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Securities code: 9749
February 27, 2019

To Shareholders with Voting Rights:

Satoyasu Sakashita
President & Representative Director
FUJI SOFT INCORPORATED
1-1 Sakuragi-cho, Naka-ku, Yokohama-shi,
Kanagawa

**NOTICE OF CONVOCAION OF
THE 49TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 49th Annual General Meeting of Shareholders of FUJI SOFT INCORPORATED (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or by voting via the Internet. Please review the Reference Documents for the General Meeting of Shareholders as described hereinafter and exercise your voting rights by no later than 5:30 p.m. on Thursday, March 14, 2019, Japan Time. You are requested to exercise your voting rights either by indicating your votes for or against the proposals on the enclosed Voting Rights Exercise Form and returning the form so that it is received by the above deadline, or by accessing our designated website for exercising voting rights (<https://evote.tr.mufg.jp/>) (Japanese only) and entering your votes by the above deadline.

1. Date and Time: Friday, March 15, 2019 at 3:00 p.m., Japan time (reception starts at 2:00 p.m.)

2. Place: FUJISOFT AKIBA HALL, 5F, the Company’s Akihabara Building,
3 Kandaneribei-cho, Chiyoda-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 49th Fiscal Year (January 1, 2018 - December 31, 2018) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 49th Fiscal Year (January 1, 2018 - December 31, 2018)

Proposals to be resolved:

- Proposal 1:** Election of Nine (9) Directors
Proposal 2: Election of Two (2) Auditors
Proposal 3: Granting of Retirement Benefits to a Retiring Director
Proposal 4: Determination of Amount and Other Details of Remuneration Provided as Stock Options to Directors

4. Matters Decided upon Convocation with regard to the Exercise of Voting Rights:

- (1) If you submit a Voting Rights Exercise Form without indicating your approval or disapproval or abstention for any proposal, your vote for the proposal shall be counted as an approval.
- (2) If you exercise your voting rights via the Internet more than once, only your final vote shall be counted as valid.
- (3) If you exercise your voting rights both via the Internet and by submitting a Voting Rights Exercise Form, your votes via the Internet shall be counted as valid.
- (4) You may exercise your voting rights by appointing one other shareholder with voting rights of the Company as your proxy. In this case, please note that the proxy must submit to the Company a document certifying authority of representation.

Guidance for Exercising Your Voting Rights

- **If you attend the meeting in person:**

Please submit the enclosed Voting Rights Exercise Form at the reception desk on the day of the meeting (Opens at 3:00 p.m. on Friday, March 15, 2019).

- **If you do not attend the meeting in person:**

(1) **Voting by mail (in writing):**

Please review the Reference Documents for the General Meeting of Shareholders and return the Voting Rights Exercise Form with your votes by mail. The completed form must reach us by 5:30 p.m., Thursday, March 14, 2019, Japan time.

(2) **Voting via the Internet:**

Please access our designated website for exercising voting rights (<https://evote.tr.mufg.jp/>) from your PC, smartphone, or mobile phone, enter the log-in ID and temporary password indicated in your Voting Rights Exercise Form, and enter your votes by following the instructions on the screen after reviewing the Reference Documents for the General Meeting of Shareholders. Your votes must be entered by no later than 5:30 p.m., Thursday, March 14, 2019, Japan time.

* You can read this Notice of Convocation using a PC, a smartphone, or a tablet device.

The following items are posted on the Company's website on the Internet (Japanese only), according to the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company and are not included in the documents attached to this Notice of Convocation of the Annual General Meeting of Shareholders:

- "Development of the System for Ensuring Appropriateness of Operations of the Company and the Business Group Consisting of the Company and its Subsidiaries" in the Business Report
- The "Consolidated Statements of Changes in Net Assets" and the "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- The "Non-consolidated Statements of Changes in Net Assets" and the "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

The documents attached to this Notice are therefore part of the documents audited by the Auditors and the Accounting Auditor for the preparation of their Audit Report.

Any revisions to the Reference Documents for the General Meeting of Shareholders and other appendices will be posted on the Company's website.

<http://www.fsi.co.jp/ir/soukai/meeting.html> (Japanese only)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of Nine (9) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of nine (9) Directors is proposed.

