

Securities Code: 2429

March 7, 2023

To: Shareholders

Eikichi Iida

Chairman and President

WORLD HOLDINGS CO., LTD.

11-2 Otemachi, Kokurakita-ku, Kitakyushu-shi, Fukuoka

**NOTICE OF CONVOCATION OF
THE 30th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce that the 30th Ordinary General Meeting of Shareholders of WORLD HOLDINGS CO., LTD. (the “Company”), which will be held as described hereunder.

Reference materials and other information (electronically provided items) concerning this shareholders meeting are posted on the WORLD HOLDINGS website. Please visit the website to see this information.

Our website: <https://world-hd.co.jp/>

Electronically provided items can be viewed on the WORLD HOLDINGS website and on the website of the Tokyo Stock Exchange.

Tokyo Stock Exchange website (Listed company information service):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

On the Tokyo Stock Exchange website, which is in Japanese, access WORLD HOLDINGS information by entering either “WORLD HOLDINGS” in the company name box or “2429” in the securities code box and clicking “search.” Next, click “basic information” and then “documents for viewing/PR information.” Shareholders meeting documents are in the “documents for viewing” section.

At this year’s General Meeting, the number of seats in the room will be reduced, since the spacing between seats will be increased as a precaution against the spread of the COVID-19 infection. You may exercise your voting rights by one of the two methods below. Please review the attached Reference Documents for General Meeting of Shareholders and submit your votes no later than 5:45 p.m., Thursday, March 23, 2023 (Japan time).

Exercise of voting rights in writing

Please indicate your approval or disapproval for each agenda item on the voting rights exercise form that was sent with this notice of the shareholders meeting and return the form to us by the above deadline.

Exercise of voting rights via the internet

Please access the Company's designated shareholder voting website (<https://evote.tr.mufg.jp/>), follow the on-screen guidance, and enter your approval or disapproval for each agenda matter by the above deadline.

1. Date and Time:	Friday, March 24, 2023 at 10:00 a.m. (Japan time)	
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2. Venue:	Empire Room, 3rd floor, RIHGA Royal Hotel Kokura 2-14-2 Asano, Kokurakita-ku, Kitakyushu, Fukuoka	
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3. Purposes:	Matters to be reported	<ol style="list-style-type: none">1. Business Report and Consolidated Financial Statements and Reports of Audit on Consolidated Financial Statements by Accounting Auditor and Audit & Supervisory Board for the 30th Fiscal Year (from January 1, 2022 to December 31, 2022)2. Non-Consolidated Financial Statements for the 30th Fiscal Year (from January 1, 2022 to December 31, 2022)
	Matters to be resolved	
	Proposal 1:	Election of Fifteen (15) Directors
	Proposal 2:	Election of One (1) Substitute Audit & Supervisory Board Member
	Proposal 3:	Payment of Retirement Benefit to a Director
	Proposal 4:	Issuance of Stock Acquisition Rights as Tax-qualified Stock Options
	Proposal 5:	Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options

4. Matter to be resolved concerning the convocation of shareholders meetings (information about exercising voting rights)	<ol style="list-style-type: none">(1) When voting instructions are submitted by using a paper (sent by postal mail) voting rights exercise form, any item where no voting instruction is entered will be counted as a "yes" vote.(2) When voting instructions are submitted using the internet more than once, the last voting instructions received will be counted.(3) When a shareholder submits voting instructions using both the internet and a paper (sent by postal mail) voting rights exercise form, the internet voting instructions will be counted regardless of the order in which the two voting instructions were received.	
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If you are attending the meeting, please submit the enclosed voting rights exercise form to the reception desk upon arrival. If any revisions are made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements, those revised versions will be posted on the Company's website (<https://en.world-hd.co.jp/>) and the Tokyo Stock Exchange website.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Fifteen (15) Directors

The terms of office of all fourteen (14) Directors will expire at the conclusion of this General Meeting of Shareholders. In addition, Toshihiko Kanno resigned as a Director on June 30, 2022.

Accordingly, the Company proposes to elect fifteen (15) Directors including eight (8) Outside Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
1	Eikichi Iida (May 5, 1956)	February 1981 Representative Director of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.) February 1997 Director of the Company December 1997 Chairman of the Company May 1999 President of the Company December 2001 Representative Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.) July 2003 Director of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.) (to present) December 2006 Director of e-support, Inc. June 2007 Chairman and President (CEO and COO) of the Company July 2008 Representative Director of GEOGRAPHIC INFORMATION OF KYUSHU, INC. (to present) February 2010 Representative Director of Advan Co., Ltd. March 2010 Chairman (CEO) of the Company April 2010 Representative Director of WORLD RESIDENTIAL Co., Ltd. (to present) June 2010 Representative Director of Nichimo Real Estate Co., Ltd. October 2010 Director of Advan Co., Ltd. April 2011 Chairman, President, Executive Officer of the Company November 2011 Director of Best IT Business Co., Ltd. December 2011 Chairman and President of the Company (to present) January 2012 Director of Taiwan Human Resource Management (currently WORLD INTEC TAIWAN CO., LTD.) (to present) February 2012 Representative Director of World iCity Co., Ltd. November 2012 Representative Director of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.) December 2012 Director of World iCity Co., Ltd. March 2014 Representative Director of World Wisteria Homes Co., Ltd. (to present) March 2014 Representative Director of World iCity Co., Ltd. (to present) July 2014 Chairman and President of WORLD INTEC Co., Ltd. November 2014 Director of WORLD MIKUNI Co., Ltd. (currently RENOVE MIKUNI Co., LTD.) December 2014 Representative Director of Best IT Business Co., Ltd. (to present) August 2015 Representative Director of OMACHI Co., Ltd. (currently OMACHI WORLD Co., Ltd) (to present) March 2016 Representative Director of WORLD MIKUNI Co., Ltd. (currently RENOVE MIKUNI Co., LTD.) (to present) July 2016 Director of NIKKEN TECHNO Co., Ltd. November 2016 Representative Director of MIKUNI Co., Ltd. January 2017 Representative Director of HOEIKENSETSU Co., Ltd. February 2017 Representative Director of FARM Co., Ltd. February 2018 Director of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) August 2018 Director of DOT WORLD Co., LTD. March 2019 Representative Director of DOT WORLD Co., LTD. (to present) July 2019 Chairman of WORLD INTEC Co., Ltd. (to present) January 2020 Director of WORLD CAPITAL SOLUTION CO., LTD. (to present) March 2021 Director of Nichimo Real Estate Co., Ltd. (to present) February 2022 Director of Dimples Co.,Ltd. (to present) May 2022 Director of DOT WORLD Co., LTD. (to present)	496,500

