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Securities Code: 1805  
June 3, 2019

To our shareholders:

Masahiro Norikyo  
President and Representative Director  
**TOBISHIMA CORPORATION**  
1-8-15 Konan, Minato-ku, Tokyo

## Notice of the 76th Annual General Meeting of Shareholders

You are cordially invited to attend the 76th Annual General Meeting of Shareholders of TOBISHIMA CORPORATION (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and indicate your approval or disapproval of the proposals by following the instructions on the next page no later than 5:30 p.m. on Wednesday, June 26, 2019 (JST).

- 1. Date and Time:** Thursday, June 27, 2019, at 10:00 a.m. (JST)
- 2. Venue:** KSP Hall, West Wing 3rd Floor, Kanagawa Science Park (KSP)  
3-2-1 Sakado, Takatsuku, Kawasaki City, Kanagawa

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 76th fiscal year (April 1, 2018 to March 31, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-Consolidated Financial Statements for the 76th fiscal year (April 1, 2018 to March 31, 2019)

#### Matters to be resolved:

- |                       |  |
|-----------------------|--|
| <b>Proposal No. 1</b> | Appropriation of Surplus   |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation                        |
| <b>Proposal No. 3</b> | Election of Eight Directors  |
| <b>Proposal No. 4</b> | Election of One Audit & Supervisory Board Member                           |
| <b>Proposal No. 5</b> | Election of One Substitute Audit & Supervisory Board Member                |
| <b>Proposal No. 6</b> | Adoption of Performance-Linked Share-Based Remuneration Plan for Directors |
| <b>Proposal No. 7</b> | Revision of Amount of Remuneration for Directors                           |

If you attend the meeting in person, please submit the enclosed voting form at the venue reception.

**Matters Related to Attachments to the Notice and the Reference Documents  
for General Meeting of Shareholders**

1. The items listed below are not included as part of the attachments to this notice based on laws and regulations as well as the stipulations in the Company's Articles of Incorporation because these materials are included on the Company website (<https://www.tobishima.co.jp/> (in Japanese only)).
  - "V. Status of implementation of systems and relevant programs to ensure that Directors perform their duties in compliance with relevant laws, regulations and the Articles of Incorporation, and other systems to ensure properness of operations" of the Business Report
  - "Notes to Consolidated Financial Statements" and "Consolidated Statement of Changes in Equity" of the Consolidated Financial Statements
  - "Notes to Financial Statements" and "Statement of Changes in Equity" of the Non-Consolidated Financial Statements

The above documents are part of the Non-Consolidated and Consolidated Financial Statements that were audited by the Financial Auditor in preparing the audit report. Also, these documents are part of the Business Report as well as Non-Consolidated and Consolidated Financial Statements that were audited by the Audit & Supervisory Board Members in preparing the audit report.
2. If any revisions are made to the Reference Documents for General Meeting of Shareholders and Business Report as well as the Consolidated and Non-Consolidated Financial Statements, the revised items will be posted on the Company website (<https://www.tobishima.co.jp/>).

**Instructions on Exercising Your Voting Rights**

[Voting in Writing (by Mail)]

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company by postal mail so that your vote is received by 5:30 p.m. on Wednesday, June 26, 2019 (JST).

- If your approval or disapproval of each proposal is not indicated, the vote will be deemed an indication of approval.

[Voting via the Internet]

Please access the website to exercise your voting rights designated by the Company (<https://soukai.mizuho-tb.co.jp/> (in Japanese only)), use the "Voting Code" and "Password" indicated on the enclosed voting form, and then enter your vote of approval or disapproval for each proposal following the instructions on the screen no later than 5:30 p.m. on Wednesday, June 26, 2019 (JST).

- If voting rights are exercised both in writing and via the Internet, the voting via the Internet will be treated as valid.
- If voting rights are exercised more than once via the Internet, the last exercise will be treated as valid.

