

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 4301

June 11, 2021

To Our Shareholders

Masaki Nakanishi,
Representative Director, President
AMUSE INC.
20-1 Sakuragaoka-cho, Shibuya-ku, Tokyo

Notice of the 43rd Annual Shareholders Meeting

This notice is to inform you of the 43rd Annual Shareholders Meeting of AMUSE INC. (the “Company”) to be held as described below.

However, taking into account the recent effect of the novel coronavirus disease (COVID-19), if at all possible, we ask that, you refrain from attending the meeting in person this year, and exercise your voting rights beforehand in writing or via the Internet, etc., instead.

Please read the Reference Documents for the Annual Shareholders Meeting, refer to the “Notice of Exercise of Voting Rights” (in Japanese only), and exercise your voting rights no later than 7:00 p.m., Friday, June 25, 2021 (JST).

Additionally, if any change regarding the Annual Shareholders Meeting occurs due to the situation regarding the spread of the virus and announcements by the government or other institutions ahead of the meeting, we will post the information on the IR information section of the Company’s website.

1. Date and Time: Monday, June 28, 2021, at 2:00 p.m. (JST)

2. Venue: Belle Salle Takadanobaba, B2F Event Hall
3-8-2 Okubo, Shinjuku-ku, Tokyo

Notes and Notices

As in the previous year, we are planning to shorten the duration of the meeting by simplifying reports on the floor in order to prevent the spread of COVID-19, to ensure the safety and security of the attendees.

In addition, as previously announced, as in the previous year, the shareholder-only event after the meeting will not be held this year.

We kindly ask our shareholders for their understanding.

3. Purpose of the Meeting

Matters to be reported:

1. Report on the Business Report, the Consolidated Financial Statements and audit reports by the Accounting Auditor and the Board of Auditors for the Consolidated Financial Statements for the 43rd term (from April 1, 2020 to March 31, 2021)
2. Report on the Non-consolidated Financial Statements for the 43rd term (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Eight (8) Directors
Proposal No. 4: Election of Four (4) Auditors

Matters related to the Reference Documents for the Annual Shareholders Meeting and the documents provided with the Notice
Pursuant to the provisions of laws and regulations and Article 17 of the Articles of Incorporation of the Company, the following matters are not included in the documents provided with this Notice because they are posted on the IR information section of the Company's website.

- 1) Systems for Ensuring the Properness of Business Activities and Implementation Status of the System
- 2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements of the Consolidated Financial Statements
- 3) Non-consolidated Financial Statements of Changes in Equity and Notes to Non-consolidated Financial Statements of the Non-consolidated Financial Statements

Accordingly, the Business Report, the Consolidated Financial Statements and Non-consolidated Financial Statements included in the documents provided with this Notice are part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Accounting Auditor or the Board of Auditors in preparing the Accounting Audit Report or the Audit Report. Additionally, if any amendments are made to the Reference Documents for the Annual Shareholders Meeting, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, the amended items will be posted on the IR information section of the Company's website.

The Company's IR site: <https://www.amuse.co.jp/ir/>

Reference Documents for the Annual Shareholders Meeting

Proposal No. 1: Appropriation of Surplus

The Company hereby proposes the appropriation of surplus as provided below.

Matters relating to year-end dividends

Regarding the return of profits to its shareholders as a priority management issue, the Company aims to raise the level while emphasizing the continuous and stable distribution of dividends.

On the basis of this policy and upon consideration of comprehensive factors including business results for the fiscal year under review and prospects for business development going forward, the Company has decided to pay a year-end dividend of ¥35 as ordinary dividend for the fiscal year ended March 31, 2021 (the 43rd term). As a result, dividends on an annual basis amount to ¥35 per share.

As such, the Company remains committed to achieving greater results with respect to consistently returning high level profits to its shareholders going forward.

Type of dividend property

Cash

Allotment of dividend property and their aggregate amount

¥35 per common share of the Company

Total dividends: ¥620,102,910

Effective date of dividends of surplus

June 29, 2021

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

1. Purpose of the amendment to the Articles of Incorporation

- (i) The business purpose in Article 2 of the current Articles of Incorporation will be added to better reflect the current status of the Company’s business.
- (ii) The location of the head office will be changed to reflect the establishment of Amuse Village as the head office at the foot of Mount Fuji in Yamanashi Prefecture.
- (iii) Some phrasing will be amended.