The candidates for Director are as follows and matters concerning each candidate for Director are stated on pages 4 through 10.

No.	Name	Age	Current positions in the Company	Attendance at the Board of Directors meetings
1	Hiroshi Nozawa (Reappointment)	76	Chairman & Representative Director	94.1% (16/17)
2	Satoyasu Sakashita (Reappointment)	57	President & Representative Director	100.0% (17/17)
3	Masaki Shibuya (Reappointment)	49	Director & Senior Executive Operating Officer	94.1% (16/17)
4	Yoshiharu Shiraishi (Reappointment)	47	Director & Executive Operating Officer	100.0% (13/13)
5	Motohiro Harai (Reappointment)	57	Director & Executive Operating Officer	100.0% (13/13)
6	Seto Arai (Reappointment)	52	Director & Executive Operating Officer	100.0% (13/13)
7	Shinichi Yuta (Reappointment) <u>Outside</u> <u>Independent</u>	70	Director	100.0% (17/17)
8	Minoru Koyama (New candidate) <u>Outside</u> <u>Independent</u>	64	-	-
9	Tateki Oishi (New candidate) <u>Outside</u> <u>Independent</u>	63	-	-

(Notes)

1. The age given for the candidates for Director represents their full age as of the conclusion of this General Meeting of Shareholders.
2. There are no special interests between any of the candidates for Director and the Company.
3. Attendance at the Board of Directors meetings by Mr. Yoshiharu Shiraishi, Mr. Motohiro Harai, and Mr. Seto Arai is calculated based on the meetings held after they assumed office on March 16, 2018 only.
4. Mr. Shinichi Yuta, Mr. Minoru Koyama and Mr. Tateki Oishi are the candidates for Outside Director. If they assume office as Outside Directors, they will become independent officers under the provisions of the Tokyo Stock Exchange.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hiroshi Nozawa (May 17, 1942) [Reappointment]	<p>May 1970 Director, FUJI SOFTWARE LABORATORY, LTD. (present FUJI SOFT INCORPORATED)</p> <p>May 1973 President & Representative Director</p> <p>April 2001 Chairman & Representative Director</p> <p>June 2004 Chairman, President & Representative Director</p> <p>June 2008 Chairman & Representative Director</p> <p>September 2009 Resigned as Director</p> <p>October 2009 Chairman</p> <p>October 2011 Chairman & Operating Officer</p> <p>June 2012 Chairman & Representative Director (to the present)</p> <p>[Reasons for nomination] Mr. Hiroshi Nozawa, who has been serving the Company since its foundation in 1970, has performed duties as President & Representative Director and Chairman & Representative Director and has a wealth of management experience and achievements. His experience and knowledge will continue to be indispensable for the management of the Company. Therefore, we nominate him as a candidate for Director.</p>	1,745,330
2	Satoyasu Sakashita (July 22, 1961) [Reappointment]	<p>April 1985 Joined Nomura Computer Systems Co., Ltd. (present Nomura Research Institute, Ltd.)</p> <p>April 2003 General Manager of 2nd Knowledge System Business Department, Nomura Research Institute, Ltd.</p> <p>April 2004 Joined the Company Assistant Director of Outsourcing Business Division</p> <p>May 2005 Deputy Director of IT Business Division</p> <p>June 2005 Director</p> <p>June 2007 Executive Director</p> <p>June 2009 Retired as Director</p> <p>June 2009 Executive Operating Officer</p> <p>June 2010 Executive Director</p> <p>September 2011 Representative Senior Executive Director</p> <p>October 2011 President & Representative Director</p> <p>June 2012 President & Representative Director (to the present)</p> <p>[Reasons for nomination] Mr. Satoyasu Sakashita, after experiencing and participating in the execution of business in various business divisions of the Company, has achieved experience in management as a President & Representative Director since 2011. His experience and knowledge will continue to be indispensable for the management of the Company. Therefore, we nominate him as a candidate for Director.</p>	9,900