[Electronic Voting Platform]

Institutional Investors may use the electronic voting platform operated by Investor Communications Japan, Inc. if the institutional investor has applied to use said platform in advance.

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company regards the stable profit return to its shareholders and enhancement of internal reserves to strengthen the business structure as a basic policy to pay dividends while giving consideration to the business performance and the business environment.

In line with this basic policy, the Company proposes to pay a year-end dividend for the fiscal year of ¥50 per share.

#### Year-end dividends

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and their aggregate amount  
¥50 per common share of the Company  
Total dividends: ¥962,221,500
- (3) Effective date of dividends of surplus  
June 28, 2019

**Proposal No. 2**      Partial Amendments to the Articles of Incorporation

1. Reason for proposal

The proposal amends the provision related to Directors with Special Titles to heighten the transparency of management from the perspective of strengthening corporate governance in addition to considering the current state in which Honorary Chairman and Director, Vice Chairman and Director, and Senior Advisor and Director have not been elected, as well as potential election in the future.

2. Details of Amendments

The details of the amendments are as follows:

(The underlined sections indicate the amendments.)

Present Articles of Incorporation	Proposed Amendments
<p>(Representative Directors and Directors with Special Titles) Article 23. The Company may have a President and Director from among Directors by a resolution of the Board of Directors, and, as necessary, may have <u>one Honorary Chairman and Director</u>, one Chairman and Director, and a few <u>Vice Chairmen and Directors</u>, Vice Presidents and Directors, Senior Managing Directors, Managing Directors, and <u>Senior Advisors and Directors</u>.</p> <p>(ii)-(iii)                      (Omitted)</p>	<p>(Representative Directors and Directors with Special Titles) Article 23. The Company may have a President and Director from among Directors by a resolution of the Board of Directors, and, as necessary, may have one Chairman and Director, and a few Vice Presidents and Directors, Senior Managing Directors, <u>and</u> Managing Directors.</p> <p>(ii)-(iii)                      (Unchanged)</p>