2. Details of the amendment to the Articles of Incorporation

The details of the amendments are as follows:

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose) Article 2 The purpose of the Company is to engage in the following businesses.</p> <ol style="list-style-type: none"> 1. Development and management of entertainment talents, musicians, film directors, scriptwriters, directors, athletes, cultural figures, etc. 2. Production, <u>contracting, and performance</u> of music, movies, plays, performances, and lectures, and operation and contracting of their facilities 3. Planning, production, contracting, and copyright business for <u>radio and television</u> broadcasting programs, commercial films, and commercial songs 4. Planning, production, manufacturing, sales, rental, and copyright business for audio and video software (<u>disks, tapes, films</u>) 5. Fee-charging employment placement and worker dispatch business for entertainers 6. Inviting overseas entertainment talents, musicians, film directors, scriptwriters, directors, athletes, cultural figures, etc. 7. Planning, sales, and management of rights to use character products (those using portraits, signatures, nicknames, etc. of people, animals, etc. with unique names or characteristics) 8. Publication and sale of books, sheet music, and other printed materials 9. Operation of recording studios and lesson studios 10. Advertising agency business 11. Mail order business and various information services using the Internet, etc. 12. Management, planning, and administration of restaurants 13. Planning, development, production, operation, and consulting services for various educational businesses such as events, training sessions, and seminars for companies and individuals 14. Planning, designing, manufacturing, wholesaling, sales, import or export of apparel products and miscellaneous goods, and consulting on apparel business 15. Export/import and sale of foods, alcoholic beverages, salts, pharmaceuticals, quasi-drugs, and cosmetics 16. Warehousing business 17. Intermediary business for courier service 18. Motor truck transportation business (general motor truck transportation business) 	<p>(Purpose) Article 2 The purpose of the Company is to engage in the following businesses.</p> <ol style="list-style-type: none"> 1. Development and management of entertainment talents, musicians, film directors, scriptwriters, directors, athletes, cultural figures, etc. 2. Production of music, movies, plays, performances, and lectures, <u>contracting and performance of the above,</u> and operation and contracting of their facilities 3. Planning, production, contracting, and copyright business for broadcasting programs, commercial films, and commercial songs 4. Planning, production, manufacturing, sales, rental, and copyright business for audio and video software 5. Fee-charging employment placement and worker dispatch business for entertainers 6. Inviting overseas entertainment talents, musicians, film directors, scriptwriters, directors, athletes, cultural figures, etc. 7. Planning, sales, and management of rights to use character products (those using portraits, signatures, nicknames, etc. of people, animals, etc. with unique names or characteristics) 8. Publication and sale of books, sheet music, and other printed materials 9. Operation of recording studios and lesson studios 10. Advertising agency business 11. Mail order business and various information services using the Internet, etc. 12. Management, planning, and administration of restaurants 13. Planning, development, production, operation, and consulting services for various educational businesses such as events, training sessions, and seminars for companies and individuals 14. Planning, designing, manufacturing, wholesaling, sales, import or export of apparel products and miscellaneous goods, and consulting on apparel business 15. Export/import and sale of foods, alcoholic beverages, salts, pharmaceuticals, quasi-drugs, and cosmetics 16. Warehousing business 17. Intermediary business for courier service 18. Motor truck transportation business (general motor truck transportation business)