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
		(Significant concurrent positions) Representative Director of GEOGRAPHIC INFORMATION OF KYUSHU, INC. Representative Director of WORLD RESIDENTIAL Co., Ltd. Representative Director of World Wisteria Homes Co., Ltd. Representative Director of World iCity Co., Ltd. Representative Director of Best IT Business Co., Ltd. Representative Director of OMACHI WORLD Co., Ltd. Representative Director of RENOVE MIKUNI Co., LTD. Representative Director of WORLD INTEC Co., Ltd. Representative Director of WORLD STAFFING CO., LTD. Director of MIKUNI Co., Ltd. Director of WORLD INTEC TAIWAN CO., LTD. Director of WORLD CAPITAL SOLUTION CO., LTD. Director of Nichimo Real Estate Co., Ltd. Director of Dimples Co.,Ltd. Director of DOT WORLD Co., LTD.	
<p>Reasons for nomination as a candidate for Director Mr. Eikichi Iida has taken charge of management for more than 30 years since the establishment of the Company and served as Representative Directors of subsidiaries. He thus has considerable experience, achievements, and insight into company management. In addition, he is expected to demonstrate strong leadership skills developed through his steady efforts to tackle various management issues that contribute to enhancing the corporate value of World Holdings Group (the "Group"). The Company has therefore nominated him as a candidate for Director, believing that he is the right person for strengthening the management base of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
2	Toru Iwasaki (June 19, 1953)	<p>April 1977 Joined Dai Nippon Printing Co., Ltd.</p> <p>February 1979 Joined Sony Corporation</p> <p>June 2005 General Manager of Video Business Division of Television & Video Business Division of Sony Corporation</p> <p>April 2007 Executive Officer of Sony EMCS Corporation (currently Sony Global Manufacturing & Operations Corporation)</p> <p>October 2010 Managing Officer of Sony EMCS Corporation (currently Sony Global Manufacturing & Operations Corporation)</p> <p>December 2012 Joined the Company</p> <p>January 2013 Vice President, Executive Officer of the Company</p> <p>March 2013 Director, Vice President, Executive Officer of the Company</p> <p>July 2014 Director, in charge of Human Resource Business of the Company</p> <p>July 2014 Director, Vice President, Executive Officer of WORLD INTEC Co., Ltd.</p> <p>March 2015 Representative Director, Vice President, Executive Officer of WORLD INTEC Co., Ltd.</p> <p>March 2015 Director of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.)</p> <p>March 2015 Director, Vice President, in charge of Human Resource Business of the Company</p> <p>July 2016 Representative Director of NIKKEN TECHNO Co., Ltd.</p> <p>February 2018 Representative Director of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) (to present)</p> <p>March 2018 Director, in charge of Human Resource Business of the Company (to present)</p> <p>August 2018 Representative Director of DOT WORLD Co., LTD.</p> <p>March 2019 Director of DOT WORLD Co., LTD.</p> <p>July 2019 Representative Director, President, Executive Officer of WORLD INTEC Co., Ltd. (to present)</p> <p>March 2020 Director of NIKKEN TECHNO Co., Ltd.</p> <p>March 2020 Director of Advan Co., Ltd. (to present)</p> <p>March 2021 Representative Director and Chairman of NIKKEN TECHNO Co., Ltd. (to present)</p> <p>May 2021 Representative Director and Chairman of CREATION VIEW CO., LTD. (to present)</p> <p>June 2021 Director of WORLD STAFFING CO., LTD. (to present)</p> <p>July 2021 Representative Director, Vice Chairman of WORLD INTEC Co., Ltd. (to present)</p> <p>May 2022 Representative Director of DOT WORLD Co., LTD. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD SYSTEM SERVICE CO., LTD.</p> <p>Representative Director of WORLD INTEC Co., Ltd.</p> <p>Representative Director of NIKKEN TECHNO Co., Ltd.</p> <p>Representative Director of CREATION VIEW CO., LTD.</p> <p>Representative Director of DOT WORLD Co., LTD.</p> <p>Director of Advan Co., Ltd.</p> <p>Director of WORLD STAFFING CO., LTD.</p>	6,000
<p>Reasons for nomination as a candidate for Director Mr. Toru Iwasaki, who had experience at companies outside the group, has been responsible for the Human Resources Business Division. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
3	Shigeru Nakano (November 9, 1957)	<p>April 1976 Joined Fuji Bank (currently Mizuho Bank, Ltd.)</p> <p>October 2002 General Manager of SENGENDAI Branch of Mizuho Bank, Ltd.</p> <p>March 2004 Joined the Company</p> <p>May 2004 Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.)</p> <p>March 2007 Executive Officer of the Company</p> <p>February 2010 Audit & Supervisory Board Member of Advan Co., Ltd. (to present)</p> <p>March 2010 Director, Executive Officer of the Company</p> <p>April 2010 Audit & Supervisory Board Member of WORLD RESIDENTIAL Co., Ltd. (to present)</p> <p>June 2010 Audit & Supervisory Board Member of Nichimo Real Estate Co., Ltd.</p> <p>November 2011 Audit & Supervisory Board Member of Best IT Business Co., Ltd.</p> <p>November 2012 Audit & Supervisory Board Member of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.) (to present)</p> <p>January 2013 Director, Managing Officer, General Manager of Business Management Division of the Company</p> <p>August 2013 Audit & Supervisory Board Member of INFORMATION OF KYUSHU, INC.</p> <p>July 2014 Director, General Manager of Business Management Division of the Company</p> <p>July 2014 Director, Managing Officer of WORLD INTEC CO., LTD.</p> <p>April 2015 Audit & Supervisory Board Member of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.)</p> <p>March 2016 Audit & Supervisory Board Member of Best IT Business Co., Ltd. (to present)</p> <p>March 2016 Audit & Supervisory Board Member of e-support, Inc. (to present)</p> <p>March 2016 Audit & Supervisory Board Member of Network Solution Co., Ltd. (to present)</p> <p>January 2017 Director, General Manager of Business Management Division of the Company (to present)</p> <p>February 2018 Audit & Supervisory Board Member of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) (to present)</p> <p>November 2018 Audit & Supervisory Board Member of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>July 2019 Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>May 2022 Audit & Supervisory Board Member of WORLD STYLE CO., LTD. (to present)</p> <p>June 2022 Creative Inc. (to present)</p> <p>(Significant concurrent positions)</p> <p>Director of WORLD INTEC Co., Ltd.</p> <p>Audit & Supervisory Board Member of Advan Co., Ltd.</p> <p>Audit & Supervisory Board Member of WORLD RESIDENTIAL Co., Ltd.</p> <p>Audit & Supervisory Board Member of DOT WORLD Co., LTD.</p> <p>Audit & Supervisory Board Member of Best IT Business Co., Ltd.</p> <p>Audit & Supervisory Board Member of e-support, Inc.</p> <p>Audit & Supervisory Board Member of Network Solution Co., Ltd.</p> <p>Audit & Supervisory Board Member of WORLD SYSTEM SERVICE CO., LTD.</p> <p>Audit & Supervisory Board Member of WORLD INTEC TAIWAN CO., LTD.</p> <p>Audit & Supervisory Board Member of WORLD STYLE CO., LTD.</p> <p>Audit & Supervisory Board Member of Creative Inc.</p>	7,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Shigeru Nakano, who had experience in financial institutions, has been responsible for the Corporate Management Division of the Group. He thus has considerable experience, achievements, and insight into company management. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting management and strengthening corporate governance of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
