

11 July 2003

To: Relevant Parties

From: (Company name) C TWO-NETWORK Co.,Ltd.  
(Representative) Representative Director and President  
Kazusa Sakurai  
(Code No.) No.7588 – Tokyo Stock Exchange 1st Section  
(Contact Details) Manager of Administration Department  
Kiyoshi Mizushima  
Tel: 03-5405-9891

## NOTICE REGARDING CHANGE OF MAJOR SHAREHOLDER AND PARENT COMPANY

We would like to inform you that, as of 17 July 2003, there will be a change of the major shareholder and parent company, as described below.

### 1. Events that led to such change

The tender offer that Tesco Holdings B.V. (the *Offeror*) conducted in order to acquire shares in our company (the *Tender Offer*) concluded on 10 July 2003, and we were informed that the Offeror would acquire 9,132,300 shares in our company (94.54% of all the issued shares) through the Tender Offer. We were also informed by Mr Yasushi Inaida, the major shareholder of our company that, in the Tender Offer, he tendered 2,410,500 shares (equivalent to 24.95% of all the issued shares) out of the shares he owns in our company. As a result, Tesco Holdings B.V. would become the major shareholder and parent company of our company, and Mr Inaida would no longer be the major shareholder of our company.

### 2. Person who would no longer be the major shareholder

(1) Name, etc. of person who would no longer be the major shareholder (the *Ex-Major Shareholder*)

- (i) Name: Yasushi Inaida
- (ii) Address: 3-11-6, Minami-Azabu, Minato-ku, Tokyo

(2) Number of voting rights (number of shares) owned by the Ex-Major Shareholder and the voting right ownership ratio (share ownership ratio) before and after the relevant change

	Number of owned voting rights (number of owned shares)	Voting right ownership ratio (share ownership ratio)	Rank
Before change	24,105 (2,410,567 shares)	25.11% (24.95%)	First
After change	0 (0 shares)	0% (0%)	N/A

NB1: Please note that the voting right ownership ratio was calculated on the basis that the total number of voting rights is 96,013, which is the total number of voting rights (94,865) set out in the annual securities report for the fiscal year ending on 31 March 2003 plus 1,148 voting rights relating to the treasury shares that our company sold to the Offeror by tendering such shares in the Tender Offer.

Total number of issued shares as of 11 July 2003: 9,659,686 shares.

NB2: With respect to the 67 shares that Mr Inaida did not tender in the Tender Offer, Mr Inaida has exercised his right to request our company to purchase his shares, and such purchase was completed on 10 July 2003.

### 3. New major shareholder and parent company

#### (1) Name, etc. of new major shareholder and parent company

- (i) Name: Tesco Holdings B.V.
- (ii) Address: De Boelelaan 7 OFFICIA I  
1083HJ Amsterdam, The Netherlands
- (iii) Representative: Managing Director  
Rowley Stuart Ager
- (iv) Amount of capital: EUR4,724,957
- (v) Main Business: Holding company of almost all of Tesco PLC's non-U.K. subsidiaries

#### (2) Number of voting rights (number of shares) owned by the new major shareholder and parent company and the voting right ownership ratio (share ownership ratio) before and after the relevant change

	Number of owned voting rights (number of owned shares)	Voting right ownership ratio (share ownership ratio)	Rank
Before change	0 (0 shares)	0% (0%)	N/A
After change	91,323 (9,132,300 shares)	95.12% (94.54%)	First

NB: Please note that the voting right ownership ratio was calculated on the basis that the total number of voting rights is 96,013, which is the total number of voting rights (94,865) set out in the annual securities report for the fiscal year ending on 31 March 2003 plus 1,148 voting rights relating to the treasury shares that our company sold to the Offeror by tendering such shares in the Tender Offer.

Total number of issued shares as of 11 July 2003: 9,659,686 shares.

### 4. Expected date of change

17 July 2003

(The relevant share certificates are expected to be delivered on 17 July 2003, which is the date of commencement of settlement for the Tender Offer.)

## 5. Future plans

Following the Tender Offer, our company will become a member of the Tesco Group. Our company will then aim at developing our business in Japan by sharing the same vision with the Tesco Group and making the best use of each other's strengths. Please note that, the shares in our company are expected to be delisted from the Tokyo Stock Exchange through the implementation of statutory share transfer (*kabushiki iten*) or other corporate restructuring. Please also note that, as a result of the Tender Offer, the delisting criteria<sup>1</sup> of the Tokyo Stock Exchange would be met, regardless of whether any such corporate restructuring takes place.

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<sup>1</sup> Delisting criteria: 80% of all the issued shares are held by a certain small number of major shareholders.