Current Articles of Incorporation	Proposed Amendments
<p>19. Freight forwarding business (First class consigned freight forwarding business) (Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p><u>20.</u> All operations that are incidental to those mentioned in the preceding items. (Location of the head office)</p> <p>Article 3 The Company's head office shall be located in <u>Shibuya-ku, Tokyo.</u></p> <p>(Newly established)</p>	<p>19. Freight forwarding business (First class consigned freight forwarding business)</p> <p><u>20. Operation of inns, hotels, simple lodgings, boarding houses and leisure facilities, and travel agencies</u></p> <p><u>21. Leasing, import, import agency, sales and sales agency of sports and leisure goods</u></p> <p><u>22. Manufacturing of alcoholic beverages</u></p> <p><u>23. Farming and leasing of agricultural land</u></p> <p><u>24. Sales and leasing of real estate</u></p> <p><u>25.</u> All operations that are incidental to those mentioned in the preceding items. (Location of the head office)</p> <p>Article 3 The Company's head office shall be located in <u>Fujikawaguchiko-machi, Minamitsuru-gun, Yamanashi Prefecture.</u></p> <p><u>Supplementary Provisions</u> <u>(Effective date regarding the location of the head office)</u> <u>Article 3 shall become effective as of the date of transfer to be determined at a meeting of the Board of Directors to be held by March 31, 2022. Until the effective date, the head office shall be located in Shibuya-ku, Tokyo, and these Supplementary Provisions shall be deleted after the effective date.</u></p>

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal No. 3: Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this meeting.

Accordingly, the Company proposes the election of eight (8) Directors, including three (3) External Directors.

The candidates for Directors are as follows:

Candidate no.	Attribute	Name	Position in the Company	Term of office (at conclusion of this meeting)	Attendance to Board of Directors (FY2020)
1	Reelection	Yokichi Osato	Representative Director and Chairman	10 years	13/13 (100%)
2	Reelection	Masaki Nakanishi	Representative Director, President	2 years	13/13 (100%)
3	Reelection	Rumiko Ichige	Representative Director, Vice President	1 year	10/10 (100%)
4	Reelection	Hiroyuki Araki	Director, Senior Managing Executive Officer	2 years	13/13 (100%)
6	Reelection	Takahiro Ono	Director, Managing Executive Officer	1 year	10/10 (100%)
7	Reelection External Independent	Muneaki Masuda	External Director	11 years	13/13 (100%)
8	Reelection External Independent	Takaharu Ando	External Director	5 years	13/13 (100%)
9	Reelection External Independent	Yoichi Aso	External Director	1 year	10/10 (100%)

Reelection: Candidate for reelection as Director

External: Candidate for External Director

Independent: Independent officer as provided for by Tokyo Stock Exchange

Note: The attendance of Ms. Rumiko Ichige, Mr. Takahiro Ono, and Mr. Yoichi Aso refers to the attendance to the meetings of the Board of Directors held after they assumed their positions on June 29, 2020.