4	Hitoshi Yukawa (July 18, 1953)	<p>April 1979 Joined Nichimo Co., Ltd.</p> <p>December 2001 Director, Executive Officer, General Manager of Housing Business Division of Nichimo Co., Ltd.</p> <p>December 2007 Senior Managing Director, Executive Officer, General Manager of Housing Business Division of Nichimo Co., Ltd.</p> <p>August 2009 Director of Nichimo Real Estate Co., Ltd.</p> <p>September 2010 Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>March 2011 Senior Managing Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>January 2013 Director of Wisteria Homes Co., Ltd. (currently World Wisteria Homes Co., Ltd.) (to present)</p> <p>April 2014 Representative Director of Nichimo Real Estate Co., Ltd.</p> <p>January 2016 Representative Director, Vice President of WORLD RESIDENTIAL Co., Ltd.</p> <p>January 2016 Director of World iCity Co., Ltd. (to present)</p> <p>January 2016 Director of WORLD MIKUNI Co., Ltd. (Currently RENOVE MIKUNI Co., Ltd.) (to present)</p> <p>December 2016 Director of COMPAX Co., Ltd. (to present)</p> <p>January 2018 President of WORLD RESIDENTIAL Co., Ltd.</p> <p>January 2018 Director of Nichimo Real Estate Co., Ltd. (to present)</p> <p>March 2020 Director, in charge of Real Estate Division of the Company (to present)</p> <p>December 2022 Director of WORLD RESIDENTIAL Co., Ltd. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of COMPAX Co., Ltd.</p> <p>Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>Director of World Wisteria Homes Co., Ltd.</p> <p>Director of World iCity Co., Ltd.</p> <p>Director of RENOVE MIKUNI Co., Ltd.</p> <p>Director of Nichimo Real Estate Co., Ltd.</p>	6,000
<p>Reasons for nomination as a candidate for Director Mr. Hitoshi Yukawa, who had experience at companies outside the group, has been responsible for the subsidiaries of the Real Estate Business division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
5	Shinji Honda (July 10, 1965)	<p>July 1996 Joined K.K. Tie-up</p> <p>March 2001 President and Representative Director of Intellect Co., Ltd.</p> <p>February 2002 Joined the Company</p> <p>September 2002 Director of the Company</p> <p>July 2004 Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.)</p> <p>February 2005 Managing Director of the Company</p> <p>March 2010 Director, Senior Managing Director, Executive Officer of the Company</p> <p>March 2012 Representative Director of WORLD INTEC FUKUSHIMA CO., LTD. (currently WORLD NEXT CO., LTD.)</p> <p>July 2014 Director, in charge of Human Resource Business (to present)</p> <p>July 2014 Director, Senior Managing Director, Executive Officer of WORLD INTEC CO., LTD.</p> <p>March 2017 Director, Vice President, Executive Officer of WORLD INTEC CO., LTD.</p> <p>June 2017 Representative Director of WORLD STAFFING CO., LTD. (to present)</p> <p>April 2019 Representative Director of JW SOLUTION CO., LTD. (to present)</p> <p>July 2021 Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>May 2022 Representative Director of Dimples Co.,Ltd.(to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD STAFFING CO., LTD.</p> <p>Representative Director of JW SOLUTION CO., LTD.</p> <p>Representative Director of Dimples Co.,Ltd.</p> <p>Director of WORLD INTEC Co., Ltd.</p>	43,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Shinji Honda, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
6	Katsuhiro Kuriyama (November 3, 1967)	<p>December 1994 Joined ACTIS Co., Ltd.</p> <p>April 1998 General Manager of Production Headquarters of ACTIS Co., Ltd.</p> <p>March 2001 President of Crystal US Co., Ltd.</p> <p>December 2001 Director of Nihon Aim Co., Ltd. (currently UT Aim Co., Ltd.)</p> <p>June 2006 Managing Director of Micro Engineering Inc.</p> <p>April 2007 Director of United Technology Holdings Co., Ltd. (currently UT Group Co., Ltd.)</p> <p>June 2014 Executive Officer of WORLD INTEC Co., Ltd.</p> <p>November 2014 Vice Chairman of ENGMAINTEC CO., LTD. (to present)</p> <p>December 2014 Chairman of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>March 2017 Director of WORLD INTEC Co., Ltd.</p> <p>April 2020 Director of TOHOEWORLD CO., LTD (to present)</p> <p>July 2021 President, Representative Director, Executive Officer of WORLD INTEC Co., Ltd. (to present)</p> <p>March 2022 Director, in charge of Human Resource Business of the Company (to present)</p> <p>June 2022 Representative Director of Creative Inc. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD INTEC Co., Ltd.</p> <p>Representative Director of Creative Inc.</p> <p>Chairman of WORLD INTEC TAIWAN CO., LTD.</p> <p>Vice Chairman of ENGMAINTEC CO., LTD.</p> <p>Director of TOHOEWORLD CO., LTD</p>	2,100
<p>Reasons for nomination as a candidate for Director Mr. Katsuhiro Kuriyama, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			
7	Masaaki Shiomi (October 27, 1965)	<p>April 1988 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2005 Manager of Kyushu Branch of RISA Partners, Inc.</p> <p>December 2008 Head of Principal Investment Office of Mitsubishi UFJ Lease & Finance Company Limited</p> <p>March 2009 Managing Director of MUL Principal Investments Co., Ltd.</p> <p>May 2014 Managing Director of LUMICA CORPORATION</p> <p>May 2015 Joined the Company General Manager of Business Development Division of the Company</p> <p>September 2015 Director of OMACHI Co., Ltd. (currently OMACHI WORLD Co., Ltd.) (to present)</p> <p>July 2016 Director of NIKKEN TECHNO Co., Ltd.</p> <p>February 2018 Director of SAIHI INFORMATION SERVICE CO.,LTD. (currently WORLD SYSTEM SERVICE CO., LTD.)</p> <p>January 2020 Director of WORLD CAPITAL SOLUTION CO., LTD. (to present)</p> <p>March 2020 Director, General Manager of Business Development Division of the Company (to present)</p> <p>May 2022 Director of Dimples Co.,Ltd. (to present)</p> <p>(Significant concurrent positions)</p> <p>Director of OMACHI WORLD Co., Ltd.</p> <p>Director of WORLD CAPITAL SOLUTION CO., LTD. (to present)</p> <p>Director of Dimples Co.,Ltd.</p>	-
<p>Reasons for nomination as a candidate for Director Mr. Masaaki Shiomi, who had experience in financial institutions, has been responsible for the Corporate Development Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
8	Yuji Shirakawa (January 12, 1957)	<p>April 1981 Joined The Bank of Fukuoka, Ltd.</p> <p>April 2011 Director, Managing Executive Officer of The Bank of Fukuoka, Ltd.</p> <p>June 2014 Director & Executive Officer of Fukuoka Financial Group, Inc.</p> <p>April 2017 Representative Director & Deputy President of The Bank of Fukuoka, Ltd.</p> <p>April 2017 Non-Executive Director of The Kumamoto Bank, Ltd.</p> <p>April 2019 Director, Deputy President & Executive Officer of Fukuoka Financial Group, Inc.</p> <p>April 2021 Retired from the office of Representative Director & Deputy President of The Bank of Fukuoka, Ltd.</p> <p>April 2021 Retired from the office of Director, Deputy President & Executive Officer of Fukuoka Financial Group, Inc.</p> <p>March 2022 Director of the Company (to present)</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Yuji Shirakawa has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
9	Souichi Kawamoto (September 19, 1957)	<p>April 1980 Joined Fukuoka SOGO Bank (currently, THE NISHI-NIPPON CITY BANK, LTD.)</p> <p>June 2008 Director, Deputy Head of Kita-Kyushu Regional Headquarters, General Manager of Kita-Kyushu Head Office, General Manager of Kokura Branch of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>May 2010 Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2010 Managing Director Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2012 Executive Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>May 2014 Executive Director, Head of Kitakyushu & Yamaguchi Region of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2014 Deputy President (Representative Director), Head of Kitakyushu & Yamaguchi Region of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2014 Deputy President (Representative Director), Head of Kitakyushu & Yamaguchi Region, Regional Headquarters Management of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>October 2016 Director, Executive Officer of Nishi-Nippon Financial Holdings, Inc.</p> <p>June 2019 Deputy President (Representative Director) of Nishi-Nippon Financial Holdings, Inc.</p> <p>April 2020 Deputy President (Representative Director), In charge of Regional Headquarters, the IT Planning & Management Division, the Operations Planning & Management Division, the Internal Audit Division of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>April 2021 Advisor of The Kyushu Card Co., Ltd.</p> <p>June 2021 Executive Officer of Nishi-Nippon Financial Holdings, Inc. (to present)</p> <p>June 2021 Representative Director and President of The Kyushu Card Co., Ltd. (to present)</p> <p>June 2021 Representative Director and Chairman of Japan Payment Service CO., LTD.</p> <p>March 2022 Director of the Company (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of The Kyushu Card Co., Ltd.</p> <p>Representative Director of Japan Payment Service CO., LTD.</p> <p>Executive Officer of Nishi-Nippon Financial Holdings, Inc.</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Souichi Kawamoto has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*10	Ichiro Ohno (November 27, 1956)	April 1980 Joined CASIO COMPUTER CO., LTD.	-
