



Date: 24 May 2016

**NOTICE TO THE HOLDERS OF THE OUTSTANDING  
Takashimaya Company, Limited (the "Company")  
(I) ¥40,000,000,000 Zero Coupon Convertible Bonds due 2018  
(ISIN: XS0996455803 / Common Code: 099645580) (the "2018 Bonds") and  
(II) ¥25,000,000,000 Zero Coupon Convertible Bonds due 2020  
(ISIN: XS0996456520 / Common Code: 099645652) (the "2020 Bonds" and together with  
the 2018 Bonds, the "Bonds")**

NOTICE IS HEREBY GIVEN by the Company to the holders ("**Bondholders**") of the outstanding (I) ¥40,000,000,000 Zero Coupon Convertible Bonds due 2018 (ISIN: XS0996455803 / Common Code: 099645580) and (II) ¥25,000,000,000 Zero Coupon Convertible Bonds due 2020 (ISIN: XS0996456520 / Common Code: 099645652), of an adjustment of the Conversion Price (as defined in the terms and conditions of the relevant Bonds) of the Bonds as follows:

Reason for the adjustment: Adjustment of Conversion Price pursuant to Condition 5.2.5 of the terms and conditions of the relevant Bonds due to the Extraordinary Dividend resulting from payment of a dividend of ¥12.00 per Share. The payment of such dividend was approved at a general meeting of shareholders on 24 May 2016.

(I) ¥40,000,000,000 Zero Coupon Convertible Bonds due 2018

Old Conversion Price: ¥1,445.0

New Conversion Price: ¥1,442.2

(II) ¥25,000,000,000 Zero Coupon Convertible Bonds due 2020

Old Conversion Price: ¥1,345.0

New Conversion Price: ¥1,342.4

Record Date: 29 February 2016 (Japan time)

Effective Date for the new Conversion Price: Retroactively from 1 March 2016 (Japan time), being the day immediately after the Record Date set out above

Capitalised terms used herein not otherwise defined herein have the meanings set out in each of the Trust Deed and the Agency Agreement of the relevant Bonds.

This notice is given by

**Takashimaya Company, Limited**