Candidate no.	Name (Date of birth)	Career summary, position and responsibility at the Company (Important concurrent positions)	Number of the Company's shares owned
1	<p>Yokichi Osato (August 22, 1946, age 74) Reelection</p> <p>Tenure as Director At conclusion of this meeting: 10 years</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p>	<p>Apr. 1969 Joined WATANABE PRODUCTIONS CO., LTD</p> <p>Oct. 1978 Founded the Company, Representative Director and President</p> <p>Nov. 1981 Representative Director and Chairman, the Company</p> <p>June 2008 Advisor and Honorary Chairman, the Company</p> <p>June 2009 Top Advisor, the Company</p> <p>June 2011 Representative Director and Chairman, the Company (present)</p> <p>May 2013 Representative Director and Chairman, LIVE VIEWING JAPAN Inc.</p> <p>July 2014 Representative Director and Chairman, Amusequest Inc.</p> <p>May 2016 Representative Director and Senior Advisor, LIVE VIEWING JAPAN Inc.</p> <p>May 2016 Representative Director and Chairman and President, Amusequest Inc.</p> <p>Apr. 2017 Representative Director and Chairman, Amusequest Inc.</p> <p>Oct. 2019 Representative Director and Chairman, AMUSE QUEST, inc. (present)</p>	451,060 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Osato has long served the Company since its founding, both as its Representative Director and President and as Representative Director and Chairman, and maintains extensive knowledge and experience of the Company's industry which amassed since before it was established in 1978. Accordingly, he has abundant operation experience with respect to the Amuse Group overall, has engaged in initiatives to create new business, and maintains a proven track record and knowledge with respect to having helped build the foundations of today's Amuse Group. The Company can expect him to continue making the most of his knowledge and abilities in helping the Amuse Group enhance its enterprise value.</p>			
2	<p>Masaki Nakanishi (November 9, 1973, age 47) Reelection</p> <p>Tenure as Director At conclusion of this meeting: 2 years</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p>	<p>Apr. 1998 Joined the Company</p> <p>May 2008 Representative Director and President, TAISHITA Label Music Co., Ltd. (present)</p> <p>Apr. 2012 General Manager of Artist Management Department 1, the Company</p> <p>Apr. 2016 Executive Producer in charge of Southern All Stars Project and Artist Management Department 1, General Manager of Southern All Stars Project, and General Manager of Artist Management Department 1, the Company</p> <p>July 2017 Executive Officer in charge of Southern All Stars Project and Artist Management Department 1, General Manager of Southern All Stars Project, and General Manager of Artist Management Department 1, the Company</p> <p>June 2019 Representative Director, President, the Company (present)</p>	4,388 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Nakanishi joined the Company in 1998, where he made use of his abilities by managing musical artists, such as Southern All Stars, and teams. Furthermore, he created a wide-ranging base for the Company's music business and has knowledge gained by combining the resources of the Amuse Group and external partners to the fullest extent and adapting to the new market environment with a wide range of artists. He has served as Representative Director, President from June 2019. Accordingly the Company can expect him to continue making the most of his abilities and knowledge in flexibly responding to the drastically changing business environment and helping the Amuse Group enhance its enterprise value and lead.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility at the Company (Important concurrent positions)	Number of the Company's shares owned
3	<p style="text-align: center;">Rumiko Ichige (June 7, 1958, age 63) Reelection</p> <p style="text-align: center;">Tenure as Director At conclusion of this meeting: 1 year</p> <p style="text-align: center;">Attendance to the Meeting of the Board of Directors in FY2020: 10/10</p>	<p>Nov. 1978 Joined the Company</p> <p>Apr. 2003 Executive Officer, General Manager of Production Planning Department, the Company</p> <p>July 2007 Senior Executive Officer, General Manager of Artist Management Department 3, and in charge of WILL Department, the Company</p> <p>June 2008 Director overseeing Artist Management Department 2, 3, 4, 5, TV Program Department, New Artists Development Department, FC Department and MD Department, and General Manager of Artist Management Department 2, the Company</p> <p>Oct. 2012 Executive Director overseeing Artist Management Department 5, 6, 7, TV Program Department, Information Management Department and Film Production Department, the Company</p> <p>Apr. 2016 Executive Director overseeing Southern All Stars Project, Artist Management Department 6, 7, 8, Theatrical Production Department, Information Management Department, and Group General Affairs Department & Human Resources Department, the Company</p> <p>June 2017 Senior Managing Executive Officer, the Company</p> <p>June 2018 Director, Senior Managing Executive Officer, the Company</p> <p>June 2019 Executive Producer, the Company</p> <p>June 2019 Representative Director, S KAKERU, Inc. (present)</p> <p>June 2020 Director, Vice President, the Company (present)</p>	118,420 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Ms. Ichige joined the Company in 1978 and subsequently developed a proven track record mainly in the realm of artist management involving actors. Later, she amassed extensive experience as a supervisor involved in film production and related business, assumed the position of Executive Officer in 2003. After serving as a Director, she assumed the position of Executive Director in 2012 and Senior Managing Executive Officer in 2017. She has abundant operational experience and knowledge mainly in the realm of artist management and has brought diversification to the Amuse Group's business from a unique perspective. Accordingly the Company can expect her to continue making the most of her knowledge and abilities in helping the Amuse Group enhance its enterprise value.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility at the Company (Important concurrent positions)	Number of the Company's shares owned
