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Securities Code: 1976

May 30, 2024

To our shareholders:

Toshiteru Otani,
Chairman and Representative Director
MEISEI INDUSTRIAL CO., LTD.
1-8-5 Kyomachibori, Nishi-ku, Osaka

Notice of the 82nd Annual General Meeting of Shareholders

The 82nd Annual General Meeting of Shareholders of MEISEI INDUSTRIAL CO., LTD. (the “Company”) is to be held as described below.

Note that you may exercise your voting rights via the Internet and other means or in writing. In this case, please review the Reference Documents for General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Wednesday, June 19, 2024.

Please see pages 3 to 4 for a guide to exercising voting rights (in Japanese only).

- 1 Date and Time:** Thursday, June 20, 2024, at 10:00 a.m. (JST)
- 2 Venue:** ABC Room, Kitahama Forum (3rd floor of Osaka Securities Exchange Building)
1-8-16 Kitahama, Chuo-ku, Osaka, Japan

3 Purpose of the Meeting

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements, and report on the result of the audit by the Financial Auditor and Audit and Supervisory Committee on the Consolidated Financial Statements for the 82nd term (April 1, 2023 to March 31, 2024)
2. Report on the Non-consolidated Financial Statements for the 82nd term (April 1, 2023 to March 31, 2024)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Two Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 4 | Election of One Substitute Director Who Is an Audit and Supervisory Committee Member |
| Proposal No. 5 | Updating of Countermeasures against Large-Scale Acquisitions of Shares in the Company (Anti-takeover Defenses) |

If you are attending the meeting in person, please submit the voting form to the receptionist at the meeting.

Matters concerning measures for electronic provision

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the shareholders meeting, etc. (matters for which measures for providing information in electronic format are to be taken). This information is posted on each of the following websites, so please access either of those websites to confirm the information.

<The Company's website>

<https://www.meisei-kogyo.co.jp/ir/library/meeting/> (in Japanese)

<Website for informational materials for the general meeting of shareholders>

<https://d.sokai.jp/1976/teiji/> (in Japanese)

<TSE website (Listed Company Search)>

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

Access the TSE website by using the internet address shown above, enter "MEISEI INDUSTRIAL CO., LTD." in "Issue name (company name)" or the Company's securities code "1976" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

● If there are revisions to the matters subject to measures for electronic provision, the Company will post a notice of the revisions and the details of the matters before and after the revisions on each website where the information is posted.

● For this general meeting of shareholders, we have delivered paper-based documents stating matters subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them.

Among the matters subject to measures for electronic provision, in accordance with the provisions of relevant laws and regulations and Article 18 of the Company's Articles of Incorporation, the following matters are posted on the above websites and therefore are not provided with this notice. The Financial Auditor and the Audit and Supervisory Committee have audited part of the documents subject to audit.

- 1) "Systems to Secure the Properness of Business Activities of the Company and the Status of Implementation of the Systems" and "Basic Policy Concerning the Persons Who Control Decisions on the Company's Financial and Business Policies" in the Business Report
- 2) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- 3) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company regards the return of profit to its shareholders as one of the important management policies, and makes a comprehensive judgment as to the appropriation of surplus by taking into consideration, its business performance, financial condition and other data, and based on the dividend policy. The internal reserves are to be utilized for investment in new growth strategies and response to changes in the business environment while making efforts to maintain the soundness of and strengthening of our financial position. We will strive to sustainably improve corporate value by ensuring a stable business foundation.

In light of the aforementioned policies, the Company proposes to pay year-end dividends of ¥41, consisting of an ordinary dividend of ¥34 and a commemorative dividend (commemorating the 80th anniversary of the Company's founding) of ¥7, and other appropriation of surplus for the 82nd fiscal year, as follows:

1. Year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property and their aggregate amount
¥41 per common share of the Company, totaling ¥2,007,176,238
As the Company has already paid the interim dividend of ¥14 per share, the annual dividend for the current fiscal year will be ¥55 per share.
 - (3) Effective date of dividends of surplus
June 21, 2024
2. Other appropriation of surplus
 - (1) Item of surplus to be increased and amount of increase
General reserve: ¥2,000,000,000
 - (2) Item of surplus to be decreased and amount of decrease
Retained earnings brought forward: ¥2,000,000,000

Proposal No. 2 Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of five Directors (excluding Directors who are Audit and Supervisory Committee Members, the same applies hereinafter in this proposal), namely Toshiteru Otani, Tetsuji Yanase, Motoshi Shinohara, Keizou Fujino, and Kenichi Fukui, will expire at the conclusion of this meeting, and from among them, Toshiteru Otani and Kenichi Fukui will resign simultaneously with the expiration of their terms of offices. Therefore, the Company proposes the reelection of three Directors and an election of one new Director, totaling four Directors.

Moreover, this proposal has been considered by the Nomination and Compensation Committee, but they have expressed no opinion.

The candidates for Director are as follows:

Candidate No.	Name		Position and responsibility in the Company	Attendance at Board meetings
1	Tetsuji Yanase	Reelection	President and Representative Director	15/15
2	Motoshi Shinohara	Reelection	Director, Executive Officer, Division Manager of Construction Division, Division Manager of Engineering Division, and in charge of Quality & Safety Control Department and Hamamatsu Factory	15/15
3	Keizou Fujino	Reelection	Director, Executive Officer, Division Manager of Sales Division, and Project Director of Tangguh Project	15/15
4	Yutaka Toki	New election	Executive Officer and General Manager of General Administration Department	0/0

