

For Immediate Release

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Notice Concerning the Amount and Details of Remuneration, etc. as Stock Option to Directors

Tokyo, Japan – February 14, 2019 – FUJI SOFT INCORPORATED (the “Company”) hereby announces that a meeting of its Board of Directors held today resolved to submit a proposal concerning the amount and details of remuneration, etc. for subscription rights to shares as stock options to its directors (excluding outside directors) in accordance with the provisions of Article 361 of the Companies Act, to the 49th Ordinary General Meeting of Shareholders to be held on March 15, 2019.

I. Purpose of granting stock options

The Company aims to improve its management and social trust by encouraging its directors to share the benefits and risk of stock price fluctuations with shareholders and arouse their motivation and morale to improve the Company’s business performance. It therefore requests approval for the granting of stock options to its directors (excluding outside directors) and also approval for the details of the subscription rights to shares to be issued as stock options.

II. Content of the proposal to be submitted for granting stock options

1. The amount of remuneration, etc. related to stock options

In accordance with Article 361, Paragraph 1 of the Companies Act, at the 37th Ordinary General Meeting of Shareholders held on June 25, 2007, it was approved that the remuneration for directors of the Company shall be no more than 700 million yen per year as monetary remuneration (excluding employees’ salaries), and this continues to this day.

To enhance its directors’ motivation and morale to contribute to the improvement of the Company’s performance and to develop its business with a greater focus on the interests of shareholders, the Company requests approval for the remuneration to be issued as stock option in one year to directors (excluding outside directors, the same applies below) within 150 million yen per year, in addition to pecuniary remuneration.

The amount of subscription rights to shares to be issued as stock options to the directors of the Company shall be the amount obtained by multiplying the fair value per subscription right to shares calculated on the date of the allotment of subscription rights to shares, by the total number of the rights allotted. To calculate the fair value per subscription right to shares defined herein, we use a commonly used method to calculate the fair value of the subscription rights to shares, based on various conditions including the Company’s stock price and the exercise price on the allotment date.

Currently, there are nine directors (including two outside directors), but after the first proposal is approved and passed as originally proposed, the number of directors will be nine (including three outside directors).

In addition to the Company’s directors, we plan to allocate similar stock options to our operating officers and officers of our affiliated companies. The specific grantees, payment timing and distribution shall be decided by the Board of Directors.

2. Details of remuneration, etc. (Details of subscription rights to shares to be issued as stock options in one year)

(1) Number of subscription rights to shares

The maximum number of subscription rights to shares to be issued within one year of the annual general meeting of shareholders in each fiscal year shall be 1,200.

(2) The type and number of shares to be issued upon exercise of subscription rights to shares

The maximum number of shares to be issued upon exercise of subscription rights to shares within one year from the annual general meeting of shareholders in each fiscal year shall be 120,000. The type of shares to be issued upon exercise of subscription rights to shares shall be common shares, and the number of shares to be issued per subscription right to shares shall be 100 shares.

In cases where it is appropriate for the Company to change the number of shares by carrying out a stock split or a reverse stock split, etc. of its common stock, the Company shall make adjustments deemed necessary.

(3) The amount paid in exchange for subscription rights to shares

No cash payment shall be required in exchange for subscription rights to shares.

(4) Value of assets to be contributed upon exercise of subscription rights to shares

The value of assets to be contributed upon exercise of a subscription right to shares shall be the amount obtained by multiplying the amount paid in per share that may be issued through the exercise of the subscription right to shares (“exercise value”) by the number of granted shares.

The exercise value shall be the amount obtained by multiplying the average closing price of the common shares of the Company at the Tokyo Stock Exchange on days (excluding days on which no transactions were made) of the month before the subscription right to shares is allotted, by 1.05. (Fractions of less than 1 yen shall be rounded up.) However, the exercise value shall be the closing price on the allotment date of the subscription right to shares (the closing price on the transaction date immediately before the said date if the transaction has not been executed) in cases where the value falls below the closing price on the allotment date of the subscription right to shares.

In cases where it is appropriate for the Company to change the exercise value by carrying out a stock split or a reverse stock split, etc. of its common stock, the Company shall make the adjustments deemed necessary.

(5) Exercise period of subscription rights to shares

The exercise period of subscription rights to shares shall be the period determined by the Board of Directors within the period from the day on which two years have passed from the date of the resolution date granting subscription rights to shares to the day on which five years have passed after the date of the resolution.

(6) Restrictions on the acquisition of subscription rights to shares through transfer

The acquisition of subscription rights to shares through transfer must be approved by the Board of Directors.

(7) Conditions for the exercise of subscription rights to shares

1. Persons to whom subscription rights to shares are allotted (“share subscription right owners”) may exercise subscription rights to shares only if the closing price of the Company’s common stock at the financial instruments exchange exceeds 120% of the exercise price even once, during the period from the start date of the exercise period of the subscription rights to shares to the date on which three years have passed.

2. Share subscription right owners must hold any of the following positions at the Company at the time when subscription rights to shares are exercised— directors (excluding outside directors), auditors (excluding outside auditors), operating officers and employees (employees of the Company prescribed in Article 2 of Employment Regulations of the Company). However, this rule shall not apply in cases where share subscription right owners are transferred to affiliates of the Company and their exceptional treatment is approved by the Board of Directors, or the Board of Directors acknowledges that there is a justifiable reason against the application of the rule.

3. Other conditions of the exercise of subscription rights to shares shall be determined through the resolution of the Board of Directors.

(8) Other matters concerning the subscription of subscription rights to shares

The other details of subscription rights to shares shall be determined by the Board of Directors when matters concerning the subscription of subscription rights to shares are decided.