		April 2000 TFT Manger of Device Division of CASIO COMPUTER CO., LTD.	
		October 2002 Representative Director of Kochi CASIO CO., LTD. and Deputy General Manager of Device Division of CASIO COMPUTER CO., LTD.	
		July 2003 Executive Officer, Deputy General Manager of Device Division of CASIO COMPUTER CO., LTD. and Representative Director of Kochi CASIO CO., LTD.	
		January 2007 Executive Officer, General Manager of Device Division of CASIO COMPUTER CO., LTD. and General Manager of Hachioji Technical Center	
		April 2010 Representative Director of ORTUS TECHNOLOGY CO., LTD.	
		April 2013 Senior Managing Director of ORTUS TECHNOLOGY CO., LTD.	
		April 2016 Advisor of ORTUS TECHNOLOGY CO., LTD.	
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Ichiro Ono has many years of experience in the electronic device business of a large company and management experience as a senior executive. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
11	Hirokazu Hasegawa (October 10, 1940)	April 1963 Joined Hasegawa Buddhist Article Shop December 1966 Established K.K. Hasegawa Buddhist Altar (currently HASEGAWA Co., Ltd.). Senior Managing Director of said company April 1982 Representative Director and President of HASEGAWA Co., Ltd. April 2008 Representative Director and Chairman of HASEGAWA Co., Ltd. June 2008 President of Japan New Business Conference Associations June 2014 Advisor of HASEGAWA Co., Ltd. (to present) March 2021 Director of the Company (to present) (Significant concurrent positions) Advisor of HASEGAWA Co., Ltd.	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Hirokazu Hasegawa has been engaged in corporate management of HASEGAWA Co, Ltd. while successively worked as President of Japan New Business Conference Associations. He is thus expected to provide appropriate suggestions and advice, etc. on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
12	Shingo Igarashi (Name on the family register: Shingo Taji) (July 16, 1959)	<p>April 1983 Joined the Sanwa Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>March 1993 Manager of General Affairs Department of Sanwa Venture Development Fund (currently Mitsubishi UFJ Technology Development Foundation)</p> <p>March 2005 Deputy Director General of the Kyushu University Venture Business Laboratory Associate Professor at Department of Business and Technology Management (Business School), Graduate School of Economics, Kyushu University</p> <p>August 2005 Senior Executive Officer of Transscience Co., Ltd.</p> <p>October 2010 Deputy Director General of Robert T. Huang Entrepreneurship Center, Kyushu University (to present)</p> <p>March 2019 Director of the Company (to present)</p> <p>April 2020 Professor at Department of Business and Technology Management (Business School), Graduate School of Economics, Kyushu University (to present)</p> <p>(Significant concurrent positions)</p> <p>Professor at Department of Business and Technology Management, Graduate School of Economics, Kyushu University Deputy Director General of Robert T. Huang Entrepreneurship Center, Kyushu University</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Shingo Igarashi has considerable experience in financial institutions, at Transscience Co, Ltd. as a Senior Executive Officer, at a university, where he has fostered talented individuals through research activities, or in governmental institutions as a committee member. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company. If he is elected, the Company plans for him to participate in the selection of candidates for Directors and the determination of remuneration amount for Directors, etc. in an objective and neutral position as a voluntary member of the Nomination and Remuneration Committee.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
13	Kazumi Ono (August 11, 1963)	<p>April 1986 Joined Nikkei Inc.</p> <p>August 1991 Joined Leo Burnett-Kyodo Company Ltd. (currently Beacon Communications K.K.)</p> <p>April 1999 Joined Dentsu Kyushu Inc.</p> <p>July 2003 General Manager of Marketing Department of Dentsu Kyushu Inc.</p> <p>July 2015 Deputy Managing Director of Communication Design Division of Dentsu Kyushu Inc.</p> <p>July 2018 Managing Director of Communication Design Division and Manager of Open Innovation Office of Dentsu Kyushu Inc.</p> <p>January 2020 Managing Director of Integrated Marketing Division and Manager of New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2021 Associate Managing Director of Integrated Solution Division and New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2022 Director of Koga Management Institute Co., Ltd.</p> <p>March 2022 Director of the Company (to present)</p> <p>April 2022 Visiting professor at Global Innovation Center, Kyushu University (to present)</p> <p>(Significant concurrent positions)</p> <p>Visiting professor at Global Innovation Center, Kyushu University</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Ms. Kazumi Ono has been engaged in strategic planning for branding and marketing in major corporations for many years through her entire career, while working as a committee member of administrative organs and extra-governmental organizations. She is thus expected to make appropriate suggestions or give advice on our management based on her wide knowledge and experience. The Company has therefore nominated her as a candidate for Outside Director, given that she is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*14	Kazuyoshi Kimura (November 12, 1943)	<p>April 1967 Joined Nikko Securities Inc.(currently SMBC Nikko Securities Inc.)</p> <p>March 2000 Executive Vice President of Nikko Securities Inc.(currently SMBC Nikko Securities Inc.)</p> <p>June 2001 President of Nikko Asset Management Co., Ltd.</p> <p>June 2005 Executive Chairman of Nikko Cordial Securities Inc. (currently SMBC Nikko Securities Inc.)</p> <p>February 2007 Representative Executive Chairman of Nikko Cordial Corporation</p> <p>June 2011 Director of Hitachi Koki Co, Ltd.</p> <p>June 2012 Auditor of SPARX Asset Management Co., Ltd. (to present)</p> <p>June 2012 Director of DAIWA HOUSE INDUSTRY CO., LTD.</p> <p>November 2012 Director of BIC CAMERA INC.</p> <p>November 2012 Director of Kojima Co.,Ltd.</p> <p>September 2013 Chairman, President and Representative Executive Officer of Kojima Co.,Ltd.</p> <p>June 2020 Director, Supervisory Committee Member of SPARX Group Co., Ltd. (to present)</p> <p>September 2020 President of BIC CAMERA INC.</p> <p>September 2020 Director of Kojima Co.,Ltd.</p> <p>September 2022 Director of BIC CAMERA INC.</p> <p>(Significant concurrent positions)</p> <p>Auditor of SPARX Asset Management Co., Ltd.</p> <p>Director, Supervisory Committee Member of SPARX Group Co., Ltd.</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Kazuyoshi Kimura has extensive knowledge of management due to his many years of management experience at SMBC Nikko Securities and BIC CAMERA. He is thus expected to make appropriate suggestions and give advice on our management based on his extensive knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*15	Sadaharu Tezuka (August 14, 1968)	<p>April 1992 Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>November 1995 Joined Sakura Research Institute, Ltd. (currently The Japan Research Institute, Limited.)</p> <p>April 2019 Project Professor at Graduate School of Business Administration, Rikkyo University</p> <p>April 2022 Professor at Faculty of Economics, Department of Business Management, Kokugakuin University (to present)</p> <p>(Significant concurrent positions)</p> <p>Professor, Faculty of Economics, Department of Business Management</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Sadaharu Tezuka has almost 30 years of experience as a management consultant, including activities involving management strategies, business plans, support for new businesses, investor relations support, programs to develop management skills and other activities. He is expected to use his many years of experience and broad knowledge to make appropriate suggestions and give advice on our management from a perspective that is independent of executives who conduct business operations. The Company has therefore nominated him as a candidate for Outside Director..</p>			

