

February 15, 2016

Company Name: POLA ORBIS HOLDINGS INC.
 Representative: Satoshi Suzuki, President & CEO
 TSE Code: 4927 (TSE 1st Section)
 Contact: Akira Fujii, Director in charge of PR & IR
 TEL: +81-3-3563-5517

Announcement Regarding Transfer of Fixed Asset and Recording of Extraordinary Income

POLA ORBIS HOLDINGS INC. (the “Company”) hereby announces that it resolved at its Board of Directors’ meeting held on February 15, 2016, to transfer a fixed asset which is owned by POLA CHEMICAL INDUSTRIES INC., a consolidated subsidiary of the Company, as outlined below.

1. Reasons for the transfer of the fixed asset

The Company has completed the restructure of two cosmetic factories in Shizuoka prefecture (Shizuoka factory to be integrated into Fukuroi factory) as described in the release “Consolidation of the domestic production system to reinforce the earnings structure” which was announced in February 2013. Accordingly, having considered the usage of the site of former Shizuoka Factory which is owned by POLA CHEMICAL INDUSTRIES INC., the Company decided to transfer the fixed asset to achieve effective utilization of corporate resources and improvement of its financial structure.

2. Details of the asset to be transferred

Description and location of the asset	Transfer value	Current status
Name of the asset: Land Location: 648 Yayoi-cho, Suruga-ku, Shizuoka-shi, Shizuoka, Japan (Including its 18 adjoined parcels of land registered under parcel consolidation) Site area: 43,200 square meters	undisclosed	idle

Note: Transfer value shall not be disclosed in accordance with the transferee’s wish.

3. Outline of the transferee

Trade name	TOKOHA Gakuen (Educational Institution)
Headquarters	1-22-1 Sena, Aoi-ku, Shizuoka-shi, Shizuoka, Japan
Title/name of representative	Kenji Kimiya, Chairman
Capital	¥59,115 million
Description of main business	Management of schools under School Education Act
Establishment	June 1946
Net assets	¥53,878 million (as of March 31, 2015)
Total assets	¥60,286 million (as of March 31, 2015)
Relationship with the Company	No capital, personnel or transactional relationships Not a related party with the Company

4. Time schedule of the transfer

(1) Date of resolution at the Board of Directors’ meeting: February 15, 2016

- (2) Date of the transfer agreement : February 18, 2016 (tentative)
(3) Date of the transfer of the property : March 2016 (tentative)

5. Impact on business performance

In association with the transfer of the fixed asset, the Company is expecting to record an extraordinary income to the amount of approximately ¥3,000 million in the fiscal year ending December 31, 2016.

Note: Forecasts are based on information available as of the publication of this news release. Actual performance may differ from these forecasts, owing to changes in various factors.