

Summary of Results of Evaluation of the Board of Directors' Effectiveness

SCREEN Holdings Co., Ltd. (hereinafter referred to as "The Company") has conducted analysis and evaluation regarding the effectiveness of the Board of Directors held in the fiscal year ended March 31, 2016 towards raising the company value by enhancing the Board's effectiveness. The Company hereby discloses the summary of the results as below.

The Company intends to make necessary initiatives and take actions based on the following analysis and evaluation.

1. Method of Evaluation

The Company distributed questionnaire as well as gave supplementary explanation for its purpose to all Directors and Auditors, and conducted analysis and evaluation based on received responses through the questionnaire.

Content of questionnaire: the effectiveness of the Company's Board of Directors held
in the fiscal year ended March 31, 2016

How to answer: multiple-choice and open questions / anonymously

2. Summary of the results of analysis and evaluation

(1) As a result of analysis and evaluation, it was confirmed that the Board of Directors functioned effectively as a whole in the following points.

- The Board fulfills its role and responsibility of oversight over management in that it secures appropriate composition such as number of Directors and Auditors, number of independent outside Directors and Auditors, and necessary knowledge.
- Outside Directors and Auditors receive appropriate information and complementary explanation about items to be discussed beforehand, which enables them to freely express their opinion from different viewpoints in the Board, and which also enhances its effectiveness. This outcome is brought about by adopting three outside Directors for a dozen years or so.
- The Board spends appropriate time to approve items and executes careful decision-making.

(2) By contrast, in the following aspects, continuous discussion and further improvement shall be carried out by the Board.

- The Board shall expand discussion to ensure its diversity by appointment of a woman or people from other country and so on.
- Items to be approved in the Board are narrowed down by delegating the authority to a subordinate committee at the occasion of introducing the holding company structure. However, the Board shall secure more time to deliberate vital issues through further consideration of delegation of authority.
- Information provided to outside Directors and Auditors shall be discussed in light of upgrading and expansion so that they can deepen their understanding and make an appropriate decision on items to be discussed.
- The Board shall verify the method to analyze and evaluate the effectiveness of the Board of Directors and shall make it effective through reviewing analysis and valuation items in the questionnaire and the way of self-assessment questionnaire.

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