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Masaki Shibuya (October 8, 1969) [Reappointment]	<p>April 1991 Joined the Company October 2006 Deputy Director of System Development Business Division October 2008 Deputy Director of Technology Division April 2010 Operating Officer April 2013 Executive Operating Officer March 2017 Director & Executive Operating Officer April 2018 Director & Senior Executive Operating Officer (to the present)</p> <p>[Reasons for nomination] Mr. Masaki Shibuya has promoted business as COO of Product Development, Sales Manufacturing, etc. after serving in various business divisions. His experience and knowledge will be indispensable for the management of the Company. Therefore, we nominate him as a candidate for Director.</p>	1,500
4	Yoshiharu Shiraishi (September 9, 1971) [Reappointment]	<p>April 1992 Joined the Company December 2003 General Manager of Sales Department, IT Business Division June 2006 Deputy Director of System Integration Business Department, IT Business Division April 2007 General Manager of System Integration Business Promotion Department, IT Business Division April 2010 General Manager of Sales Unit, System Development Business Group April 2012 Operating Officer & Deputy Director of Sales Division April 2015 Executive Operating Officer, Deputy Director of Sales Division, and Director of Financial System Business Division April 2016 Executive Operating Officer, and Director of Financial System Business Division March 2017 Director, TOSHO COMPUTER SYSTEMS CO., LTD. (to the present) March 2018 Director & Executive Operating Officer (to the present) June 2018 Director, ACE SECURITIES CO., LTD. (to the present)</p> <p>[Significant concurrent positions] Director, TOSHO COMPUTER SYSTEMS CO., LTD. Director, ACE SECURITIES CO., LTD.</p> <p>[Reasons for nomination] Mr. Yoshiharu Shiraishi currently oversees the financial system business department after serving in various business and sales divisions. He is leading the Company's initiatives for the fintech field. He is expected to contribute to the overall businesses of the Company from a management standpoint utilizing a wealth of business experience. Therefore, we nominate him as a candidate for Director.</p>	1,100

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Motohiro Harai (January 26, 1962) [Reappointment]	<p>March 2004 Joined the Company</p> <p>October 2007 Director of Regenerative Medicine Research & Business Division, Solution Business Division</p> <p>April 2012 Operating Officer, General Manager of Health Care Department, Product Service Business Division, and Director of Regenerative Medicine Research & Business Division</p> <p>April 2013 Operating Officer, Deputy Director of Product Service Business Division, and Director of Regenerative Medicine Research & Business Division</p> <p>March 2016 President and Representative Director, FUJISOFT Tissue Engineering Co., Ltd. (to the present)</p> <p>April 2016 Executive Operating Officer & Director of Regenerative Medicine Research & Business Division</p> <p>May 2016 Visiting Professor at Chiba University (to the present)</p> <p>October 2017 Executive Operating Officer</p> <p>November 2017 Visiting Professor at Kochi Medical School (to the present)</p> <p>March 2018 Director & Executive Operating Officer (to the present)</p> <p>[Significant concurrent position] President and Representative Director, FUJISOFT Tissue Engineering Co., Ltd.</p> <p>[Reasons for nomination] Mr. Motohiro Harai is a leading person in the regenerative medicine field, has started up the Company's regenerative medicine division from scratch, and has been driving business development for commercialization of regenerated cartilage created from autologous cells for implant applications. Going forward, he is expected to contribute to the overall management of the Company and further expand the regenerative medicine business of the Company from a management perspective. Therefore, we nominate him as a candidate for Director.</p>	1,300

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Seto Arai (January 9, 1967) [Reappointment]	<p>October 2002 Joined the Company</p> <p>October 2007 Deputy Director of Industrial System Business Department, IT Business Division</p> <p>April 2009 Director of Enterprise System Business Department, IT Business Division</p> <p>October 2012 Deputy Director of Solution Business Division & General Manager of Technology Support Department</p> <p>April 2013 Operating Officer, Deputy Director of Solution Business Division, and General Manager of Technology Support Department</p> <p>April 2015 Director, FUJISOFT CHINA Corp. (to the present)</p> <p>October 2015 Operating Officer, and Director of Solution Business Division</p> <p>April 2016 Executive Operating Officer, and Director of Solution Business Division</p> <p>March 2018 Director & Executive Operating Officer (to the present)</p> <p>[Significant concurrent position] Director, FUJISOFT CHINA Corp.</p> <p>[Reasons for nomination] Mr. Seto Arai has a wealth of business experience in the system establishment field, a core of the Company' business. His experience and knowledge will be indispensable for the management of the Company in its work to further expand the Company's business in the information service industry. Therefore, we nominate him as a candidate for Director.</p>	400