4	<p style="text-align: center;">Hiroyuki Araki (September 15, 1970, age 50) Reelection</p> <p style="text-align: center;">Tenure as Director At conclusion of this meeting: 2 years</p> <p style="text-align: center;">Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p>	<p>Apr. 1994 Joined the Company</p> <p>July 2008 General Manager of Artist Management Department 3, the Company</p> <p>Apr. 2009 General Manager of Artist Management Department 2, the Company</p> <p>Apr. 2012 General Manager of Artist Management Department 5, the Company</p> <p>July 2013 Executive Officer in charge of Artist Management Department 5 and Artist Management Department 6, and General Manager of Artist Management Department 5, the Company</p> <p>Apr. 2016 Executive Officer in charge of Artist Management Department 1, Artist Management Department 2, Artist Management Department 3 and Sports & Cultural Department, and General Manager of Artist Management Department 2, the Company</p> <p>July 2017 Executive Officer in charge of Artist Management Department 2, Artist Management Department 3, Artist Management Department 4 and Sports & Cultural Department, and General Manager of Artist Management Department 4, the Company</p> <p>June 2019 Director, Managing Executive Officer, the Company</p> <p>June 2020 Director, Senior Managing Executive Officer, the Company (present)</p>	2,300 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Araki joined the Company in 1994, where he developed a proven track record in managing not only musicians and actors, but also TV personalities, cultural artists, and athletes, as well as in producing TV programs, and has a wide range of knowledge. Furthermore, he promoted the development of new areas, such as IP content development. Accordingly the Company can expect him to make the most of his abilities and knowledge in teaching and fostering young employees, as well as helping the Amuse Group enhance its enterprise value.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility at the Company (Important concurrent positions)	Number of the Company's shares owned
5	<p>Takahiro Ono (January 3, 1973, age 48) Reelection</p> <p>Tenure as Director At conclusion of this meeting: 1 year</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 10/10</p>	<p>Apr. 1995 Joined the Company</p> <p>Apr. 2012 General Manager of Digital Business Department, the Company</p> <p>Apr. 2016 Executive Officer in charge of Digital Contents Department, FC Department, Consumer Service Promotion Department, MD Department and Rights Management Department, and General Manager of Digital Contents Department, the Company</p> <p>July 2017 Executive Officer in charge of Digital Contents Department, MD Department, Rights Management Department and New Business Development Department, the Company</p> <p>Apr. 2019 Executive Officer in charge of Rights Management Department, the Company</p> <p>Nov. 2019 Executive Officer in charge of Rights Management Department, FC Department and Consumer Service Promotion Department, the Company</p> <p>June 2020 Director, Executive Officer, the Company</p> <p>Apr. 2021 Director, Managing Executive Officer, the Company (present)</p>	4,400 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Ono joined the Company in 1995, where he has worked in a wide range of fields including Music Publishing Department, General Affairs Department and entire digital business, and developed a proven track record. In addition, he has extensive experience in launching and supporting new businesses by utilizing his knowledge of the entire digital business field and rights-related fields. The Company can expect him to continue making the most of his abilities and knowledge in contributing to enhance the Amuse Group's corporate value.</p>			
6	<p>Muneaki Masuda (January 20, 1951, age 70) Reelection External Independent</p> <p>Tenure as Director At conclusion of this meeting: 11 years</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p>	<p>Sept. 1985 Founded Culture Convenience Club Co., Ltd., Representative Director and President</p> <p>June 2005 External Director, NIPPON SHUPPAN HANBAI INC. (present)</p> <p>June 2008 Representative Director President and CEO, Culture Convenience Club Co., Ltd. (present)</p> <p>June 2010 External Director, the Company (present)</p> <p>June 2010 External Director, Multi-Package Distribution Co., Ltd. (present)</p> <p>Mar. 2011 External Director, amana holdings inc. (currently amana inc.)</p> <p>Apr. 2016 Representative Director, Chairman and CEO, Tpoint Japan Co., Ltd.</p> <p>Apr. 2020 External Director, Tpoint Japan Co., Ltd. (present)</p> <p>Jan. 2021 External Director, Top Culture Co., Ltd. (present)</p>	- shares
<p>[Reasons for nomination as candidate for External Director and summary of expected roles]</p> <p>Mr. Masuda is conversant with entertainment business involving digital media and contents business and has abundant experience in both operations and management, in part given his background acting as manager of numerous companies. The Company can expect him to provide advice from various perspectives with respect to future growth strategy, and accordingly proposes his election as External Director.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility at the Company (Important concurrent positions)	Number of the Company's shares owned
7	Takaharu Ando (August 31, 1949, age 71) Reelection External Independent Tenure as Director At conclusion of this meeting: 5 years Attendance to the Meeting of the Board of Directors in FY2020: 13/13	Apr. 1972 Joined National Police Agency Sept. 1994 Chief, Gunma Prefectural Police Headquarters Aug. 1999 Director of Public Security Department, Metropolitan Police Department Aug. 2004 Director General of Commissioner-General's Secretariat, National Police Agency Aug. 2007 Deputy Commissioner General, National Police Agency June 2009 Commissioner General, National Police Agency Oct. 2011 Retired from National Police Agency May 2013 Outside Director, Nitori Holdings Co., Ltd. (present) June 2016 External Director, the Company (present) June 2017 Outside Director, Zensho Holdings Co., Ltd. (present) June 2018 External Director, TOBU RAILWAY CO., LTD. (present)	- shares
[Reasons for nomination as candidate for External Director and summary of expected roles] Mr. Ando has never in the past been involved in the management of a company. However, he has abundant experience and extensive insight, in part given his background acting as Commissioner General of National Police Agency as well as other important positions. The Company can expect him to provide appropriate supervision and advice as External Director for further enhancement of corporate governance, especially compliance of the Company, and accordingly proposes his election as External Director.			
8	Yoichi Aso (April 6, 1983, age 38) Reelection External Independent Tenure as Director At conclusion of this meeting: 1 year Attendance to the Meeting of the Board of Directors in FY2020: 10/10	Apr. 2006 Joined Recruit Co., Ltd. Apr. 2013 Representative Director and CEO, NIJIBOX CO., LTD Feb. 2018 Founded Alphadrive Co., Ltd., Representative Director and CEO (present) Apr. 2018 Founded Genome Clinic Co., Ltd., Representative Director and Co-CEO (present) June 2018 UB Ventures, Inc, Venture Partner (present) July 2018 Director, Dream Driven Company Association. (present) July 2018 Joined NewsPicks, Inc. Sept. 2018 Executive Officer, NewsPicks, Inc. (present) Mar. 2019 External Director, ASIRO Inc. (present) Jan. 2020 Auditor, neomura, NPO. (present) Apr. 2020 External Director, DentaLight Inc. (present) June 2020 External Director, the Company (present)	- shares
[Reasons for nomination as candidate for External Director and summary of expected roles] Mr. Aso has a track record of controlling many new businesses as an expert in launching new businesses in his previous job, and has many experiences of incubation support for startup companies. The Company can expect him to provide advice from various perspectives as the Company develops new business models and business domains looking forward, and accordingly proposes his election as External Director.			

