

*November 6, 2017***Notice of Stock Split and Partial Change to Articles of Incorporation**

YAMASHIN-FILTER CORP. at the Board of Directors meeting held on November 6, 2017, resolved to implement a stock split, and make a partial change to the articles of incorporation. Details are as follows.

1. Purpose of stock split

YAMASHIN-FILTER CORP. aims to develop an environment which makes it easy to invest, broaden its investor base and increase the liquidity of its shares by reducing the amount of the trading unit.

2. Outline of stock split**(1) Method of stock split**

For each ordinary share registered as belonging to shareholders on the final shareholder register as of November 30, 2017 (Thursday), the company will conduct a 5-for-1 stock split.

(2) Increase in number of shares resulting from stock split

(1) Total number of shares outstanding before stock split	12,438,000 shares
(2) Increase in number of shares resulting from stock split	49,752,000 shares
(3) Total number of shares outstanding after stock split	62,190,000 shares
(4) Total number of authorized shares after stock split	203,580,000 shares

(3) Schedule for stock split

(1) Date of public notice of the record date	November 15, 2017 (Wednesday)
(2) Record date of stock split	November 30, 2017 (Thursday)
(3) Effective issuance date of stock split	December 1, 2017 (Friday)

(4) Other

There will be no change to the amount of capital as a result of the stock split.

3. Partial change to the Articles of Incorporation

(1) Reason for change

In accordance with the stipulations of Article 184, Paragraph 2 of the Company Act, the company will change Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation on December 1, 2017 (Friday) in connection with the stock split.

(2) Content of change

Current Articles of Incorporation	After change
(Total number of authorized shares) Article 6 The total number of authorized shares in this company is 40,716,000 shares.	(Total number of authorized shares) Article 6 The total number of authorized shares in this company is <u>203,580,000</u> shares.

(3) Date of change

Date of resolution of Board of Directors November 6, 2017 (Monday)
Effective issuance date December 1, 2017 (Friday)

4. Dividend

As this stock split will be effective on December 1, 2017 (Friday), the dividend at the end of the second quarter of the fiscal year ending March 2018 will be paid for shares with the record date of September 30, 2017, which is before the stock split. Regarding the year-end dividend forecast, please refer to the "Notice Regarding Revision to the Business Forecast and Year-end Dividend Forecast" disclosed on November 6.

5. Shareholder benefit after the stock split

(1) Eligible shareholders

The eligible shareholders for dividend payments are shareholders who hold one unit (100 shares) or more of the Company's shares and who are listed on the shareholder register as of the end of each second quarter (September 30) and year-end (March 31). There will be no change to the eligibility requirements after the stock split.

(2) Contents of the shareholder benefit program

To the eligible shareholders, YAMASHIN will provide QUO cards in accordance with the number of shares held at the end of second quarter (September 30) and year-end (March 31).

Number of shares held	Contents of the benefit program
100 to less than 1,000 shares	QUO card (worth 500 yen)
1,000 shares or more	QUO card (worth 1,000 yen)

(3) Delivery period

The planned delivery periods are as follows.

- End of second quarter: Early December
- Year-end: Late June