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	<p>Shinichi Yuta (March 28, 1948)</p> <p>[Reappointment] [Outside Director] [Independent Officer]</p>	<p>April 1973 Research Associate at Department of Electrical Engineering, Faculty of Engineering, Tokyo University of Agriculture and Technology</p> <p>April 1978 Lecturer at Institute of Information Sciences and Electronics, University of Tsukuba</p> <p>August 1992 Professor at Institute of Information Sciences and Electronics, University of Tsukuba</p> <p>April 1999 Professor at Institute of Engineering Mechanics and Systems, University of Tsukuba</p> <p>April 2000 Dean of College of Engineering Systems, University of Tsukuba</p> <p>April 2002 Chairman of Institute of Engineering Mechanics and Systems, University of Tsukuba</p> <p>April 2004 Vice President and Executive Director, Professor at School of Systems and Information Engineering, University of Tsukuba</p> <p>April 2006 Director of Tsukuba Industrial Liaison and Cooperative Research Center, University of Tsukuba</p> <p>October 2011 Professor at Faculty of Engineering, Information and Systems, University of Tsukuba</p> <p>April 2012 Professor Emeritus, University of Tsukuba Specially Designated Professor at College of Engineering, Shibaura Institute of Technology</p> <p>June 2012 Guest Researcher for Public Works Research Institute (currently National Research and Development Agency Public Works Research Institute) (to the present)</p> <p>March 2014 Outside Director (to the present)</p> <p>November 2014 President, New Unmanned Construction Technology Research Association (to the present)</p> <p>April 2015 Specially Designated Professor at SIT Research Laboratories, Shibaura Institute of Technology</p> <p>June 2015 President, New Technology Foundation (to the present)</p> <p>April 2018 Visiting Professor at SIT Research Laboratories, Shibaura Institute of Technology (to the present)</p> <p>[Significant concurrent positions] President, New Unmanned Construction Technology Research Association President, New Technology Foundation</p> <p>[Reasons for nomination] Mr. Shinichi Yuta has an objective perspective derived from his career outside our industry, and has acquired advanced academic knowledge in the field of information sciences through his activities to promote leading-edge technologies. He has appropriately supervised and advised the Company in its business operations by making use of his viewpoint and knowledge and is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a candidate for Outside Director.</p>	500

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	<p>Minoru Koyama (September 12, 1954)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p>	<p>April 1977 Joined Amano Corporation</p> <p>April 1991 General Manager of Yokohama Factory, Amano Corporation</p> <p>April 1996 Vice President, Amano Cincinnati, Inc. (USA)</p> <p>April 1999 General Manager of Yokohama Procurement, Amano Corporation</p> <p>June 2001 Director, Amano Corporation</p> <p>April 2004 Director & General Manager of General Affairs, Amano Corporation</p> <p>April 2008 Director & Managing Operating Officer, Amano Corporation</p> <p>April 2009 Director & Managing Operating Officer; General Manager of General Affairs and Supervisory of Yokohama Factory, Tsukui Factory and Shanghai Production, Amano Corporation</p> <p>April 2011 Director & Managing Operating Officer; Global Production Supervisory and Factory Operations Supervisory, Amano Corporation</p> <p>April 2014 Director & Managing Operating Officer; Global Manufacturing Supervisory and Time Products Manufacturing Supervisory, Amano Corporation</p> <p>June 2016 Advisor, Amano Corporation</p> <p>[Reasons for nomination] Mr. Minoru Koyama has a wealth of experience and a wide range of knowledge as an executive manager. The Company judges that he is able to appropriately supervise and advise the Company in its business operations, and he is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a new candidate for Outside Director.</p>	0
9	<p>Tateki Oishi (November 30, 1955)</p> <p>[New candidate] [Outside Director] [Independent Officer]</p>	<p>April 1979 Joined CASIO COMPUTER CO., LTD.</p> <p>June 2002 Operating Officer and Deputy Director of Communications Department, CASIO COMPUTER CO., LTD.</p> <p>April 2004 President & Representative Director, CASIO Hitachi Mobile Communications Co., Ltd.</p> <p>June 2010 Director & Senior Executive Operating Officer, NEC CASIO Mobile Communications, Ltd.</p> <p>June 2015 Outside Director, Cyber Com Co., Ltd. Outside Director, VINX CORP (to retire)</p> <p>[Reasons for nomination] Mr. Tateki Oishi has a wealth of business experience related to the industry and a wide range of knowledge in ICT. The Company judges that he is able to appropriately supervise and advise the Company in its business operations, and he is expected to appropriately perform his duties as an Outside Director of the Company. Therefore, we nominate him as a new candidate for Outside Director.</p>	0