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	Tetsuji Yanase (January 24, 1961) Reelection	<p>Mar. 1983 Joined the Company</p> <p>Apr. 2008 General Manager of 1st Tokyo Sales Department of Sales Division</p> <p>June 2018 Executive Officer, General Manager of Overseas Sales Promotion Department of Sales Division, and Project Manager of Ichthys Project</p> <p>Apr. 2019 Executive Officer, General Manager of Overseas Sales Promotion Department of Sales Division</p> <p>June 2020 Director, Executive Officer, Deputy Division Manager of Sales Division, and General Manager of Overseas Sales Promotion</p> <p>June 2021 Director, Executive Officer, Division Manager of Construction Division, and General Manager of Overseas Sales Promotion</p> <p>June 2022 Director, Senior Executive Officer, Division Manager of Branch Management Division, and in charge of Procurement Department</p> <p>July 2023 President and Representative Director (current position)</p> <p><Significant concurrent positions outside the Company> —</p>	10,700 shares
2	Motoshi Shinohara (July 24, 1963) Reelection	<p>Mar. 1986 Joined the Company</p> <p>July 2007 Regional Branch Manager of Chugoku & Shikoku Regional Branch</p> <p>Aug. 2008 Deputy General Manager of Sales Development Department and Deputy General Manager of Procurement Department</p> <p>Apr. 2011 General Manager of Environmental Operation Division and General Manager of Environment Department</p> <p>June 2013 Executive Officer, Division Manager of Environment Operations Division, and General Manager of Environment Department</p> <p>June 2017 Director, Executive Officer, Deputy Division Manager of Branch Management Division</p> <p>June 2019 Director, Executive Officer, Deputy Division Manager of Branch Management Division, and General Manager of Environment Department</p> <p>June 2021 Director, Executive Officer, and Division Manager of Sales Division</p> <p>June 2022 Director, Executive Officer, Division Manager of Sales Division, and Division Manager of Construction Division</p> <p>July 2023 Director, Executive Officer, Division Manager of Construction Division, Division Manager of Engineering Division, and in charge of Quality & Safety Control Department and Hamamatsu Factory (current position)</p> <p><Significant concurrent positions outside the Company> Director of NIPPON KEICAL LIMITED</p>	13,500 shares

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	Keizou Fujino (March 11, 1960) Reelection	<p>Mar. 1983 Joined the Company</p> <p>Apr. 2008 General Manager of 2nd Tokyo Sales Department of Sales Division, and Assistant Sales Manager of Tangguh Project</p> <p>May 2008 General Manager of 2nd Tokyo Sales Department of Sales Division, Assistant Sales Manager of Tangguh Project, and Sub Manager of Nigeria Project</p> <p>June 2017 Executive Officer, General Manager of Tokyo Sales Department of Sales Division, and Assistant Project Director of Ichthys Project</p> <p>June 2019 Director, Executive Officer, General Manager of Sales Business Department and Tokyo Sales Department of Sales Division, and Project Director of Tangguh Project</p> <p>June 2020 Director, Executive Officer, Division Manager of Sales Division, General Manager of Tokyo Sales Department, and Project Director of Tangguh Project</p> <p>June 2021 Director, Executive Officer, Deputy Division Manager of Sales Division, General Manager of Tokyo Sales Department, and Project Director of Tangguh Project</p> <p>June 2022 Director, Executive Officer, Deputy Division Manager of Sales Division, General Manager of Tokyo Sales Department, General Manager of Overseas Sales Promotion Department, and Project Director of Tangguh Project</p> <p>July 2023 Director, Executive Officer, Division Manager of Sales Division, and Project Director of Tangguh Project (current position)</p> <p><Significant concurrent positions outside the Company> Representative Director of MEISEI INTERNATIONAL PTE. LTD. Representative Director of MEISEI NIGERIA LIMITED Representative Director of PT. MEISEI INDONESIA</p>	12,400 shares
4	Yutaka Toki (October 11, 1960) New election	<p>Mar. 1985 Joined the Company</p> <p>Apr. 2009 Manager of General Administrative Section</p> <p>May 2016 General Manager of General Administration Department</p> <p>June 2020 Executive Officer and General Manager of General Administration Department (current position)</p> <p><Significant concurrent positions outside the Company> Director of Meisei Kenko Co., Ltd. Audit & Supervisory Board Member of NIPPON KEICAL LIMITED Representative Director of MEISEI KOJI Co., Ltd. Representative Director of MEISEI CREATE Co., Ltd.</p>	10,000 shares

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses of liability for damages of all Directors of the Company, to the Company or a third party. If the candidates are elected as Directors, they will become insureds under the policy.
In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 3 Election of Two Directors Who Are Audit and Supervisory Committee Members

The term of office of a Director who is an Audit and Supervisory Committee Member, namely, Tsuyoki Nishimura will expire at the conclusion of this meeting. Therefore, the Company proposes the reelection of him and an election of one new Director, totaling two Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

Candidates for the role of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name		Position and responsibility in the Company	Attendance at Board meetings
1	Tsuyoki Nishimura	Reelection	Outside Director, Audit and Supervisory Committee Member	14/15
2	Rieko Takahashi (current family name: Tanaka)	New election	—	0/0

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	Tsuyoki Nishimura (August 16, 1973) Reelection Outside Independent officer	Oct. 1998 Joined Osaka Office of Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) May 2002 Registered as Certified Public Accountant Oct. 2017 Resigned from Ernst & Young ShinNihon LLC Opened and Director of Strong Accounting Office (current position) Jan. 2018 Established and Representative Member of Strong Alliance LLC (current position) June 2022 Outside Director (Audit and Supervisory Committee Member) of the Company (current position) <Significant concurrent positions outside the Company> Director of Strong Accounting Office Representative Member of Strong Alliance LLC	0 shares
2	Rieko Takahashi (current family name: Tanaka) (December 3, 1985) New election Outside Independent officer	Dec. 2011 Registered as attorney at law Jan. 2012 Joined Yodoyabashi & Yamagami LPC Apr. 2017 Seconded to Toyota Media Service Corporation (currently TOYOTA Connected Corporation) Apr. 2022 Partner, Yodoyabashi & Yamagami LPC (current position) May 2023 Outside Audit & Supervisory Board Member of Maxvalu Tokai Co., Ltd. (current position) <Significant concurrent positions outside the Company> Partner, Yodoyabashi & Yamagami LPC Outside Audit & Supervisory Board Member of Maxvalu Tokai Co., Ltd.	0 shares