**Proposal No. 3** Election of Eight Directors

At the conclusion of this meeting, the terms of office of all eight Directors will expire. Therefore, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Masahiro Norikyo (April 4, 1955)</p> <p>Tenure as Director 7 years *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 13/13</p> <p>[Reelection]</p>	<p>Apr. 1980      Joined the Company</p> <p>May 2012      Executive Officer and Vice Chief of Construction Headquarters</p> <p>June 2012      Director and Executive Officer, and Vice Chief of Construction Headquarters</p> <p>Apr. 2014      Director and Managing Executive Officer, Chief of Construction Headquarters, and in charge of earthquake-related restoration</p> <p>Apr. 2015      Director and Senior Managing Executive Officer, Chief of Civil Engineering Division, and in charge of earthquake-related restoration</p> <p>Apr. 2016      Director and Executive Vice-President, and in charge of civil engineering, building construction and Research Institute of Technology</p> <p>Apr. 2017      Representative Director and Executive Vice-President, and in charge of civil engineering and building construction</p> <p>June 2017      President, Representative Director and Chief Executive Officer (current position)</p>	4,180 shares
<p>Reasons for nomination as candidate for Director: Mr. Norikyo has managed the Board of Directors as President and Representative Director, and conducted delegated matters. The Company considers his management prowess indispensable to evolve into a "New Business Contractor," as he directed key management from the establishment of the new five-year medium-term management plan in 2019, and has led the efforts in its execution. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p data-bbox="347 510 528 573">Hiroyasu Nakade (January 19, 1955)</p> <p data-bbox="347 607 528 730">Tenure as Director 4 years *At the conclusion of this meeting</p> <p data-bbox="288 763 587 853">Attendance status at Board of Directors Meetings in FY2018 13/13</p> <p data-bbox="376 920 499 954">[Reelection]</p>	<p data-bbox="612 264 715 293">Apr. 1979</p> <p data-bbox="612 300 715 329">May 2008</p> <p data-bbox="612 362 715 392">June 2008</p> <p data-bbox="612 425 715 454">Oct. 2008</p> <p data-bbox="612 555 715 584">June 2011</p> <p data-bbox="612 651 715 680">June 2015</p> <p data-bbox="612 781 715 810">Apr. 2016</p> <p data-bbox="612 911 715 940">Apr. 2017</p> <p data-bbox="612 1008 715 1037">July 2017</p> <p data-bbox="612 1137 715 1167">Apr. 2019</p> <p data-bbox="772 264 1241 1200">           Joined the Company            Executive Officer and Chief of Building Construction Division            Director and Executive Officer, and Chief of Building Construction Division            Director and Managing Executive Officer, Chief of Building Construction Division, and in charge of management of quality and environment of the Company            Chief Managing Executive Officer, Vice Chief of Construction Headquarters, and in charge of management of quality and environment            Director and Managing Executive Officer, Chief of Building Construction Division, and in charge of management of quality and environment            Director and Senior Managing Executive Officer, Chief of Building Construction Division, and in charge of management of quality and environment            Director and Executive Vice-President, Chief of Building Construction Division, and in charge of management of quality and environment            Representative Director and Executive Vice-President, Chief of Building Construction Division, and in charge of management of quality and environment            Representative Director and Executive Vice-President (current position)         </p>	5,280 shares
<p data-bbox="276 1211 762 1240">Reasons for nomination as candidate for Director:</p> <p data-bbox="276 1247 1441 1422">Mr. Nakade has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Representative Director. In addition, he has supervised overall corporate management based on his broad business experience as Executive Vice-President since 2017 and exercises his excellent management skills by utilizing his extensive business experience and track records to ensure steady execution and progress of the five-year medium-term management plan. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Atsushi Ito (September 3, 1954)</p> <p>Tenure as Director 3 years *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 12/13</p> <p>[Reelection]</p>	<p>Apr. 1978      Joined the Company</p> <p>Oct. 2011      Executive Officer and General Manager of Tohoku Branch</p> <p>Apr. 2014      Managing Executive Officer and General Manager of Tohoku Branch</p> <p>Apr. 2016      Senior Managing Executive Officer, Chief of Civil Engineering Division, and in charge of earthquake-related restoration</p> <p>June 2016      Director and Senior Managing Executive Officer, Chief of Civil Engineering Division, and in charge of earthquake-related restoration</p> <p>Oct. 2016      Director and Senior Managing Executive Officer, Chief of Civil Engineering Division, and in charge of earthquake-related restoration and procurement of the Company</p> <p>Apr. 2018      Director and Senior Managing Executive Officer, Chief of Civil Engineering Division, in charge of safety &amp; environment, and in charge of earthquake-related restoration and procurement of the Company</p> <p>Apr. 2019      Director and Executive Vice-President, and in charge procurement of the Company (current position)</p>	4,620 shares
<p>Reasons for nomination as candidate for Director: Mr. Ito has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Director. In addition, he has supervised not only the civil engineering business but also overall corporate management based on his broad business experience as Executive Vice-President since 2019 and exercises his excellent management skills by utilizing his extensive business experience and track records to ensure steady execution and progress of the five-year medium-term management plan. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>			
4	<p>Yasuo Terashima (November 14, 1957)</p> <p>Tenure as Director 5 years *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 13/13</p> <p>[Reelection]</p>	<p>Apr. 1980      Joined the Company</p> <p>Apr. 2014      Executive Officer, Chief of Corporate Administration Division, and in charge of compliance</p> <p>June 2014      Director and Executive Officer, Chief of Corporate Administration Division, and in charge of compliance</p> <p>Apr. 2016      Director and Managing Executive Officer, Chief of Corporate Administration Division, and in charge of compliance</p> <p>Apr. 2019      Director and Senior Managing Executive Officer, Chief of Corporate Administration Division, and in charge of compliance (current position)</p>	2,450 shares
<p>Reasons for nomination as candidate for Director: Mr. Terashima has appropriately fulfilled his duties in the decision-making of important corporate matters and supervision of business operations as Director. In addition, he has supervised matters related to management operations and compliance from his holistic and broad perspective as Managing Executive Officer since fiscal 2019. He has not only led the steady execution and progress of the five-year medium-term management plan but also has exercised his excellent management skills in a variety of initiatives that include work-style reforms and health management. The Company has nominated him as a candidate to continue serving as Director based on the above.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Takuji Arai (August 8, 1959)	Apr. 1983	Joined the Company	2,510 shares
	Tenure as Director - *At the conclusion of this meeting	Apr. 2014	Executive Officer and General Manager of Tokyo Metropolitan Area Building Construction Branch	
	Attendance status at Board of Directors Meetings in FY2018 -	Apr. 2016	Managing Executive Officer and General Manager of Tokyo Metropolitan Area Building Construction Branch	
	[New election]	Apr. 2019	Managing Executive Officer, Chief of Building Construction Division, and in charge of quality (current position)	
Reasons for nomination as candidate for Director: Since joining the Company, Mr. Arai has been engaged primarily in the construction business. He has contributed to steady execution and progress of the three-year medium-term management plan based on his wealth of operational experience as Managing Executive Officer since fiscal 2016. He has also exercised his excellent management skills as the Chief of the Building Construction Division since fiscal 2019. The Company has nominated him as a Director candidate because it can expect him to properly fulfill his duties as Director, such as decision-making on important management matters and the audit of business execution.				
6	Shinichiro Sato (February 12, 1959)	Apr. 1983	Joined the Company	1,380 shares
	Tenure as Director - *At the conclusion of this meeting	Dec. 2012	Executive Officer and General Manager of International Operations Division	
	Attendance status at Board of Directors Meetings in FY2018 -	Apr. 2017	Managing Executive Officer and General Manager of International Operations Division	
	[New election]	Apr. 2019	Managing Executive Officer, Chief of Civil Engineering Division, and General Manager of International Operations Division (current position)	
Reasons for nomination as candidate for Director: Since joining the Company, Mr. Sato has been engaged in a broad range of fields, such as the civil engineering business and corporate planning. He has contributed to steady execution and progress of the three-year medium-term management plan as the General Manager of the International Operations Division since 2012. He has also exercised his excellent management skills as the Chief of the Civil Engineering Headquarters since fiscal 2019. The Company has nominated him as a Director candidate because it can expect him to properly fulfill his duties as a Director who has a global perspective, such as decision-making on important management matters and the audit of business execution.				



