

October 18th, 2016

News Release

Endeavour United Co., Ltd.

Acquisition of Palemo completed by Endeavour United

Endeavour United announced today that Endeavour United Partners Three Investment Partnership ("EUP3"), a fund managed by Endeavour United, has successfully acquired 62.18% of common shares of Palemo Co., Ltd ("Palemo") through a tender offer which launched on September 5th, 2016. The acquisition was agreed with Palemo's former parent company, FamilyMart UNY Holdings Co.,Ltd. (Previously UNY Group Holdings Co., Ltd., "FamilyMart UNY Holdings") on August 31st, 2016.

Established in February 1981, Palemo has been operating young ladies' clothing and accessories retail stores for more than 35 years. While the apparel industry has experienced downturn triggered by the global financial crisis, Palemo also struggled with prolonged sales deterioration. However, Palemo has returned to profitability in fiscal year 2015, leveraging its store expertise, merchandising renewal and various cost cutting measures.

Endeavour United will work with management team along with the employees to support Palemo's effort in planning and implementing growth strategies.

<About Palemo>

Company name: Palemo Co., Ltd.

President, Representative Director: Kaoru Yoshida

Company Address: 1, Amaike Gotanda-cho, Inazawa-shi, Aichi, Japan

Sales: JPY 27.3 billion (as of FY2016)