- Notes:
1. The candidate for Director Mr. Masaki Nakanishi engages in business transactions with the Company, acting as a representative of TAISHITA Label Music Co., Ltd. The candidate for Director Ms. Rumiko Ichige engages in business transactions with the Company, acting as a representative of S KAKERU, Inc. The candidate for Director Mr. Muneaki Masuda concurrently serves as Representative Director President and CEO of Culture Convenience Club Co., Ltd. He has concluded a merchandise business contract, etc. with the Company and engages in business transactions with the Company. No conflicts of interest exist between any of the other candidates and the Company.
 2. Mr. Muneaki Masuda, Mr. Takaharu Ando and Mr. Yoichi Aso are the candidates for External Director.
 3. The respective term of office as External Director of the candidates for External Director Mr. Muneaki Masuda, Mr. Takaharu Ando, and Mr. Yoichi Aso will have been eleven (11) years, five (5) years, and one (1) year at the conclusion of this meeting.
 4. Under the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into liability limitation contracts with the candidates for External Director, Mr. Muneaki Masuda, Mr. Takaharu Ando, and Mr. Yoichi Aso. If

their reelection is approved, the Company will continue said contracts with them. An outline of the liability limitation contract is as follows:

- An External Director who neglects to perform his/her duties shall be liable to compensate the Company for damages to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act.
 - The above limitation of liability shall be limited to cases where the cause of such liability is not due to such External Director's intentional or grossly negligent acts in the performance of his/her duties.
5. The Company has entered into a directors and officers liability insurance policy (an insurance policy with contents as provided for in Article 430-3, paragraph 1 of the Companies Act) with an insurance company, with the candidates for Director as the insured. The policy covers losses such as compensation for damages and litigation expenses incurred by the insured in cases where a claim for damages is filed by shareholders, third parties, etc. If the election of candidates for Director is approved, they will continue to be insured under the policy. The full amount of the insurance premiums for the insurance policy is borne by the Company, and the Company plans to renew the policy in March 2022.
 6. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that the candidates for External Director Mr. Muneaki Masuda, Mr. Takaharu Ando, and Mr. Yoichi Aso have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.