- Notes:
1. Numbers with an asterisk (*) are new candidates for Director.
 2. None of the candidates for Directors has any special conflicts of interest with the Company.
 3. Mr. Yuji Shirakawa, Mr. Souichi Kawamoto, Mr. Ichiro Ono, Mr. Hirokazu Hasegawa, Mr. Kazuyoshi Kimura, Mr. Shingo Igarashi, Mr. Sadaharu Tezuka, and Ms. Kazumi Ono are the candidates for Outside Directors.
 4. Mr. Yuji Shirakawa, Mr. Souichi Kawamoto, Mr. Hirokazu Hasegawa, Mr. Shingo Igarashi, and Ms. Kazumi Ono, our current Outside Directors, will have served as Outside Directors for one year, one years, two year, four years and one year, respectively, at the conclusion of this General Meeting of Shareholders.
 5. Mr. Yuji Shirakawa served as an executive officer, during the past 10 years, of The Bank of Fukuoka, Ltd., which is a specified related business operator (a major business partner) of the Company. His positions and responsibilities at the said bank are as described in the above column "Past experience, positions and responsibilities at the Company (Significant concurrent positions)." In fact, he resigned from the said bank in April 2021.
Mr. Souichi Kawamoto served as an executive officer, during the past 10 years, of THE NISHI-NIPPON CITY BANK, LTD., which is a specified related business operator (a major business partner) of the Company. His positions and responsibilities at the said bank are as described in the above column "Past experience, positions and responsibilities at the Company (Significant concurrent positions)." In fact, he resigned from the said bank in June 2021.
 6. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Yuji Shirakawa, Mr. Souichi Kawamoto, Mr. Hirokazu Hasegawa, Mr. Shingo Igarashi, and Ms. Kazumi Ono to limit their liabilities for damages set forth in Article 423, paragraph 1 of the same Act. The cap on the liability for damages under the said agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same Act. If they are reelected, the Company will renew the contract with each of them. The Company will also enter into the same liability limitation agreement with Mr. Ichiro Ono, Mr. Kazuyoshi Kimura, and Sadaharu Tezuka, if they are elected.
 7. The Company has appointed Mr. Hirokazu Hasegawa, Mr. Shingo Igarashi, and Ms. Kazumi Ono as Independent Directors according to the rules of the Tokyo Stock Exchange. They will continue to be Independent Directors when reelected. Moreover, as required by the Tokyo Stock Exchange, the Company will register Mr. Kazuyoshi Kimura and Mr. Sadaharu Tezuka as Independent Directors with the Tokyo Stock Exchange if they are elected because they meet the qualifications as Independent Directors with no risk of having conflicts of interests with general shareholders.