(Notes)

1. Figures for the “Number of shares of the Company held” are as of December 31, 2018.
2. There are no special interests between any of the candidates for Director and the Company.
3. Mr. Tateki Oishi is scheduled to resign as Outside Director of VINX CORP as of March 14, 2019.
4. Mr. Shinichi Yuta is currently an Outside Director of the Company and his term of office as Outside Director will have been five (5) years at the conclusion of this General Meeting of Shareholders. He actively expresses his opinions from an objective perspective independent of the management at the meetings of the Board of Directors and thereby contribute to the Company’s sustainable growth and enhancement of medium- to long-term corporate value.
5. When the Company nominates the candidates for Director, the Management Conference, a body that includes Outside Directors, deliberates on the nomination pursuant to the Standard for Personnel Affairs of Officers prior to the resolution of the Board of Directors.
6. The Company makes it a rule to nominate persons who can supervise and advise the Company from outside and impartial perspectives and who have high-level insight and a wealth of knowledge and experience in their particular areas, in addition to following the standards for independence of independent officers set forth in the regulations of the Tokyo Stock Exchange, as the standards for independence of an Outside Director.
7. Mr. Shinichi Yuta, Mr. Minoru Koyama, and Mr. Tateki Oishi are the candidates for Outside Director. If they assume office as Outside Directors, they will become independent officers pursuant to the provisions of the Tokyo Stock Exchange.
8. The Company has entered into a liability limitation agreement with Mr. Shinichi Yuta and will renew the agreement if his re-election is approved. The maximum liability limit under each agreement is 10 million yen or the amount provided by laws and regulations, whichever is greater, on the condition that he has conducted his duties in good faith and without gross negligence. Furthermore, the Company will enter into the same liability limitation agreements with Mr. Minoru Koyama and Mr. Tateki Oishi, shall they assume office.

Proposal 2: Election of Two (2) Auditors

The terms of office of Messrs. Kazuo Motoishi and Shigeo Ishii expire at the conclusion of this General Meeting of Shareholders, and Mr. Shigemi Ikushima has resigned from his position. Accordingly, based on the Company's Officer system, in order to maintain the effectiveness of corporate governance we decrease one (1) person and the election of two (2) Auditors is proposed.

This proposal has been approved by the Board of Auditors.

The candidates for Auditor are as follows and matters concerning each candidate for Auditor are stated on page 12.

No.	Name	Age	Current positions in the Company	Attendance at the Board of Directors meetings	Attendance at the Board of Auditors meetings
1	Shigeo Ishii (Reappointment) Outside	69	Outside Auditor	100.0% (17/17)	94.1% (16/17)
2	Yukako Oshimi (New candidate) Outside Independent	42	-	-	-

(Notes)

1. The age given for the candidates for Director represents their full age as of the conclusion of this General Meeting of Shareholders.
2. There are no special interests between any of the candidates for Director and the Company.
3. Ms. Yukako Oshimi is a candidate for Outside Auditor. If she assumes office as Outside Auditor, she will become an independent officer under the provisions of the Tokyo Stock Exchange.