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p>Takashi Aihara (July 24, 1955)</p> <p>Independent Officer Outside Director</p> <p>Tenure as outside Director 1 year *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 11/11</p> <p>[Reelection]</p>	<p>Apr. 1979      Joined Osaka Gas, Co., Ltd.</p> <p>June 2010      Director</p> <p>Apr. 2014      President and Representative Director, Kinpai Co., Ltd.</p> <p>Apr. 2016      Advisor, Osaka Gas Housing &amp; Equipment Co., Ltd.</p> <p>June 2016      Audit &amp; Supervisory Board Member of Osaka Gas Housing &amp; Equipment Co., Ltd.</p> <p>June 2018      Outside Director of the Company (current position)</p>	300 shares
<p>Reasons for nomination as candidate for outside Director: Mr. Aihara is a candidate for outside Director. He has provided opinions on the corporate management of the Company from his broad perspective, which could not be gained as an internal director, as an executive and Audit &amp; Supervisory Board Member since his appointment in fiscal 2018. The Company judges that he will appropriately fulfilled his duties in the execution of business operations. The Company has nominated him as a candidate to continue serving as outside Director based on the above.</p>			
8	<p>Michiko Matsuda (August 21, 1955)</p> <p>Independent Officer Outside Director</p> <p>Tenure as outside Director -</p> <p>*At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 -</p> <p>[New election]</p>	<p>Apr. 1980      Joined Aiko Girls Juvenile Detention Center (Tokyo), Ministry of Justice</p> <p>Apr. 2005      Administrative Director, Shimei Girls Juvenile Detention Center (Hokkaido)</p> <p>Apr. 2007      Administrative Director, Kifunehara Girls Juvenile Detention Center (Hiroshima)</p> <p>Apr. 2009      Administrative Director, Izumi Juvenile Detention Center (Osaka)</p> <p>Apr. 2011      General Manager of Department No. 3, Nagoya Regional Correction Headquarters, Ministry of Justice</p> <p>Apr. 2012      Warden, Tochigi Prison</p> <p>Apr. 2013      Administrative Director, Tama Juvenile Detention Center (Tokyo)</p> <p>Apr. 2015      District Superintendent, Tokyo Regional Correction Headquarters, Ministry of Justice</p> <p>Apr. 2016      Instructor, Correctional Training Center, Ministry of Justice</p> <p>May 2017      Manager, Correctional Research Office, Correctional Support Department, Japanese Correctional Association (current position)</p> <p>Significant concurrent positions outside the Company Manager, Correctional Research Office, Correctional Support Department, Japanese Correctional Association</p>	0 shares
<p>Reasons for nomination as candidate for outside Director: Ms. Matsuda is a candidate for outside Director. She has never been involved in the management of a company in the past. However, she has been engaged in correctional education and related supports over many years, and therefore has wealth of experience and broad knowledge, which could not be gained as an internal director. The Company judges that she will appropriately fulfilled her roles as outside Director, such as advice on social contribution activities and oversight of decision-making and business execution of the Company. The Company has nominated her as a candidate for outside Director based on the above.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Pursuant to the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Takashi Aihara to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for by laws and regulations. If the reelection of Takashi Aihara is approved, the Company plans to renew the aforementioned agreements with him. If the election of Michiko Matsuda is approved, the Company plans to enter into the same limited liability agreement with her.
  3. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Takashi Aihara has been appointed as independent officers as provided for by the aforementioned exchange. Furthermore, Michiko Matsuda satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the Company plans to submit notification to the aforementioned exchange concerning her appointment as an independent officer.