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Tsuyoki Nishimura and Rieko Takahashi are candidates for Outside Director.
 3. Reasons why they are candidates for Outside Director and overview of expected roles
Tsuyoki Nishimura and Rieko Takahashi have never been involved in the management of the company directly, but Tsuyoki Nishimura has extensive knowledge of finance and accounting as a Certified Public Accountant, and Rieko Takahashi has extensive knowledge of corporate law and other area as an attorney at law. We expect that both of them will be able to supervise and advise Directors on the execution of duties from a professional perspective and independent standpoint.
 4. Summary of details of limited liability agreement
Pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with the Outside Directors in office who are Audit and Supervisory Committee Members to limit their liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under these agreements is the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act.
If their election is approved, the Company plans to enter into the aforementioned agreement with them.
 5. Summary of details of a directors and officers liability insurance policy
The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses of liability for damages of all Directors who are Audit and Supervisory Committee Members to the Company or a third party. If their election is approved, they will become insureds under the policy.
In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.
 6. The Company has submitted notification to the Financial Instruments Exchange that the Outside Directors who are Audit and Supervisory Committee Members in office have been designated as independent officers as provided for by the aforementioned exchange. If their election is approved, the Company plans to submit notification of their designation as independent officers.

Reference

[Skill matrix for each Director after the conclusion of this meeting]

	Name	Outside Independent	Chairperson of the Board of Directors	Corporate Management	Sales & Business Strategy	Construction, Engineering, Research & Development	Personnel affairs & Labor Relations & Diversity	Finance & Accounting	Legal & Compliance	ESG & Risk management
Directors	Tetsuji Yanase		○	○	○	○				○
	Motoshi Shinohara			○	○	○				○
	Keizou Fujino			○	○	○				○
	Yutaka Toki			○			○	○	○	○
Audit and Supervisory Committee Members	Eiji Sakamoto			○	○	○				○
	Kyoichi Uemura	○						○		○
	Mitsumasa Kishida	○						○		○
	Tsuyoki Nishimura	○						○		○
	Rieko Takahashi	○					○		○	○

Proposal No. 4 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

The effect of the election of Hitoshi Utsunomiya as substitute Director who is an Audit and Supervisory Committee Member at the 80th Annual General Meeting of Shareholders held on June 23, 2022, ends upon the commencement of this meeting. Accordingly, the Company requests approval for the election of one substitute Director who is an Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

Hitoshi Utsunomiya, the candidate for substitute Outside Director who is an Audit and Supervisory Committee Member, shall take office in the event that the number of Outside Directors who are Audit and Supervisory Committee Members becomes less than that required by laws and regulations and the term of office to be assumed by him shall be the remaining term of office of the retiring Director who is an Audit and Supervisory Committee Member.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

Candidate for the substitute Director who is an Audit and Supervisory Committee Member is as follows:

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
Hitoshi Utsunomiya (December 8, 1971) Outside	Apr. 1995 Joined Nissho Iwai Corporation (current Sojitz Corporation) Oct. 2004 Registered as attorney at law Joined Seiwa Law Office Jan. 2011 Partner, Seiwa Law Office (current position) Feb. 2019 Outside Corporate Auditor of Zojirushi Corporation Feb. 2020 Outside Director (Audit and Supervisory Committee Member) of Zojirushi Corporation (current position) <Significant concurrent positions outside the Company> Partner, Seiwa Law Office Outside Director (Audit and Supervisory Committee Member) of Zojirushi Corporation	0 shares

- Notes:
- There is no special interest between the candidate and the Company.
 - Hitoshi Utsunomiya is a candidate for the role of substitute Outside Director who is an Audit and Supervisory Committee Member.
 - Reasons why he is a candidate for Outside Director, reasons why it was judged that he is capable of appropriately fulfilling duties as Outside Director who is an Audit and Supervisory Committee Member, and overview of expected roles
Hitoshi Utsunomiya, a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member, has not been involved in the management of companies directly, but as an attorney at law he has extensive knowledge in corporate law and other area. From the viewpoint of legality and validity, we have expected that he is capable of appropriately fulfilling duties as Outside Director who is an Audit and Supervisory Committee Member, regarding our decision-making in business execution, and we ask for his election.
 - If Hitoshi Utsunomiya assumes office as Director who is Audit and Supervisory Committee Member, 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 Article 427, paragraph 1 of the same act. The maximum amount of liability for damages under this agreement shall be the minimum liability amount provided for under Article 425, paragraph 1 of the same act. Furthermore, the Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering losses of liability for damages of all Directors who are Audit and Supervisory Committee Members to the Company or a third party. If Hitoshi Utsunomiya assumes office as Director who is an Audit and Supervisory Committee Member, he will become an insured under the policy.
 - The Company has submitted notification to the Financial Instruments Exchange that the Outside Directors who are Audit and Supervisory Committee Members in office have been designated as independent officers as provided for by the aforementioned exchange. If Hitoshi Utsunomiya assumes office as Director who is an Audit and Supervisory Committee Member, the Company plans to submit notification of his designation as an independent officer.

Proposal No. 5 Updating of Countermeasures against Large-Scale Acquisitions of Shares in the Company (Anti-takeover Defenses)

The Company updated its countermeasures against large-scale acquisitions of shares in the Company (hereinafter referred to as the "Former Plan"), which was subject to approval of shareholders, through a resolution at the board of directors meeting held on May 7, 2021. Shareholders approved the same at the 79th ordinary general meeting of the Company's shareholders held on June 24, 2021. The Former Plan will expire at the conclusion of the ordinary general meeting of the Company's shareholders for the fiscal year ending March 2024.

For the purpose of protecting and enhancing the corporate value of the Company and eventually the common interests of its shareholders in light of the basic policies concerning qualifications required of a person controlling the decisions on the financial and business policies of the Company (as stipulated in Article 118, item (iii) of the Ordinance for Enforcement of the Companies Act; hereinafter referred to as the "Basic Policies"), the Company hopes to prevent inappropriate persons from controlling decisions regarding the Company's assets and business policies. As one effort toward the aforementioned prevention, the Company would like to request that shareholders continuously approve updates of proactive anti-takeover measures (hereinafter referred to as the "Plan"). The Plan uses allotment of Share Options without contribution.