Proposal No. 4: Election of Four (4) Auditors

The terms of office of all four (4) Auditors will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of four (4) Auditors, including three (3) External Auditors.

In addition, the consent of the Board of Auditors has been obtained for this proposal.

The candidates for Auditors are as follows:

Candidate no.	Attribute	Name	Position in the Company	Term of office (at conclusion of this meeting)	Attendance to Board of Auditors (FY2020)
1	Reelection	Hiroaki Yokozawa	Standing Auditor	13 years	13/13 (100%)
2	Reelection External Independent	Yorimichi Ishikawa	External Auditor	8 years	13/13 (100%)
3	Reelection External Independent	Takeshi Onogi	External Auditor	8 years	13/13 (100%)
4	Reelection External Independent	Yoshio Haibara	External Auditor	7 years	13/13 (100%)

Reelection: Candidate for reelection as Auditor

External: Candidate for External Auditor

Independent: Independent officer as provided for by Tokyo Stock Exchange

Candidate no.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)		Number of shares held in the Company
1	Hiroaki Yokozawa (July 5, 1956, age 64) Reelection Tenure as Auditor At conclusion of this meeting: 13 years Attendance to the Meeting of the Board of Directors in FY2020: 13/13 Attendance to the Meeting of the Board of Auditors in FY2020: 13/13	July 1982 Oct. 1994 Apr. 2003 July 2007 June 2008	Joined the Company Manager of General Affairs Office, General Affairs Department, the Company General Manager of General Affairs Department, the Company General Manager in charge of Management Auditing Office, the Company Standing Auditor, the Company (present)	- shares
<p>[Reasons for nomination as candidate for Auditor]</p> <p>Since joining the Company in 1982, Mr. Yokozawa has accumulated abundant operational experience and knowledge mainly in the general affairs division, based on the artist management department. He assumed the current position in 2008, after having worked at the internal auditing department of the Company. Accordingly, the Company can expect him to help the Company enhance its enterprise value through practical corporate governance and internal control, with his thorough knowledge of business of the Company.</p>				
2	Yorimichi Ishikawa (May 1, 1948, age 73) Reelection External Independent Tenure as Auditor At conclusion of this meeting: 8 years Attendance to the Meeting of the Board of Directors in FY2020: 13/13 Attendance to the Meeting of the Board of Auditors in FY2020: 13/13	Apr. 1981 Apr. 1981 Jan. 2004 June 2011 June 2013 July 2013	Registered as an attorney at law (Daini Tokyo Bar Association) Joined Ishikawa and Tsutsumi Legal Accounting Office (currently Ishikawa Law Office) President, Ishikawa and Tsutsumi Legal Accounting Office (currently Ishikawa Law Office) (present) Outside Director, Tokuei Shoji Co., Ltd. (present) External Auditor, the Company (present) Outside Director, ALCARE Co., Ltd. (present)	- shares
<p>[Reasons for nomination as candidate for External Auditor]</p> <p>Mr. Ishikawa has never in the past been involved in corporate management, except as an external officer. However, he is conversant with corporate legal affairs as an attorney at law and has adequate insights for controlling corporate management. Accordingly, the Company can expect him to appropriately fulfill his duties as an External Auditor.</p>				