Proposal 2: Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for cases where the number of Audit & Supervisory Board Members falls short of the requisite number stipulated by laws and regulations, in accordance with Article 329, Paragraph 3 of the Companies Act, the Company proposes the preliminary election of one (1) substitute Audit & Supervisory Board Member.

The Company has obtained the consent of the Audit & Supervisory Board with respect to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience (Significant concurrent positions)	Number of shares of the Company held
Haruo Tanaka (May 7, 1958)	April 1982 Joined Reiyukai Headquarters	200
	February 1996 Joined the Company	
	January 2002 Manager of General Affairs and Accounting Department of the Company	
	January 2005 Manager of General Affairs Department of the Company	
	January 2009 Head of Internal Auditing Office of the Company	
	January 2010 Manager of Legal Department of the Company (to present)	
	July 2014 Manager of Legal Department of WORLD INTEC Co., Ltd.	
	(Significant concurrent positions) January 2017 Executive Officer and Manager of Legal Department of WORLD INTEC Co., Ltd. (to present) Executive Officer and Manager of Legal Department of WORLD INTEC Co., Ltd.	
<p>Reasons for nomination as a candidate for Substitute Audit and Supervisory Board member Mr. Haruo Tanaka has been responsible for the Legal division of the Group. He thus has knowledge and experience with business operation. The Company has therefore nominated him as a candidate for substitute Audit & Supervisory Board member, believing that he is the right person for appropriately auditing business execution from an objective and fair standpoint.</p>		