For clarification, in order to reflect the intent of shareholders in the Plan, the effectuation of the Plan is subject to approval by majority vote of shareholders.

1. Reason for proposal

The Company considers that in order to protect and enhance its corporate value and the common interests of shareholders in light of the aforementioned Basic Policies, it is essential to secure business development from medium- and long-term viewpoints grounded on the corporate culture that it has long fostered. If the corporate value and common interests of shareholders are not protected and enhanced by the person undertaking a large-scale acquisition of shares in the Company, the corporate value and common interests of the shareholders of the Company will be damaged.

When an external acquirer makes a proposal for acquisition, it is not always easy for shareholders to evaluate the impact of the acquisition in question on the corporate value of the Company and eventually the common interests of its shareholders. This is because such judgment must involve an appropriate understanding of tangible and intangible management resources of the Company, potential effects of unforeseen future measures, and various other matters that could comprise the corporate value of the Company.

In addition to the aforementioned circumstances, it is possible that the liquidity for the shares issued by the Company may increase in the future. Given the aforementioned situation, the Company considers it essential to establish a framework for cases in which a large-scale acquisition of the shares of the Company could be detrimental to the corporate value of the Company and eventually the common interests of its shareholders. This framework is to be implemented through obtaining required information and setting aside necessary time for shareholders to evaluate whether or not such a large-scale acquisition of shares should be accepted or for the board of directors of the Company to propose alternatives to shareholders and proceed to negotiations for shareholders and so forth.

Therefore, the Company has decided to update the Plan for the purpose of preventing persons who are inappropriate in light of the Basic Policies from controlling decisions on the financial and business policies of the Company.

For information, the status of major shareholders of the Company as of March 31, 2024 is described as per "Shareholder Status" on page 34 (Exhibit 5). Moreover, as of this writing, no proposal for a large-scale acquisition of the shares in the Company or the like has been made.

2. Content of Proposal

(1) Outline of the Plan

Please see "Flowchart" on page 28 (Exhibit 1) for an outline of the Plan.

(i) Establishment of Procedures Related to Implementation of the Plan

The gist of the Plan is to undertake the following actions for the purpose of protecting and enhancing the corporate value of the Company and eventually the common interests of its shareholders: i) the Company will request that a person acquiring shares in the Company, undertaking an action similar

thereto or making a proposal regarding the same (hereinafter referred to as "Acquisition", and such person as "Acquirer") to provide information related to the corresponding Acquisition beforehand; ii) the Company will have the Acquirer commence the Acquisition after elapse of certain time period for review by the board of directors of the Company; and iii) if it is deemed that there is a likelihood of damage to the corporate value of the Company and the common interests of its shareholders through such Acquisition, the Company will review whether or not the implementation of the Plan (meaning allocation of share options subject to call with an exercise condition that does not allow the Acquirer to exercise its right and with a provision for acquisition that allow the Company to acquire such share options subject to call from persons person other than the Acquirer in exchange for the shares of the Company (the main content of such shares options is described in the Outline of Allotment of Share Options without Contribution on pages 31 through 33 (Exhibit 4) below; hereinafter referred to as the "Share Options") to all shareholders without contribution at such time; the same applies hereinafter) is appropriate.

If the Plan is implemented, it is possible that the percentage of voting rights of the shares in the Company held by the Acquirer may be diluted to approximately 50%.

(ii) Establishment of framework to enhance the rationality of the Plan

The Company will establish an independent committee that comprises three or more committee members who are independent from the management team of the Company (e.g., outside directors and external intellectuals and experts). In this way, the Company will secure objectivity and rationality for judgement by the board of directors of the Company in relation to issuance or noninsurance of the Share Options and so forth. (Please see the Outline of Regulations on the Independent Committee on page 29 (Exhibit 2) regarding the standards for appointment of independent committee members, requirements for resolutions, matters for resolutions and so forth)

Prior to the implementation of the Plan (meaning allotment of the Share Options without contribution; the same applies hereinafter), the board of directors of the Company will consult on whether such implementation is appropriate or inappropriate with the independent committee. After evaluating and reviewing the content of Acquisition by the Acquirer, the independent committee will provide the board of directors of the Company with its recommendations. In principle, resolutions of the independent committee will be made with the attendance of all members at a meeting and based on the majority vote of such members. The board of directors of the Company will make the final decision, respecting such recommendations to the utmost extent possible.

Information on names and backgrounds of the independent committee members is provided in "Names and Backgrounds of the Independent Committee Members" on page 30 (Exhibit 3).

After considering relevant circumstances, such as the nature of Acquisition and the grace period, if the board of directors of the Company deems it necessary in light of due care of a prudent manager regarding directors of the Company, the board of directors of the Company will be able to convoke a general meeting of shareholders and confirm the intent of shareholders regarding the implementation of the Plan. (Please see the Specific Descriptions of the Plan of (3)(v) below.) The Company maintains transparency regarding the process of the procedures described above through information disclosure to shareholders.

(2) Procedures for adoption of the Plan

In relation to procedures for adoption of the Plan, in accordance with the provisions of Article 12 of the Articles of Incorporation of the Company, based on resolutions made at the ordinary general meeting of the Company's shareholders, subject to the conditions described in the Plan, the authority for decision-making regarding matters related to allotment of the Share Options without contribution will be delegated to the board of directors of the Company.

However, even prior to the expiry date of the Plan, if the board of directors deems it necessary, the Company will be able to abolish the Plan through a resolution of the board of directors at any time.

(3) Specific descriptions of the Plan

(i) Scope of Acquisitions covered by the Plan

The Plan applies to cases in which an Acquisition falling under either (a) or (b) below is performed.