**Proposal No. 4** Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Takashi Hagusako will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p>Takashi Hagusako (November 9, 1956)</p> <p>Tenure as Audit &amp; Supervisory Board Member 4 years *At the conclusion of this meeting</p> <p>Attendance status at Board of Directors Meetings in FY2018 13/13</p> <p>Attendance status at Audit &amp; Supervisory Board Meetings in FY2018 14/14</p> <p>[Reelection]</p>	<p>Apr. 1979      Joined the Company</p> <p>Apr. 2003      General Manager of Business Administration Department</p> <p>July 2008      General Manager of East Japan Civil Engineering Regional Office</p> <p>May 2012      General Manager of the General Administration Department, Tokyo Metropolitan Area Civil Engineering Branch</p> <p>Aug. 2013      Deputy General Manager of Tokyo Metropolitan Area Building Construction Branch</p> <p>June 2015      Standing Auditor (current position)</p>	<p>3,190 shares</p>

Reasons for nomination as candidate for Audit & Supervisory Board Member:

Mr. Hagusako has experience in the management and administration as well as accounting operations of the Company over many years and possess sufficient knowledge in finance and accounting. He has conducted audits such as audits of the business conditions of the Company and appropriately fulfilled his duties by utilizing his knowledge during his term as an Audit & Supervisory Board Member. The Company has nominated him as a candidate to continue serving as an Audit & Supervisory Board Member based on the above.

Note: There is no special interest between the candidate and the Company.

