(Tentative Translation: Only Japanese version is authentic)

Amendments of the "Guidelines Concerning Distribution Systems and Business Practices under the Antimonopoly Act"

June 16, 2017 Japan Fair Trade Commission

1. About 25 years have passed since the "Guidelines Concerning Distribution Systems and Business Practices under the Antimonopoly Act" (hereinafter the "Distribution Guidelines," July 11, 1991, Secretariat of the Japan Fair Trade Commission (hereinafter the "JFTC")) were developed. Given the dramatic changes in distributions and business practices in Japan, the JFTC held the "Study Group on Distribution Systems and Business Practices and the Competition Policy" (hereinafter the "Study Group"), which consisted of experts from various fields including academic experts and businesses, in order to give necessary considerations for the review of the Distribution Guidelines in accordance with the actual conditions of distributions and business practices.

The report compiled by the Study Group (published on December 16, 2016) recommends that the JFTC should revise the Distribution Guidelines in order to make them easy to understand, versatile and useful for enterprises and trade associations in accordance with the recent actual conditions. In light of this recommendation, the JFTC published the revised Distribution Guidelines (Draft) on April 7, 2017, to request public comments from various interested parties, which was due on May 10, 2017.

- 2. In response to the call for comments, 23 comments were submitted. After having carefully considered these comments, the JFTC partially amended the draft and published the revised Distribution Guidelines (see the attachment).
- 3. The JFTC will adequately inform about the revised Distribution Guidelines, to help enterprises and trade associations prevent from violating the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, hereinafter the "AMA") and help them pursue their appropriate business activities. The JFTC will also continue to appropriately apply the AMA.