- (a) Acquisition of the Share Certificates, etc.¹ issued by the Company where the Ownership Ratio of Share Certificates, etc.³ held by a holder² becomes 20% or greater.
- (b) Tender offer⁵ of the Share Certificates, etc.⁴ issued by the Company where the total of the Ownership Ratio of Share Certificates, etc.⁶ covered by the Tender Offer and the Ownership Ratio of Share Certificates, etc. of the Persons in Special Relationship⁷ becomes 20% or greater.

(ii) Requesting supply of information by the Acquirer

Except where separately required by the board of directors of the Company, prior to execution of an Acquisition, the Acquirer engaging in an Acquisition stipulated in (i) above is requested to submit to the Company the documents containing information described in the Items below (hereinafter referred to as the "Required Information") and pledges to the effect that the procedures stipulated under the Plan will be observed in the form prescribed by the Company (hereinafter referred to as "Acquisition Statement"). The language to be used in Acquisition Statement is limited to Japanese.

If the board of directors of the Company has deemed that the information submitted by the Acquirer is insufficient as Required Information, the board of directors may request that such Acquirer submit additional Required Information by setting a due date for reply (no later than 60 days from the receipt of request), if necessary. In such case, such Acquirer is requested to submit additional Required Information by such due date.

Required Information:

- (a) Detailed information (including specific names, capital structures, financial conditions and so forth) regarding the Acquirer and the group thereof (Joint Holders⁸, Persons in Special Relationship, partners (in the case of a fund), as well as other members)
- (b) The purpose, method, and content of Acquisition (including the value and type of consideration for Acquisition, timing of Acquisition, system for transactions involved, legality of the method of Acquisition, probability of execution of Acquisition, and the like)
- (c) Grounds for computation of value of Acquisition (including prerequisite facts for computation, methods of computation, numerical information used for computation, the nature of synergy expected to arise from a series of transactions related to Acquisition as well as the nature of such synergy allocable to other shareholders)
- (d) Financing for Acquisition (including specific names of fund providers (including substantial providers), fund raising methods, the nature of transactions involved)
- (e) Management policy, business plan, capital policy, and dividend policy for the Company and the Company group following Acquisition
- (f) Policy for responding to employees, clients, and customers of the Company, as well as other stakeholders of the Company following Acquisition
- (g) Other information that the board of directors of the Company deems reasonably necessary

(iii) Review of the nature of Acquisition, negotiation with the Acquirer, and Review of alternative proposals

- (a) Process of review by the board of directors of the Company

The board of directors of the Company will review and evaluate the Required Information, negotiate with the Acquirer, form opinions regarding Acquisition, prepare alternative proposals and so forth within i) 60 days from the receipt of the Required Information (including those submitted additionally) from the Acquirer in cases of Acquisition of all shares of the Company by tender offer with cash consideration (Japanese yen) only, or ii) 90 days from such receipt in cases of other type(s) of Acquisition (hereinafter referred to as the "Review Period"). Acquisition will start after elapse of the Review Period.

In principle, the board of directors of the Company will make decisions on whether the implementation of the Plan is appropriate or inappropriate after consulting with the independent committee and receiving recommendations of such independent committee (stipulated under (b) below) within the Review Period. If it has become impossible to make a decision on whether the implementation of the Plan is appropriate or inappropriate within the Review Period, the board of directors of the Company will be able to extend the Review Period for up to 30 days (not inclusive of the initial day) within the scope necessary for reviewing the nature of Acquisition by the Acquirer, negotiation with the Acquirer, preparation of alternative proposals and the like. In such case, the board of directors will give notice to the Acquirer stating the proposed extended period and the specific reasons why such extended period is

necessary, while disclosing the content of such notice to the shareholders and investors in accordance with the applicable laws and regulations. The board of directors of the Company will make a final decision on extension of the Review Period after consulting with the independent committee on the issue in question, respecting the recommendations of the independent committee to the utmost extent possible. If it has been determined that the Review Period will be extended, the board of directors of the Company will promptly disclose relevant information on the reason for extension, the extension period, and other matters that are deemed appropriate following a resolution concerning such extension. The board of directors of the Company will also consult with the independent committee on whether the implementation of the Plan is appropriate or inappropriate if the Acquirer fails to submit the Required Information or otherwise fails to follow the procedures regulated in the Plan.

(b) Process of review by the independent committee

The independent committee comprises three or more committee members who are independent from the management team of the Company (e.g., outside directors who are audit or other committee members and external intellectuals and experts). Please see the Outline of Regulations on Independent Committee on page 29 (Exhibit 2) regarding the standards for appointment of independent committee members, requirements for resolutions, matters for resolutions and so forth.

If the board of directors of the Company has consulted with the independent committee on whether implementation of the Plan is appropriate or inappropriate, such committee will undertake evaluation and review of the matter and provide the board of directors of the Company with recommendations.

The independent committee may request that the Acquirer submit data for review and other information necessary for resolutions and recommendations by the independent committee directly or through the board of directors of the Company. Moreover, the independent committee may also request that the board of directors of the Company submit opinions on the nature of Acquisition, supporting materials therefor, alternative proposals, and other information.

If the board of directors of the Company has consulted with the independent committee on whether extension of the Review Period is appropriate or inappropriate, the independent committee will provide the board of directors of the Company with recommendations after evaluating and reviewing such issue.

In order to ensure that evaluation and review by the independent committee contribute to the corporate value of the Company and the common interests of its shareholders, the independent committee may obtain advice from independent third parties (including financial advisors, certificated public accountants, lawyers, consultants, and other experts) at the cost of the Company.

(c) Information disclosure

The Company will disclose information on the following facts and matters at a time that the board of directors of the Company deems appropriate: the fact that an Acquirer has emerged; the fact that an Acquirer has submitted Acquisition Statement; and any matters that the board of directors of the Company deems appropriate from the Required Information and other information.

(iv) Procedures for recommendations and so forth by the independent committee

When an Acquirer have emerged, the independent committee will provide the board of directors of the Company with recommendations in accordance with the following procedures. If the independent committee has provided the board of directors of the Company with the recommendations set forth in (a) or (b) below or otherwise if the independent committee deems it appropriate, the board of directors of the Company will disclose information on outlines of such recommendations and other matters that the independent committee deems appropriate, promptly following its resolutions.