**Proposal No. 5** Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members (including outside Audit & Supervisory Board Member) fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Shu Hamba (August 21, 1965)	Apr. 1993 Registered at Daiichi Tokyo Bar Association Apr. 1993 Joined Iwata Godo Feb. 2004 Registered as an attorney at law in New York State, USA Mar. 2010 Outside Audit & Supervisory Board Member of Caterpillar Japan Ltd. June 2010 Outside Director of SMBC Servicer Co., Ltd. Aug. 2010 Joined Shimada Hamba & Osajima (current position) Significant concurrent positions outside the Company Attorney at Law of Shimada Hamba & Osajima	0 shares
Reasons for nomination as candidate for substitute outside Audit & Supervisory Board Member: Mr. Hamba is a candidate for substitute outside Audit & Supervisory Board Member. He has never been involved in the management of a company in the past except as an outside officer. However, the Company proposes the election of him as substitute Audit & Supervisory Board Member so that his considerable and highly specialized knowledge related to corporate law as an attorney may be utilized in the audit system of the Company.		

- Notes:
1. There is no special interest between the candidate and the Company.
  2. If Shu Hamba assumes the office of Audit & Supervisory Board Member, pursuant to the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. Pursuant to this agreement, the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for by laws and regulations.

## Proposal No. 6 Adoption of Performance-Linked Share-Based Remuneration Plan for Directors

### 1. Reasons for proposal

The Company requests the approval of this proposal to introduce a new Board Benefit Trust (BBT) performance-linked share-based remuneration plan (hereinafter the “Plan”) for Directors (excluding Outside Directors, hereinafter, unless otherwise indicated, same in this proposal).

The Plan further clarifies the link between remuneration of Directors, the Company’s performance and prices of the Company’s shares for the purpose of heightening awareness about the improvement in medium- to long-term business performance and the great contribute to increased corporate value from such performance by sharing not only the benefits of rising stock prices between Directors and the shareholders but also the risk of falling stock prices. The Company believes the contents of this proposal are appropriate in view of these particular purposes.

In addition to the remuneration of Directors approved at the 59th Annual General Meeting of Shareholders held on June 28, 2002 (within ¥300 million per year; Proposal No. 7: Revision of Amount of Remuneration for Directors reduces said remuneration of Directors to no more than ¥260 million per year (¥20 million for Outside Directors) under the condition Proposal No. 6 is approved as proposed), with this proposal, the Company seeks the shareholder’s approval for the new share-based remuneration to Directors. The Company asks the details of the Plan as outlined under 2. below be left up to the Board of Directors.

Six Directors, excluding outside Directors, who are candidates for election are eligible for the Plan if Proposal 3: Election of Eight Directors is approved as proposed.

### 2. Amount of remuneration and reference information related to the Plan

#### (1) Overview of the Plan

The Plan is a performance-linked share-based remuneration plan in which the trust will acquire the Company’s shares using money contributed by the Company as the source of funds (hereinafter the “Trust,” which is established pursuant to the Plan) and Directors are provided with the Company’s shares and cash equivalent to the market value of the Company’s shares (hereinafter referred to as the “Company’s Shares, etc.”) through the Trust in accordance with the performance-linked share-based remuneration system established by the Company. The time for Directors to receive the Company’s Shares, etc. shall be as a general rule at the time of retirement.

#### (2) Directors Eligible for the Plan

Directors (Outside Directors are not eligible for the Plan)

#### (3) Term of Trust

The term of the Trust shall be from August 2019 (tentative) until the termination of the Trust. (No date of termination of the trust period of the Trust will remain in place as long as the Plan is maintained. The Plan will be terminated for reasons that include delisting of the Company’s stock or abolition of the share-based remuneration for Executive Officers.)

#### (4) Amount of trust fund (amount of remuneration, etc.)

Subject to the proposal being approved, the Company shall adopt the Plan for three business years from the business year ending March 31, 2020 to the business year ending March 31, 2022 (hereinafter, such term of said three business years, the “Initial Applicable Term” and the Initial Applicable Term and each of the three year periods commencing after the Initial Applicable Term are referred to as “Applicable Term”) and for each subsequent Applicable Term. The following amount shall be contributed to the Trust by the Company as the source of funds for the acquisition of the Company’s shares through the Trust in order to transfer the Company’s Shares, etc. to Eligible Directors, etc.