Note: The candidate for substitute Audit & Supervisory Board member has no special conflicts of interest with the Company.

Proposal 3: Election of One Substitute Audit & Supervisory Board Member

Mr. Toshihiko Kanno resigned as a Director on June 30, 2022. To recognize his contributions during his terms as a Director, the Company plans to pay a retirement benefit within an amount specified by the Company's standards. If shareholders approve this payment, the Board of Directors will determine the amount, timing, method and other associated items.

If shareholders approve this payment, the Board of Directors will determine the amounts, timing, method and other associated items.

This proposal has been submitted to the Nominations and Compensation Advisory Committee in accordance with the policy established by the Board of Directors for the determination of remuneration of individual directors and the Company's regulations. The Board of Directors reached its decision about this proposal after receiving the recommendations of this committee. As a result, the Company believes that this proposal is appropriate.

Information about the Company's policy for determining remuneration of individual directors is in the business report.

Mr. Kanno's background is as follows.

Name	Past experience	
Toshihiko Kanno	September 2002	Director of the Company
	March 2010	President of the Company
	March 2011	Vice President of the Company
	July 2014	Director of the Company
	March 2016	Director and Vice President of the Company
	March 2018	Director of the Company
	June 2022	Retired as Director

Proposal 4: Issuance of Stock Acquisition Rights as Tax-qualified Stock Options

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the Board of Directors of the Company the authority to determine the terms of share acquisition rights, issued as tax-qualified stock options, to be distributed to directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries.

1. Reason for the need to grant stock options with favorable terms

The stock options are to be granted for the purposes of motivating directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries to increase consolidated sales and earnings of the Group as a whole, improving the ability to recruit skilled people, and contributing to the growth of corporate value.

2. Recipients of the stock options

Directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries

3. Stock option terms, maximum number of shares and other items that can be decided based on the proposal to be submitted at the shareholders meeting

(1) Class and number of shares to be issued upon exercise of the stock options

Maximum of 300,000 shares of common stock of the Company, of which the class and the maximum number of shares to be issued upon exercise of the stock options allotted to directors (excluding outside directors) shall be 100,000 shares of common stock of the Company

The number of shares granted will be adjusted using the following formula if, after the allotment date of the stock options, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. However, this adjustment will be performed only for shares applicable to the stock options that have not been exercised at the time of the split or consolidation. Furthermore, any fraction of less than one share resulting from the adjustment is discarded.

$$\begin{array}{r} \text{Number of shares granted} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Number of shares granted} \\ \text{before adjustment} \end{array} \times \begin{array}{r} \text{Ratio of stock split or} \\ \text{stock consolidation} \end{array}$$

(2) Number of stock options

Maximum of 3,000 units (100 shares are received upon the exercise of each stock option, but if the number of shares is adjusted as described in the preceding item (1), the number of shares granted will be adjusted in the same manner), of which the maximum number of stock options to be allotted to directors (excluding outside directors) shall be 1,000 units

(3) Payment required in exchange for the stock option

No payment is required to receive the stock options.

(4) Value of assets to be contributed upon the exercise of the stock options

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price"). The exercise price is calculated by multiplying by 1.05 the average closing price of common stock of the Company on the Tokyo Stock Exchange in each day (except days when there was no trading of this stock) of the month preceding the month in which the stock options were allocated. Any fraction of less than one yen is rounded up. However, if the resulting exercise price is less than the closing price on the allotment date of the stock options (or the nearest prior closing price if there is no trading of common stock of the Company on the allotment date), this closing price will instead be the exercise price.