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
1	Shigeo Ishii (October 21, 1949) [Reappointment] [Outside Auditor]	<p>February 1977 Joined Nishikata Audit Corporation (currently Deloitte ToucheTohmatsu LLC)</p> <p>August 1980 Registered as certified public accountant</p> <p>March 1988 Established Ishii Certified Public Accountant Office, Proprietor (to the present)</p> <p>June 1994 Audit & Supervisory Board Member, KONAMI CO., LTD.</p> <p>March 2007 Auditor, Showa Joho Kiki Co., Ltd. (currently Canon Production Printing Systems Inc.)</p> <p>June 2011 Outside Auditor (to the present)</p> <p>[Reasons for nomination] Although Mr. Shigeo Ishii does not have hands-on business management experience in the past, he has expert knowledge in finance and accounting as a certified public accountant, and has appropriately supervised and advised the Company in its business operations. He is expected to appropriately perform his duties as an Outside Auditor. Therefore, we nominate him as a candidate for Outside Auditor.</p>	0
2	Yukako Oshimi (August 11, 1976) [New candidate] [Outside Auditor] [Independent Officer]	<p>October 2002 Joined Nagashima Ohno & Tsunematsu</p> <p>April 2011 Dispatched to Ricoh Company Ltd.</p> <p>September 2014 Joined as Partner Lawyer, Shibata, Suzuki & Nakada (to the present)</p> <p>June 2015 Audit & Supervisory Board Member (Outside), JP-HOLDINGS, INC.</p> <p>December 2015 Outside Committee Member of Risk & Compliance Committee, ORIX Asset Management Corporation (to the present)</p> <p>[Reasons for nomination] Although Ms. Yukako Oshimi does not have hands-on business management experience in the past, she has expert knowledge in finance and accounting as a lawyer. The Company judges that she is able to appropriately supervise and advise the Company in its business operations, and is expected to perform her duties as an Outside Auditor. Therefore, we nominate her as a new candidate for Outside Auditor.</p>	0

(Notes)

1. Figures for the “Number of shares of the Company held” are as of December 31, 2018.
2. There are no special interests between any of the candidates for Auditor and the Company.
3. Mr. Shigeo Ishii is currently an Outside Auditor of the Company and his term of office as Outside Auditor will have been seven (7) years and nine (9) months at the conclusion of this General Meeting of Shareholders.
4. The Company has entered into a liability limitation agreement with Mr. Shigeo Ishii and will renew the agreement if his re-election is approved. The maximum liability limit under each agreement is the minimum amount provided by laws and regulations, on the condition that he has conducted his duties in good faith and without gross negligence. Furthermore, the Company will enter into the same liability limitation agreement with Ms. Yukako Oshimi, shall she assume office.
5. Ms. Yukako Oshimi is a candidate for Outside Auditor. If she assumes office as Outside Auditor, she will become an independent officer pursuant to the provisions of the Tokyo Stock Exchange.

Proposal 3: Granting of Retirement Benefits to a Retiring Director

We propose that retirement benefits be granted to Mr. Yoshinobu Takebayashi upon his retirement as Director due to the expiration of his term of office at the conclusion of this General Meeting of Shareholders, to reward him of his service during his term of office, within a certain amount according to the standard provided by the Company.

We also propose that the decisions on the specific amount, time, and method for granting his retirement benefits be entrusted to the Board of Directors.

The name and career summary of the retiring Director are as follows.

Name	Career summary	
Yoshinobu Takebayashi	June 2008	Director of the Company
	June 2013	Director & Executive Operating Officer of the Company
	April 2015	Director & Senior Executive Operating Officer of the Company (to the present)

Proposal 4: Determination of Amount and Other Details of Remuneration Provided as Stock Options to Directors

The Company proposes for the provision of stock options to Directors (excluding Outside Directors), and for the concrete details of the stock acquisition rights issued as stock options. The proposal is aimed at enhancing the Company's sound management and social trust, and the enhancement will be fulfilled because the provision of stock options enables the Company's Directors to share the merits and risks of stock price fluctuations with all shareholders, and to motivate and incentivize the Directors to achieve better business performance of the Company.

1. Amount of remuneration, etc. related to stock options

The remuneration to Directors, based on Article 361-1 of the Companies Act, is a monetary reward of up to 700 million yen annually (excluding salaries for employees), as approved in the 37th Annual General Meeting of Shareholders held on June 25, 2007.

Separate from such monetary reward, the Company proposes for an annual allotment of stock options within 150 million yen to Directors (excluding Outside Directors, same hereinafter) in an aim to plan for business development that further prioritizes the benefits of shareholders through increasing motivation and morale for better business performance.