First, when establishing the Trust (scheduled for August 2019 (tentative)), the Company shall contribute funds of no more than ¥120 million as the source of funds estimated to be required in correspondence to the Initial Applicable Term, thus creating the Trust.

In addition, the Company shall contribute additional funds of no more than ¥120 million to the Trust each applicable term as a general rule until the termination of the Plan even after the expiration of the Initial Applicable Term. However, in the case of making additional contributions, when the Company’s shares (excluding the Company’s shares corresponding to the points granted to Eligible Directors, etc. for each immediately preceding Plan Period and provision of the Company’s shares to Eligible Directors, etc. is not

completed) and money (hereinafter the “Remaining Shares, etc.”) remain in the Trust, the amount of the Remaining Shares, etc. (as for the Company’s share, value of the Company’s shares on the last business day of the previous Applicable Term) and the additional funds for contribution shall not exceed a total value of ¥120 million.

(5) Method of acquisition of the Company’s shares and number of shares to be acquired

The Trust shall acquire the Company’s shares through the market on which the Company’s shares are listed or by subscribing for treasury shares disposed of by the Company with the funds contributed in (4) above as the source of funds.

As reference, assuming the acquisition at the closing price on May 14, 2019, the number of shares to be acquired using the fund contributed by the Company for the acquisition of the Company’s share in order to deliver Shares, etc. of the Company to Eligible Directors is 91,300 shares at maximum.

(6) Method for calculating the number of the Company’s Shares, etc. provided to Eligible Directors

For each fiscal year, the Eligible Directors shall be granted a prescribed number of points decided in accordance with the Rules for Delivery of Shares to Directors, taking into consideration the Director’s position and the attainment level of performance, etc., and the total number of these granted points shall be the upper limit for the number of shares that remain in the Trust at the point in time when said points were granted (excluding shares of the Company equivalent to the number of points granted to Directors prior to that point in time that are still to be paid to the Directors).

Furthermore, the points granted to Eligible Directors shall be calculated as one common share of the Company’s stock for each point when the Company’s Shares, etc. are transferred under (7) below (however, the number of points already granted and the conversion rate may be rationally adjusted according to the ratio of stock splits, allotment of shares without contribution or stock mergers of the Company shares, if these are carried out, after this proposal is approved and adopted).

The number of points granted to Eligible Directors, which is are the standards for the transfer of the Company’s Shares, etc. under (7) below is the number of points granted to Eligible Directors up until their resignation as a general rule (hereinafter, such points calculated in this way, the “Defined Number of Points”).

(7) Transfer of the Company’s Shares, etc.

An Eligible Director who retires and satisfies the requirements for the beneficiary stipulated in the Rules for Delivery of Shares to Directors may, as a general rule, receive the number of the Company’s shares from the Trust in accordance with the Defined Number of Points as explained in (6) above after their resignation by undergoing the designated procedure to establish a beneficiary. However, if the requirements stipulated in the Rules for Delivery of Shares to Directors are satisfied separately, the Director may receive, in respect of a certain portion of the points, an amount of cash equivalent to the market price of the Company’s shares in lieu of the provision of Company’s shares. Furthermore, in order to make the monetary provisions, the Trust may sell the Company’s shares.