If the Company conducts a stock split or a stock consolidation after the allotment date of the stock options, the exercise price will be adjusted using the following formula and fractions less than one yen resulting from the adjustment will be rounded up.

$$\begin{array}{r} \text{Exercise price} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Exercise price} \\ \text{before adjustment} \end{array} \times \frac{1}{\begin{array}{r} \text{Ratio of stock split or stock} \\ \text{consolidation} \end{array}}$$

If the Company issues new shares of common stock or disposes of its treasury shares at prices less than the market price after the allotment date of the stock options (excluding the issuance of new shares and disposition

of treasury shares in association with the exercise of the stock options), the exercise price will be adjusted using the following formula and fractions of less than one yen resulting from the adjustment will be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares. Also, if treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares is instead the number of treasury shares used and the amount to be paid per share is instead the amount paid per treasury share.

Furthermore, if the Company merges with another company or conducts a divestiture after the stock option allotment date and an adjustment of the exercise price is needed, the Company will adjust the price within reasonable limits.

(5) Exercise period

The exercise period begins on the first day of the month following the month of the stock option allotment date that is two years after this date and ends on March 24, 2033.

(6) Conditions for exercising the stock options

When a stock option is exercised, the holder of the stock option must be a director or employee of the Company or any of its subsidiaries. However, former directors of the Company or a subsidiary who left because they reached the end of their term of office and former employees of the Company or a subsidiary who left because they reached the mandatory retirement age are exempt from this requirement.

(7) Reasons and conditions for the Company to acquire the stock options

- 1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the preceding item (6), the Company can acquire that individual's stock options without compensation.
- 2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the stock options without compensation.

(8) Restrictions on the transfer of stock options

Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.

(9) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options

- 1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.
- 2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in 1) above less the increase in capital stock as stipulated in 1) above.

(10) Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.

Proposal 5: Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the Board of Directors of the Company the authority to determine the terms of share acquisition rights, issued as non-tax-qualified stock options apart from those in Proposal 3 above, to be distributed to directors (excluding outside directors) of the Company.

1. Reason for the need to grant stock options with favorable terms

The stock options apart from those in Proposal 4 above are to be granted for the purposes of motivating directors (excluding outside directors) of the Company to increase consolidated sales and earnings of the Group as a whole and contributing to the growth of corporate value.

2. Recipients of the stock options

Directors (excluding outside directors) of the Company

3. Stock option terms, maximum number of shares and other items that can be decided based on the proposal to be submitted at the shareholders meeting

(1) Class and number of shares to be issued upon exercise of the stock options

Maximum of 300,000 shares of common stock of the Company

The number of shares granted will be adjusted using the following formula if, after the allotment date of the stock options, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. However, this adjustment will be performed only for shares applicable to the stock options that have not been exercised at the time of the split or consolidation. Furthermore, any fraction of less than one share resulting from the adjustment is discarded.

$$\begin{array}{r} \text{Number of shares granted} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Number of shares granted} \\ \text{before adjustment} \end{array} \times \begin{array}{r} \text{Ratio of stock split or} \\ \text{stock consolidation} \end{array}$$

(2) Number of stock options

Maximum of 3,000 units (100 shares are received upon the exercise of each stock option, but if the number of shares is adjusted as described in the preceding item (1), the number of shares granted will be adjusted in the same manner)

(3) Payment required in exchange for the stock option

No payment is required to receive the stock options.

(4) Value of assets to be contributed upon the exercise of the stock options

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price"). The exercise price is calculated by multiplying by 1.05 the average closing price of common stock of the Company on the Tokyo Stock Exchange in each day (except days when there was no trading of this stock) of the month preceding the month in which the stock options were allocated. Any fraction of less than one yen is rounded up. However, if the resulting exercise price is less than the closing price on the allotment date of the stock options (or the nearest prior closing price if there is no trading of common stock of the Company on the allotment date), this closing price will instead be the exercise price.

If the Company conducts a stock split or a stock consolidation after the allotment date of the stock options, the exercise price will be adjusted using the following formula and fractions less than one yen resulting from the adjustment will be rounded up.

$$\begin{array}{r} \text{Exercise price} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Exercise price} \\ \text{before adjustment} \end{array} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

If the Company issues new shares of common stock or disposes of its treasury shares at prices less than the market price after the allotment date of the stock options (excluding the issuance of new shares and disposition of treasury shares in association with the exercise of the stock options), the exercise price will be adjusted using the following formula and fractions of less than one yen resulting from the adjustment will be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares. Also, if treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares is instead the number of treasury shares used and the amount to be paid per share is instead the amount paid per treasury share.

Furthermore, if the Company merges with another company or conducts a divestiture after the stock option allotment date and an adjustment of the exercise price is needed, the Company will adjust the price within reasonable limits.

- (5) Exercise period
10 years from the allotment date
- (6) Conditions for exercising the stock options
When a stock option is exercised, the holder of the stock option must be a director of the Company. However, former directors of the Company who left because they reached the end of their term of office are exempt from this requirement.
- (7) Reasons and conditions for the Company to acquire the stock options
 - 1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the preceding item (6), the Company can acquire that individual's stock options without compensation.
 - 2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the stock options without compensation.
- (8) Restrictions on the transfer of stock options
Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.
- (9) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options
 - 1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.
 - 2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in 1) above less the increase in capital stock as stipulated in 1) above.
- (10) Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.

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