(a) Recommendations of the independent committee to implement the Plan:

The independent committee will recommend without delay that the board of directors of the Company implement the Plan if the Acquirer fails to follow the procedures regulated in the Plan, or otherwise the committee finds, as a result of review of the nature of Acquisition by the Acquirer, such Acquisition by the Acquirer falls under any of the Requirements for Allotment of the Share Options without Contribution of (4) below and it is reasonable to implement the Plan.

However, even after having made the recommendations for implementation of the Plan, the independent committee may provide new recommendations on or before the Commencement Day for Exercise Period (defined in Section 5 of the "Outline of Allotment of Share Options without Contribution" on page 31 (Exhibit 4)) if it deems that either one of the following reasons (A) and (B) is

applicable, to the effect that allotment of the Share Options without contribution be suspended (on or before the effective date of allotment without contribution) or that the Share Options be acquired without compensation (after the effective date of allotment without contribution).

(A) Acquirer withdraws Acquisition or otherwise the Acquisition ceases to exist, after recommendations; or

(B) A change in factual relationship or other matters underlying the judgment for making the recommendations occurs, and Acquisition by the Acquirer ceases to fall under any of the Requirements for Allotment of the Share Options without Contribution of (4) below or, if it does fall, it is not appropriate to implement or allow exercise of allotment of the Share Options without contribution by implementation of the Plan.

(b) Recommendations of the independent committee not to implement the Plan:

The independent committee will recommend without delay that the board of directors of the Company not implement the Plan if, as a result of review of the nature of Acquisition by the Acquirer, such Acquisition by the Acquirer does not fall under any of the Requirements for Allotment of the Share Options without Contribution of (4) below or, if it does fall, it is not appropriate to implement the Plan. However, even after having made the recommendations for non-implementation of the Plan, if a change in factual relationship or other matters underlying the judgment for making such recommendations occurs, and Acquisition by the Acquirer comes to fall under any of the Requirements for Allotment of the Share Options without Contribution listed in (4) below, the independent committee will make a new judgment including recommendations for implementation of the Plan and provide the board of directors of the Company with recommendations based on such new judgment.

(c) Recommendations for holding a general meeting of shareholders

When providing the recommendations in (a) or (b) above, the independent committee may state an additional opinion to the effect that the intent of shareholders regarding implementation or non-implementation of the Plan should be confirmed.

(v) Resolution by the board of directors and convocation of the General Meeting of Shareholders for Confirmation of Shareholders' Intent

The board of directors of the Company will make a resolution promptly as a body under the Companies Act relating to implementation or non-implementation of the Plan, or the like, respecting the aforementioned recommendations by the independent committee to the utmost extent possible.

However, in the following cases (a) or (b), in addition to procedures of the independent committee, the board of directors of the Company may convoke a general meeting of shareholders to confirm the intent of such shareholders in relation to implementation or non-implementation of the Plan (hereinafter referred to as "General Meeting of Shareholders for Confirmation of Shareholders' Intent").

In such case, the board of directors of the Company will hold a General Meeting of Shareholders for Confirmation of Shareholders' Intent as soon as it is practical and will submit thereto a proposal concerning whether the corresponding implementation of the Plan is appropriate or inappropriate. Moreover, the board of directors of the Company will disclose relevant information promptly regarding the outlines of a resolution by a General Meeting of Shareholders for Confirmation of Shareholders' Intent on whether the corresponding implementation of the Plan is appropriate or inappropriate and other matters that the board of directors of the Company deems appropriate.

(a) If it is necessary and reasonable to convoke a General Meeting of Shareholders for Confirmation of Shareholders' Intent after considering circumstances, such as the nature of Acquisition by the Acquirer, the grace period, clerical affairs for general meeting of shareholders, in light of due care of a prudent manager regarding the Company's directors; or

(b) If the independent committee has stated an additional opinion to the effect that the intent of shareholders regarding implementation or non-implementation of the Plan should be confirmed.

If a General Meeting of Shareholders for Confirmation of Shareholders' Intent has been held, the resolution resulting from such General Meeting of Shareholders for Confirmation of Shareholders' Intent shall be followed. If a proposal for implementation has been rejected at the General Meeting of Shareholders for Confirmation of Shareholders' Intent, the Plan will not be implemented.

None of the Acquirer, Joint Holders, and Persons in Special Relationship will perform Acquisition during the period until the board of directors of the Company has made a resolution regarding non-implementation of the Plan or until a proposal for implementation of the Plan has been rejected at a

General Meeting of Shareholders for Confirmation of Shareholders' Intent. In addition, the board of directors of the Company will promptly disclose relevant information regarding the outlines of the corresponding resolution and matters that the board of directors of the Company deems appropriate.

(4) Requirements for allotment of the Share Options without contribution

If Acquisition by the Acquirer falls under any one of the following requirements, and it is deemed reasonable to implement the Plan, the Company will implement allotment of the Share Options without contribution based on a resolution of the board of directors of the Company described in the Specific Descriptions of the Plan of (3) (v) above. In addition, as per the Specific Descriptions of the Plan of (3) (iv) above, a resolution regarding whether or not Acquisition falls under any one of the following requirements and it is reasonable to implement the Plan will be made by the board of directors of the Company after undergoing the procedures for recommendations by the independent committee without fail.