The amount of remuneration issued as stock options to the Directors shall be obtained by multiplying the fair value per one stock acquisition right calculated on the allotment day by the total number of stock acquisition rights to be allotted. The calculation method of the fair value per one stock acquisition right is one normally used to calculate the fair value of stock acquisition rights, based on various conditions such as the value of the Company shares and the strike price of such shares on the allotment date.

The current number of Directors is nine (9), including two (2) Outside Directors. Shall Proposal 1 be approved, the number of Directors will be nine (9), including three (3) Outside Directors.

The Company plans on issuing the same stock options to Operating Officers of the Company as well as Officers and Operating Officers of affiliates or subsidiaries, along with the Company's Directors. The details on beneficiaries, period of remuneration and the allotment itself shall be decided by the Board of Directors.

2. Details of remuneration, etc. (details of stock acquisition rights issued throughout the year as stock options)

(1) Number of stock acquisition rights

The upper limit on the total number of stock acquisition rights shall be 1,200 units, which shall be issued within the period ending one year after the date of the Annual General Meeting of Shareholders for each business year.

(2) Type and number of shares delivered upon exercise of stock acquisition rights

The upper limit on the total number of shares delivered upon exercise of the stock acquisition rights shall be 120,000 common shares of the Company, which shall be issued within the period ending one year after the date of the Annual General Meeting of Shareholders for each business year. The number of shares underlying each stock acquisition right shall be 100 shares.

In the event that the number of common shares changes due to a share split or a share consolidation conducted by the Company and the change deserves revising the number of shares, the Company shall make adjustments as necessary.

(3) Amount to be paid in upon allotment of stock acquisition rights

A cash payment to be paid in upon allotment of stock acquisition rights is not applicable.

(4) Value of a property to be contributed upon exercise of stock acquisition rights

The value of a property to be contributed upon exercise of stock acquisition rights shall be calculated with the multiplication of the monetary value to be paid in per share to be delivered upon exercise of the stock acquisition rights (hereinafter the "Exercise Value") by the number of shares to be provided.

The Exercise Value is obtained by multiplying the average value of the closing price of the Company's common share at the Tokyo Stock Exchange each day (excluding any day on which no trade is made) during the month prior to the month containing the date on which the allotment of stock acquisition rights is conducted by 1.05 (resulting any fraction less than 1 yen shall be rounded up). However, in the event that such amount obtained is less than the closing price on the date on which the allotment of stock acquisition rights is conducted, such closing price shall be the Exercise Value.

In the event that the number of common shares changes due to a share split or a share consolidation

conducted by the Company and the change deserves revising the Exercise Value, the Company shall make adjustments as necessary.

(5) Period during which stock acquisition rights may be exercised

This period shall be stipulated at a meeting of the Board of Directors, within the range from the day two years after the date of the resolution of the Company's Board of Directors determining the provision of the stock acquisition rights, to five years from such resolution.

(6) Restriction on the transfer of stock acquisition rights

Any transfer of the stock acquisition rights shall be subject to the approval of the Board of Directors.

(7) Terms and conditions for exercising stock acquisition rights

a) A Person who is allotted stock acquisition rights through this proposal (hereinafter "Stock Acquisition Rights Holder") shall be able to exercise the stock acquisition rights if the closing price of the Company's common share at the Financial Instruments Exchange has exceeded 120% of the Exercise Value at least once within a period of three years from the start of the exercising period.

b) A Stock Acquisition Rights Holder are required to have the rank of Director (excluding Outside Director), Auditor (excluding Outside Auditor), Operating Officer or Employee (an employee who fulfills Article 2 of the Company's Employment Regulations) of the Company as of the exercising period of the stock acquisition rights; provided, however, that this shall not apply to persons who have transferred from the Company's affiliates or subsidiaries but is qualified by the Board of Directors, or persons who have appropriate reasons approved by the Board of Directors.

c) Other conditions for exercising stock acquisition rights shall be subject to the resolution of the Board of Directors.

(8) Other details of stock acquisition rights

Other details shall be stipulated at the meeting of the Board of Directors at which the subscription requirements of the stock acquisition rights are determined.