (which is a principal shareholder of the Company) tendered all of the Company's Shares held by GSTK2 Holdings Godo Kaisha (24,509,810 shares and shareholding ratio of 11.90%) in response to the Tender Offer, and that the Tender Offeror will acquire all such Company's Shares. As a result, GSTK2 Holdings Godo Kaisha will cease to be a principal shareholder of the Company.

3. Outline of the shareholders to be changed

(1) Outline of the shareholder that will newly become the parent company and the largest shareholder of the principal shareholders

(1)	Name	Kabushiki Kaisha U-NEXT SPC1
(2)	Address of head office	35-2, Jingumae 3-chome, Shibuya-ku, Tokyo
(3)	Name and title of representative	Yasuhide Uno, Representative Director
(4)	Details of its business	Pure holding company
(5)	Stated capital	1,000,000 yen
(6)	Date of incorporation	January 13, 2017
(7)	Major shareholders and shareholding ratio	Kabushiki Kaisha U-NEXT: 100%
(8)	Relationship with the Company	
	Capital relationship	Not applicable.
	Personal relationship	As of today, Mr. Yasuhide Uno, who is the chairman and director of the Company, concurrently serves as the representative director of the Tender Offeror and the president and representative director of U-NEXT, which is the sole parent company of the Tender Offeror.
	Transactional relationship	Not applicable.

(2) Outline of the shareholder that will newly become the parent company

(1)	Name	Kabushiki Kaisha U-NEXT
(2)	Address of head office	35-2, Jingumae 3-chome, Shibuya-ku, Tokyo

(3)	Name and title of representative	Yasuhide Uno, President and Representative Director																																		
(4)	Details of its business	Content platform business Communication network business																																		
(5)	Stated capital	1,776,340,000 yen (as of the last day of December 2016)																																		
(6)	Date of incorporation	February 3, 2009																																		
(7)	Consolidated net assets	3,816,564,000 yen (as of the last day of December 2016)																																		
(8)	Consolidated total assets	17,797,851,000 yen (as of the last day of December 2016)																																		
(9)	Major shareholders and shareholding ratio	<table> <tr> <td>Kabushiki Kaisha UNO-HOLDINGS</td> <td>64.1</td> </tr> <tr> <td>1%</td> <td></td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>6.36</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>HIKARI TSUSHIN, INC.</td> <td>5.98</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>Hiroyuki Yoshioka</td> <td>0.85</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>U-NEXT Employees' Shareholding Association</td> <td>0.69</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>0.60</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>Rikikazu Sugiyama</td> <td>0.49</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td> <td>0.38</td> </tr> <tr> <td>%</td> <td></td> </tr> <tr> <td>CBHK-TAIWAN LIFE INSURANCE CO., LTD-1</td> <td></td> </tr> </table>	Kabushiki Kaisha UNO-HOLDINGS	64.1	1%		Japan Trustee Services Bank, Ltd. (trust account)	6.36	%		HIKARI TSUSHIN, INC.	5.98	%		Hiroyuki Yoshioka	0.85	%		U-NEXT Employees' Shareholding Association	0.69	%		The Master Trust Bank of Japan, Ltd. (trust account)	0.60	%		Rikikazu Sugiyama	0.49	%		Japan Trustee Services Bank, Ltd. (trust account)	0.38	%		CBHK-TAIWAN LIFE INSURANCE CO., LTD-1	
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		0.37 % Japan Trustee Services Bank (trust account) 0.35 % (as of the last day of June 2016)
(10)	Relationship with the Company	
	Capital relationship	Not applicable.
	Personal relationship	As of today, Mr. Yasuhide Uno, who is the chairman and director of the Company, concurrently serves as the president and representative director of U-NEXT.
	Transactional relationship	There are transactions regarding the fixed internet line (FTTH) with U-NEXT as the wholesale customer and the Company as the re-wholesale customer (results of which for the year-ended December 2016 was 774,000,000 yen) and with U-NEXT as the primary agent and the Company as the secondary agent (results of which for the year-ended December 2016 was 289,000,000 yen) and other transactions (results of which for the year-ended December 2016 was 240,000,000 yen).