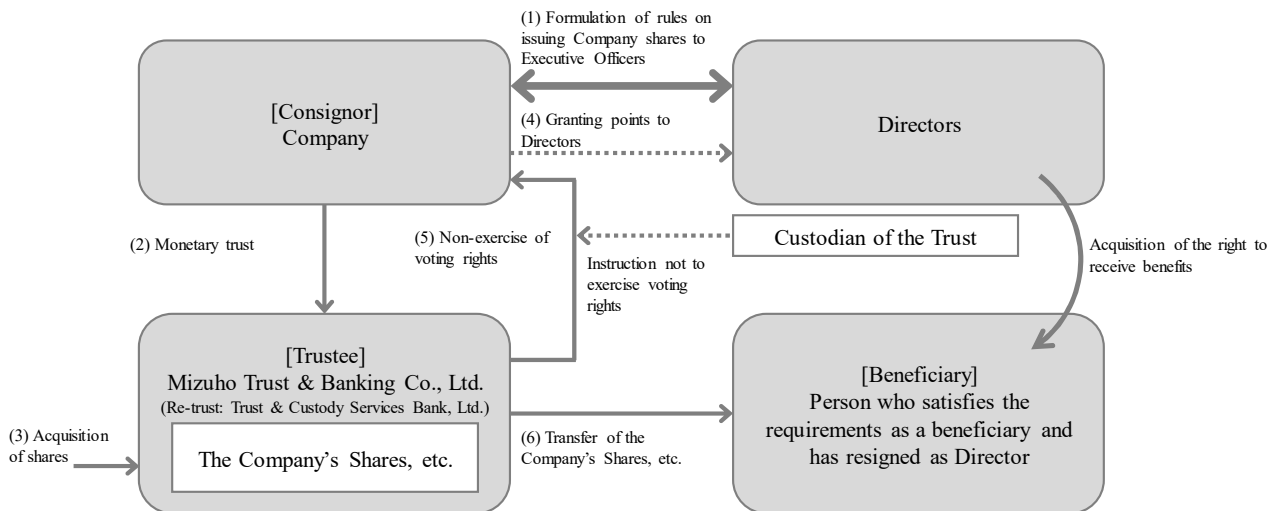
(8) Exercise of Voting Rights

Voting rights of the Company’s shares held within the Trust accounts shall not be exercised uniformly based on the instructions by the custodian of the Trust. By using this method, the Company intends to ensure neutrality toward management of the Company with regard to the exercise of the voting rights of the shares of the Company within the Trust account.

(9) Treatment of dividends

Dividends on the Company’s shares held within the Trust shall be received by the Trust to use as funds to acquire the Company’s shares and to be appropriated for trust fees, etc. paid to the trustee of the Trust.

<Reference: Structure of the Plan>



- i. The Company will establish the Rules for Delivery of Shares to Directors within the scope of the framework approved at this General Meeting of Shareholders.
- ii. The Company will entrust money within the limit for which approval was received at this General Meeting of Shareholders.
- iii. The Trust shall acquire the Company's shares through the market on which the Company's shares are listed or by subscribing for treasury shares disposed of by the Company with the funds contributed in ii. above as the source of funds.
- iv. The Company grants points to Eligible Directors based on the provisions in the Rules for Delivery of Shares to Directors.
- v. The Trust shall not exercise the voting rights on the Company's shares held within the Trust in accordance with instructions from a custodian of the Trust, which is independent from the Company.
- vi. The Trust provides the number of the Company's shares in accordance with the number of points granted to the Director who has retired as director and satisfies the requirements for the beneficiary stipulated in the Rules for Delivery of Shares to Directors. However, if the requirements defined in the Rules for Delivery of Shares to Directors are satisfied separately, the Director may receive, in respect of a certain portion of the points, an amount of cash equivalent to the market price of the Company's shares in lieu of the provision of the Company's shares.

**Proposal No. 7**      Revision of Amount of Remuneration for Directors

Remuneration for Directors of the Company of no more than ¥300 million per year was approved and adopted at the 59th Ordinary General Meeting of Shareholders held on June 28, 2002, which remains in effect today. In accordance with the proposal for the adoption of a performance-linked share-based remuneration plan this time, the Company proposes the revision of the remuneration of Directors be reduced to no more than ¥260 million per year (¥20 million per year for Outside Directors).

Furthermore, this proposal shall go into effect, subject to the shareholders' approval of Proposal No. 6: Adoption of Performance-Linked Share-Based Remuneration Plan for Directors as proposed.

In addition, if Proposal No. 3: Election of Eight Directors is approved and adopted as proposed, the number of Directors shall be changed to eight Directors (two of whom are External Directors).