Requirements:

- (i) Acquisition in question fails to follow the procedures regulated in the Plan; or
 - (ii) Acquisition in question is likely to cause clear damage to the corporate value of the Company and eventually the common interests of its shareholders due to the following acts and so forth:
 - (a) Act of buying up stock certificates and the like and requesting that the Company purchase the same at a high price
 - (b) Act of temporality controlling the management of the Company and thereby realizing profits of Acquirer by sacrificing the Company's profits, such as acquisition of important assets and the like of the Company at a low price
 - (c) Act of using the assets of the Company as security of debts and/or repayment sources of Acquirer or its group companies and the like
 - (d) Act of temporarily controlling the management of the Company to cause high-price assets of the Company not for the time being related to the business of the Company to be disposed of, and using the proceeds therefrom for causing high dividends temporarily or selling stocks at a high price aiming at an opportunity for a sharp rise in stock price based on temporary high dividends
 - (iii) Acquisition in question would have the effect of forcing shareholders into selling shares, such as in cases of coercive two-tiered tender offers (i.e., acquisition of shares (including tender offers) under which acquisition of all shares is not offered in the initial acquisition, and acquisition terms unfavorable to the shareholders are set or no clear terms are set for the second stage)
 - (iv) Acquisition in question does not provide the board of directors of the Company with a reasonable period for presenting alternative proposals for such Acquisition
 - (v) The Required Information and reasonably required information for evaluating the nature of Acquisition have not been provided to shareholders of the Company, or has been provided quite insufficiently
 - (vi) Conditions for Acquisition in question are remarkably insufficient or inappropriate in light of the intrinsic value of the Company (including the value and type of consideration for Acquisition, period for Acquisition, legality of the method for Acquisition, feasibility of Acquisition and associated transactions, and management policies and business plans after Acquisition, policy for responding to other shareholders, employees, and clients, of the Company, as well as other stakeholders of the Company after Acquisition and the like)
 - (vii) Acquisition in question is likely to damage the corporate value of the Company and eventually the common interests of its shareholders by destroying relationships with employees, clients and so forth of the Company or the corporate culture of the Company, which are essential for generating the corporate value of the Company
- (5) Main nature of the Share Options
- Please see the "Outline of Allotment of Share Options without Contribution" on pages 31 through 33 (Exhibit 4). Allotment of the Share Options without contribution based on the Plan is described therein.

(6) Commencement, expiry, abolishment, and change of the Plan

The Plan will become effective subject to a condition precedent that approval of shareholders is required at an ordinary general meeting of the Company's shareholders and on a day such approval is given. The Plan will expire at the conclusion of the ordinary general meeting of the Company's shareholders for the fiscal year ending March 2027.

However, even before the expiry date, the Plan will be abolished when a proposal for abolishment of the Plan at a general meeting of shareholders of the Company is approved or if a resolution to the effect that the Plan is to be abolished is made by the board of directors of the Company. Therefore, it is possible to abolish the Plan in accordance with the intent of shareholders.

Moreover, the Company may modify or change the Plan as needed during the valid term of the Plan from the viewpoint of protection and enhancement of the corporate value of the Company and eventually the common interests of its shareholders, based on reviews made by the board of directors of the Company in light of revision or development relevant laws and regulations, such as the Financial Instruments and Exchange Act, or similar event.

In the event of abolishment or change of the Plan or similar event, the Company will promptly disclose information regarding the fact of such abolishment, change or other event, the nature of such change (in the event of a change), and any other matters that the board of directors of the Company deems appropriate.

(7) Influence on shareholders and other related persons

(i) Influence on shareholders and investors at the time of adoption of the Plan

At the time of adoption of the Plan, allotment of the Share Options without contribution will not be performed. Thus, there will be no direct or specific influence on shareholders or investors.

(ii) Influence on shareholders and investors at the time of allotment of the Share Options without contribution

Upon resolution of the board of directors meeting for the implementation of the Plan, the Share Options will be allotted to the shareholders recorded as such as of the allotment date separately determined, at the ratio of one Share Option per share for each such shareholder. If a shareholder fails to make payment or undergo other procedures for exercising the Share Options detailed in sub-item (b) of item (iii) below "Procedures necessary for shareholders accompanying allotment of the Share Options without contribution" during the exercise period, the shares of the Company held by such shareholder will be diluted through exercise of the Share Options by other shareholders.

However, the Company may acquire Share Options from shareholders other than the Non-Qualified Persons⁹ and issue shares of the Company in exchange for such Share Options in accordance with the procedures described in sub-item (c) of item (iii) below "Procedures necessary for shareholders accompanying allotment of the Share Options without contribution." If the Company takes such procedures for acquiring the Share Options, the shareholders other than non-qualified persons will receive the shares of the Company without exercise of the Share Options and/or payment of money equivalent to the exercise value. Although the value of each owned share of the Company will be diluted, the value of the entirety of the owned shares of the Company will not be diluted.

For avoidance of doubt, even after the allotment date or even after effectuation of allotment of the Share Options without contribution, the Company may, under certain circumstances (for example, when Acquirer withdraws Acquisition), suspend allotment of the Share Options without contribution before the day of commencement of the exercise period for the Share Options, or alternatively acquire the Share Options without compensation instead of issuing shares of the Company to the Share Option holders in exchange of the Share Options. In such cases, prices of the shares of the Company may fluctuate significantly, and shareholders or investors may incur relevant damage accordingly.

(iii) Procedures necessary for shareholders accompanying allotment of the Share Options without contribution

(a) Procedures for confirmation of rights of the Share Option holders

When it is determined by the board of directors of the Company that the Plan and allotment of Share Options without contribution should be implemented, public notice of the allotment date of the Share Options without contribution will be made by the Company.

Shareholders recorded in the final shareholder registry of the Company as of the allotment date will be the new Share Option holders as of the date of effectuation of allotment of the Share Options without contribution.

(b) Procedures for exercise of Share Options

In principle, the Company will send an exercise request form for the Share Options (which shall be in a form prescribed by the Company containing the content and number of the Share Options to be exercised, necessary information such as the exercise date of the Share Options, the representation and warranty clause (e.g., to the effect that it is not a Non-Qualified Person, the indemnification clause, and other pledges) and other documents necessary for exercising of the Share Options to shareholders recorded in the final shareholder registry of the Company as of the allotment date. After allotment of the Share Options without contribution, one share of the Company will be issued per Share Option to shareholders upon their submission of the aforementioned necessary documentation within the exercise period and by the time of effectuation of acquisition of the Share Options by the Company and payment of 1 yen per share to the place of receiving payment.