- (3) Outline of the shareholder that will cease to be other associated company and a principal shareholder

(1)	Name	HIKARI TSUSHIN, INC.
(2)	Address of head office	1-4-10 Nishi-Ikebukuro Toshima-ku, Tokyo
(3)	Name and title of representative	Takeshi Tamamura, President and Representative Director
(4)	Details of its business	Agent business regarding subscription connection of mobile phones and other business
(5)	Stated capital	54,259,000,000 yen (as of the last day of December 2016)
(6)	Date of incorporation	February 5, 1988
(7)	Consolidated net assets	189,261,000,000 yen (as of the last day of December

		2016)
(8)	Consolidated total assets	448,547,000,000 yen (as of the last day of December 2016)
(9)	Major shareholders and shareholding ratio	<p>Hikari Power, Ltd. 42.10%</p> <p>HIKARI TSUSHIN, INC. 2.63%</p> <p>Yasumitsu Shigeta 2.51%</p> <p>JP MORGAN CHASE BANK 385632 (standing proxy) 2.47%</p> <p>Mizuho Bank, Ltd. 2.39%</p> <p>Takeshi Tamamura 2.30%</p> <p>Tetsu, Ltd. 2.30%</p> <p>Masa, Ltd. 2.30%</p> <p>Mitsu, Ltd. 1.83%</p> <p>Japan Trustee Services Bank, Ltd. (trust account) 1.40%</p> <p>The Master Trust Bank of Japan, Ltd. (trust account)</p> <p>(as of the last day of September 2016)</p>
(10)	Relationship with the Company	
	Capital relationship	<p>The relevant shareholder holds 37,409,460 shares of the Company's Shares (shareholding ratio of 18.16%). Furthermore, Kabushiki Kaisha Infoservice, which is a subsidiary of the relevant shareholder, holds 4,146,300 shares of the Company's Shares (shareholding ratio of 2.01%), and Kabushiki Kaisha Broad Peak, which is a subsidiary of the relevant shareholder, holds 224,100 shares of the Company's Shares (shareholding ratio of 0.11%) (total of 41,779,860 shares and shareholding ratio of 20.28% for the three companies). However, the relevant shareholder tendered a part of the Company's Shares it holds (29,380,335 shares and shareholding ratio of 14.26%), and Kabushiki Kaisha Infoservice and Kabushiki Kaisha Broad Peak, both of which are subsidiaries of the relevant shareholder, tendered all of</p>

	the Company's Shares they hold, in response to the Tender Offer.
Personal relationship	There is no personal relationship that needs to be stated between the Company and Hikari Tsushin. As of today, the Company's three employees concurrently serve as the directors of USEN Business Design Kabushiki Kaisha, a joint venture company between the Company and Hikari Tsushin, and two employees from Hikari Tsushin concurrently serve as the directors of USEN Business Design Kabushiki Kaisha.
Transactional relationship	There is no direct transactional relationship between the Company and Hikari Tsushin. The Company and Hikari Tsushin incorporated USEN Business Design Kabushiki Kaisha as a joint venture company in February 2015 and are conducting telemarketing business through such joint venture company. Furthermore, a comprehensive business alliance agreement has been executed between the Company, Hikari Tsushin, and EPARK, Inc., a subsidiary of Hikari Tsushin, on February 13, 2017

(4) Outline of the shareholder that will cease to be a principal shareholder

(1)	Name	GSTK2 Holdings Godo Kaisha
(2)	Address of head office	46th Floor Roppongi Hills Mori Tower, 6-10-1 Roppongi, Minato-ku, Tokyo
(3)	Name and title of representative	GS PIA HOLDINGS Godo Kaisha (Yuji Matsumoto, Managing officer)
(4)	Details of its business	Acquisition and holding of securities Investment in silent partnerships, etc. and management and operation of properties of such silent partnership.
(5)	Stated capital	1,000,000 yen

(5) Outline of the shareholder that will cease to be the largest shareholder

(1)	Name	Yasuhide Uno
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(2)	Address	Minato-ku, Tokyo
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4. Number of voting rights and shares held by such shareholders, and the ratio of voting rights held before and after the change

- (1) Kabushiki Kaisha U-NEXT SPC1

	Category	Number of voting rights (ratio of voting rights held, number of shares held)			Major shareholder ranking
		Directly held	Aggregate	Total	
Before change	-	1 (0.00%) (100 shares)	-	1 (0.00%) (100 shares)	-
After change	Parent company and the largest shareholder of the principal shareholders	1,078,258 (52.33%) (107,825,894 shares)	-	1,078,258 (52.33%) (107,825,894 shares)	No. 1

(Note1) The “ratio of voting rights held” is calculated by setting the denominator to the number of voting rights (2,060,457 voting rights) in relation to the number of shares (206,045,787 shares) calculated by deducting the number of treasury shares that the Company holds as of November 30, 2016 as set forth in the “Summary of First Quarter of Fiscal Year Ending August 2017 (Japan GAAP) (Consolidated)” that the Company announced on January 11, 2017 (1,103,104 shares) from the Company’s total number of issued shares as of November 30, 2016 as set forth in the “Report of First Quarter of the 53rd Fiscal Year” that the Company submitted on January 13, 2017 (207,148,891 shares) (the ratio is rounded to the second decimal place). The same shall apply hereafter.