Candidate no.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)		Number of shares held in the Company
3	<p>Takeshi Onogi (March 24, 1961, age 60) Reelection External Independent</p> <p>Tenure as Auditor At conclusion of this meeting: 8 years</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p> <p>Attendance to the Meeting of the Board of Auditors in FY2020: 13/13</p>	<p>Oct. 1985</p> <p>May 1990</p> <p>July 1990</p> <p>Oct. 1995</p> <p>June 2010</p> <p>June 2013</p> <p>Aug. 2016</p> <p>June 2018</p>	<p>Joined KPMG Minato Audit Corporation (currently KPMG AZSA LLC)</p> <p>Registered as certified public accountant</p> <p>Joined KPMG Belgium, Brussels Office</p> <p>Established Onogi Certified Public Accountant Office (present)</p> <p>External Auditor, Japan Reinsurance Federation of Consumers' Cooperative (present)</p> <p>External Auditor, the Company (present)</p> <p>Representative Partner, Seinan Audit Corporation (present)</p> <p>External Auditor, Autonomous Control Systems Laboratory Ltd. (present)</p>	- shares
<p>[Reasons for nomination as candidate for External Auditor] Mr. Onogi has never in the past been involved in the management of a company, except as an external officer. However, he has significant knowledge of company finance and accounting as a certified public accountant, and has adequate insights for controlling corporate management. Accordingly, the Company can expect him to appropriately fulfill his duties as an External Auditor.</p>				
4	<p>Yoshio Haibara (December 14, 1955, age 65) Reelection External Independent</p> <p>Tenure as Auditor At conclusion of this meeting: 7 years</p> <p>Attendance to the Meeting of the Board of Directors in FY2020: 13/13</p> <p>Attendance to the Meeting of the Board of Auditors in FY2020: 13/13</p>	<p>Feb. 1982</p> <p>Jan. 1993</p> <p>June 2008</p> <p>June 2014</p> <p>Apr. 2021</p>	<p>Passed Certified Public Accountant Tertiary Examination</p> <p>Established Haibara Certified Accountant Public Office (present)</p> <p>Outside Auditor, Yamano Holdings Corporation (present)</p> <p>External Auditor, the Company (present)</p> <p>External Auditor, SANYO-HOME Co., Ltd. (present)</p>	- shares
<p>[Reasons for nomination as candidate for External Auditor] Mr. Haibara has never in the past been involved in the management of a company, except as an external officer. However, he has significant knowledge of company finance and accounting as a certified public accountant, and has adequate insights for controlling corporate management. Accordingly, the Company can expect him to appropriately fulfill his duties as an External Auditor.</p>				

- Notes:
1. No conflicts of interest exist between any of the candidates and the Company.
 2. Mr. Yorimichi Ishikawa, Mr. Takeshi Onogi and Mr. Yoshio Haibara are the candidates for External Auditor.
 3. The respective term of office as External Auditor of the candidates for External Auditor Mr. Yorimichi Ishikawa, Mr. Takeshi Onogi and Mr. Yoshio Haibara will have been eight (8) years, eight (8) years and seven (7) years at the conclusion of this meeting.
 4. Under the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into liability limitation contracts with the candidate for Standing Auditor Mr. Hiroaki Yokozawa and the candidates for External Auditor Mr. Yorimichi Ishikawa, Mr. Takeshi Onogi and Mr. Yoshio Haibara. If their reelection is approved, the Company will continue the said contracts with them.

An outline of the liability limitation contract is as follows:

- A Standing Auditor or an External Auditor who neglects to perform his/her duties shall be liable to compensate the Company for damages to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act.
 - The above limitation of liability shall be limited to cases where the cause of such liability is not due to such intentional or grossly negligent acts of a Standing Auditor or an External Auditor in the performance of their duties.
5. The Company has entered into a directors and officers liability insurance policy (an insurance policy with contents as provided for in Article 430-3, paragraph 1 of the Companies Act) with an insurance company, with the candidates for Auditor as the insured. The policy covers losses such as compensation for damages and litigation expenses incurred by the insured in cases where a claim for damages is filed by shareholders, third parties, etc. If the election of candidates for Auditor is approved, they will continue to be insured under the policy. The full amount of the insurance premiums for the insurance policy is borne by the Company, and the Company plans to renew the policy in March 2022.
 6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that the candidates for External Auditor Mr. Yorimichi Ishikawa, Mr. Takeshi Onogi and Mr. Yoshio Haibara have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.