

September 11, 2017

To whom it may concern:

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Securities code: 4046 First Section, Tokyo Stock Exchange  
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**Determination of Terms and Conditions of  
the Issuance of the 6th Series Unsecured Convertible Bonds  
and Adjustment to Conversion Price**

OSAKA SODA CO., LTD. (the "Company") has determined the terms and conditions of the issuance of the 6th Series Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights ("Bonds"), which has been resolved at a meeting of its Board of Directors held on September 4, 2017. In addition, the Company adjusts to conversion price of Bonds resulted from common share consolidation at the ratio of 5 to 1, effective on October 1, 2017, which has been approved by shareholders at the 162<sup>nd</sup> Ordinary Meeting held on June 29, 2017.

I . Determination of term and conditions of the issuance

1. Stock acquisition rights

(1) Conversion Price	<u>¥688 per share</u>
Conversion Pricing Date	<u>Monday, September 11, 2017</u>
- Closing price of shares of the Company's common stock on the Tokyo Stock Exchange on conversion pricing date	<u>¥529</u>
- Conversion premium	<u>30.06%</u>
$[(\text{Conversion price}) / (\text{Share price}(\text{Closing price}) - 1) \times 100]$	
(2) Specified Dividend Threshold *	<u>¥10,171</u>

Note 1: Refer to "Item (8) ② of Paragraph 13" of press release dated September 4, 2017 titled "Issuance of the 6<sup>th</sup> Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights".

Note: This press release is intended as general information regarding the Company's issuance of the 6<sup>th</sup> Series Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights. Investors should carefully review a prospectus and supplements or amendments thereto (if any) prepared by the Company and undertake any investment decision at their own judgement and responsibility.

Note 2: The threshold calculation is as follows.

The amount of each bond (¥1,000,000) divide by the conversion price, which is calculated to the first decimal place and round down to any decimal place. Then multiply the result of 1. by 7.

## 2. Bonds

Redemption amount as a result of reorganization \*

Note: Refer to “Item (3) ② of Paragraph 12” of press release dated September 4, 2017 titled “Issuance of the 6<sup>th</sup> Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights”.

Redemption date	Conversion Parity									
	60	70	80	90	100	110	120	130	140	150
Sep 19, 2017	99.17	100.82	103.40	107.00	111.66	117.36	124.08	131.78	140.43	150.00
Sep 19, 2018	99.47	100.81	103.13	106.55	111.12	116.83	123.63	131.46	140.27	150.00
Sep 19, 2019	99.58	100.50	102.45	105.66	110.17	115.96	122.93	131.00	140.09	150.00
Sep 18, 2020	100.00	100.00	101.42	104.49	108.96	114.86	122.09	130.51	140.00	150.00
Sep 19, 2020	98.74	99.60	101.42	104.48	108.96	114.86	122.08	130.50	140.00	150.00
Sep 19, 2021	99.21	99.49	100.50	102.85	107.02	113.10	120.88	130.03	140.00	150.00
Sep 15, 2022	100.00	100.00	100.00	100.00	100.00	110.00	120.00	130.00	140.00	150.00

3. Subscription Period From Tuesday, September 12, 2017 to Wednesday, September 13, 2017

4. Payment Date Tuesday, September 19, 2017

(Reference) Outline of Bonds (announced on September 4, 2017)

(1)	Face Value	¥10,000,000,000
(2)	Exercise Period	From November 1, 2017 to September 14, 2022
(3)	Coupon Rates	Zero
(4)	Redemption Date	September 16, 2022

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## II. Adjustment to Conversion Price resulted from Share Consolidation

### 1. Adjustment to conversion price

Name of Bonds	Before adjustment to conversion price	After adjustment to conversion price
OSAKA SODA CO., LTD. The 6th Series Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights (Early Redemption Request and Convertible Bond with Stock Acquisition Rights with Limited Inter-bond Pari Passu Clause)	¥688	¥3,440

### 2. Date of application

After October 1, 2017

### 3. Reason for change

In accordance with the provisions of Bonds specified thereon, the Company adjust to conversion price resulted from common share consolidation at the ratio of 5 to 1, effective on October 1, 2017, which has been approved by shareholders at the 162<sup>nd</sup> Ordinary Meeting held on June 29, 2017.

With regard to the share consolidation, please refer to the press release dated May 9, 2017 titled "Changes in the Number of Shares per Share Unit, Share Consolidation, and Partial Amendment to the Articles of Incorporation".

Note: This press release is intended as general information regarding the Company's issuance of the 6<sup>th</sup> Series Unsecured Convertible Bond-type Bonds with Stock Acquisition Rights. Investors should carefully review a prospectus and supplements or amendments thereto (if any) prepared by the Company and undertake any investment decision at their own judgement and responsibility.