(Note2) Major shareholder ranking is described in accordance with the register of shareholders as of November 30, 2016. The same shall apply hereafter.

(2) Kabushiki Kaisha U-NEXT

	Category	Number of voting rights (ratio of voting rights held, number of shares held)			Major shareholder ranking
		Directly held	Aggregate	Total	
Before change	-	-	1 (0.00%) (100 shares)	1 (0.00%) (100 shares)	-
After change	Parent company	-	1,078,258 (52.33%) (107,825,894 shares)	1,078,258 (52.33%) (107,825,894 shares)	-

(3) HIKARI TSUSHIN, INC.

	Category	Number of voting rights (ratio of voting rights held, number of shares held)			Major shareholder ranking
		Directly held	Aggregate	Total	
Before change	Other associated company and the principal shareholder	374,094 (18.16%) (37,409,460 shares)	43,704 (2.12%) (4,370,400 shares)	417,798 (20.28%) (41,779,860 shares)	No. 2
After change	-	80,291 (3.90%) (8,029,125 shares)	-	80,291 (3.90%) (8,029,125 shares)	No. 3

(4) GSTK2 Holdings Godo Kaisha

	Category	Number of voting rights (ratio of voting rights held, number of shares held)			Principal shareholder ranking
		Directly held	Aggregate	Total	

Before change	Principal shareholder	245,098 (11.90%) (24,509,810 shares)	-	245,098 (11.90%) (24,509,810 shares)	No. 3
After change	-	-	-	-	-

(5) Yasuhide Uno

	Category	Number of voting rights (ratio of voting rights held, number of shares held)			Principal shareholder ranking
		Directly held	Aggregate	Total	
Before change	Largest shareholder of the principal shareholders	634,004 (30.77%) (63,400,402 shares)	-	634,004 (30.77%) (63,400,402 shares)	No. 1
After change	Principal shareholder	634,004 (30.77%) (63,400,402 shares)	-	634,004 (30.77%) (63,400,402 shares)	No. 2

(Note) Mr. Yasuhide Uno holds 99,783 shares of the Company's Shares, which is equivalent to the shares held through the Company's Directors' Shareholding Association; however, such 99,783 shares are not included in the above calculation regarding the number of voting rights.

5. Future outlook

As stated above, as the Tender Offeror failed to acquire all of the Company's Shares (excluding treasury shares owned by the Company) through the Tender Offer, the Tender Offeror plans to acquire all of the Company's Shares (excluding the Company's treasury shares) in accordance with a series of procedures provided in "3. (6) Policy for organizational restructuring, etc. after the Tender Offer (matters relating to so-called "Two-Step Acquisitions")" of the "Position statement and recommendation to tender in response to the tender offer for share certificates of

USEN Corporation by Kabushiki Kaisha U-NEXT SPC1 and announcement of execution of the basic agreement for consolidation with U-NEXT Co., Ltd.,” dated February 13, 2017 (including the changes thereto as of March 10, 2017).

As a result, the Company’s Shares will be delisted through prescribed procedures in accordance with the stock delisting criteria set forth by JASDAQ (standard) market of Tokyo Stock Exchange, Inc. (“JASDAQ”). After delisting, the Company’s Shares will not be tradeable on JASDAQ.

Furthermore, U-NEXT plans to consolidate the managements with the Company through a series of reorganizations. For details, please see “3. (2) ② (i) (C) Structure of Consolidation” of the “Position statement and recommendation to tender in response to the tender offer for share certificates of USEN Corporation by Kabushiki Kaisha U-NEXT SPC1 and announcement of execution of the basic agreement for consolidation with U-NEXT Co., Ltd.,” dated February 13, 2017 (including the changes thereto as of March 10, 2017).

Concrete procedures, timing of implementation and the like will be announced promptly after they are decided upon discussion with the Tender Offeror.

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