(c) Procedures for acquisition of the Share Options by the Company

If the board of directors of the Company adopts a resolution to the effect that the Share Options should be acquired, the Company will acquire the Share Options upon arrival of the day separately determined by the board of directors of the Company in accordance with statutory procedures. Moreover, if the shares of the Company are to be issued to shareholders in exchange for acquisition of the Share Options, such shares will be promptly issued. In addition, in such case, the relevant shareholders may be separately requested to submit a document in a form prescribed by the Company containing a representation and warranty clause (e.g., to the effect that it is not a Non-Qualified Person), an indemnification clause, and other pledges.

In addition to the aforementioned matters, detailed information regarding the method of allotment, the method of exercise, and the method of acquisition by the Company will be disclosed or reported to shareholders following a resolution by the board of directors of the Company regarding allotment of the Share Options without contribution. Please confirm the corresponding information.

3. Judgment by the board of directors of the Company regarding the aforementioned efforts and reasons therefor

In relation to the designing of the Plan, the board of directors of the Company has judged that the Plan lives up to corporate value and common interests of the shareholders of the Company pursuant to the Basic Policies and is not designed to satisfy the purpose of maintenance of the statuses of the officers of the Company giving consideration to the following matters.

(1) That the Plan conforms to the Basic Policies

This plan is as described in “Basic policies concerning qualifications required of a person controlling the decisions on the financial and business policies of the Company” on page 5 of the Notice of Convocation, which is disclosed on the Internet, the Plan will be updated for the purpose of enhancement of corporate value of the Company. Moreover, the Plan will be updated in line with the concept of the Basic Policies.

(2) That the Plan does not damage the common interests of the shareholders of the Company

(i) That the Plan respects shareholders' intent

This plan is as described in “Efforts to prevent persons who are inappropriate in light of the Basic Policies from controlling decisions on the financial and business policies of the Company” on page 6 of the Notice of Convocation, which is disclosed on the Internet, the Plan will be updated for the purpose of protection and enhancement of common interests of shareholders of the Company and will not preferentially treat or reject certain shareholders or investors.

Moreover, the Plan will be updated through approval of shareholders at the ordinary general meeting of the Company's shareholders. Although the Plan is scheduled to expire at the conclusion of the ordinary general meeting of the Company's shareholders for the fiscal year ending March 2027, it may be abolished even before the expiry date if a proposal for abolishment of the Plan at a general meeting of shareholders of the Company is approved or if a resolution to the effect that the Plan is to be abolished is made by the board of directors of the Company. In this regard, the Plan reflects the intent of shareholders.

(ii) That the Plan has the fundamental framework for proactive anti-takeover measures
The Plan sufficiently takes into consideration the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" publicly announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 as well as the report titled "Takeover Defense Measures in Light of Recent Environmental Changes" publicly announced by the Corporate Value Study Group (established within the Ministry of Economy, Trade and Industry) on June 30, 2008.

(iii) That the Plan has a system for exclusion of arbitrary judgment by the board of directors of the Company
For the adoption of the Plan, an independent committee is established in order to exclude arbitrary judgment by the board of directors of the Company.

If an Acquisition has been performed regarding the Company, the independent committee will deliberate and review such issues as whether an implementation of the Plan is appropriate or inappropriate regarding Acquisition and then provide the board of directors of the Company with recommendations. The board of directors of the Company will make a resolution while respecting such recommendations to the utmost extent possible. In this way, the Plan has a secure system to exclude an implementation of the Plan based on an arbitrary judgment by the board of directors of the Company to the utmost extent possible.

Moreover, the Plan will be implemented only if Acquirer does not follow the procedures regulated in the Plan or Acquirer satisfies objective requirements reasonably determined in a detailed manner as cases under which Acquirer would significantly damage corporate value of the Company. In this regard, it can be said that the Plan has a secure system to exclude an arbitrary implementation of the Plan by the board of directors of the Company to the utmost extent possible.

Furthermore, if the board of directors of the Company determines that a General Meeting of Shareholders for Confirmation of Shareholders' Intent should be held, the decision on whether the implementation of the Plan would be appropriate or inappropriate is left to a resolution at such General Meeting of Shareholders for Confirmation of Shareholders' Intent. In this regard, it can be said that the Plan has a secure system to exclude an arbitrary implementation of the Plan by the board of directors of the Company to the utmost extent possible.

(iv) Emphasis on judgment by the independent committee and disclosure of relevant information
Judgement on the implementation of the Plan will be made substantially by the independent committee. The independent committee may seek and obtain advice from a third party. In this way, the Plan has a system under which fairness and objectivity of judgment by such committee is strongly secured.

In addition, an outline of the aforementioned judgment will be disclosed to shareholders. In this way, the Plan has a system for keeping transparency.

(v) That neither dead-hand type proactive anti-takeover measures nor slow-hand type proactive anti-takeover measures applies to the Plan

No dead-hand type proactive anti-takeover measures (i.e., proactive anti-takeover measures that cannot prevent implementation of the Plan even after replacement of a majority of members of the board of directors) will apply to the Plan because the Plan may be abolished by the board of directors of the Company. Moreover, no slow-hand type proactive anti-takeover measures (i.e., proactive anti-takeover measures that require long time for prevention of implementation of the Plan since replacement of members of the board of directors cannot take place all at once) will apply to the Plan, either, because the Company has not adopted a staggered board of directors.

Therefore, the Plan contributes to common interests of shareholders of the Company rather than harming the same.

(3) That the Plan is not designed to maintain the status of the officers of the Company
As described above, the Plan is designed so that it will not be implemented unless the preset reasonable and detailed objective requirements are satisfied. In this regard, it can be said that the Plan has a secure system to exclude an arbitrary implementation of the Plan by the board of directors of the Company. Moreover, the Company establishes an independent committee in order to secure objectivity and rationality regarding judgment by the board of directors of the Company regarding discussion and negotiation with the Acquirer, extension of the evaluation period, applicability of events causing implementation and the like. When making a final decision on suspension or withdrawal of

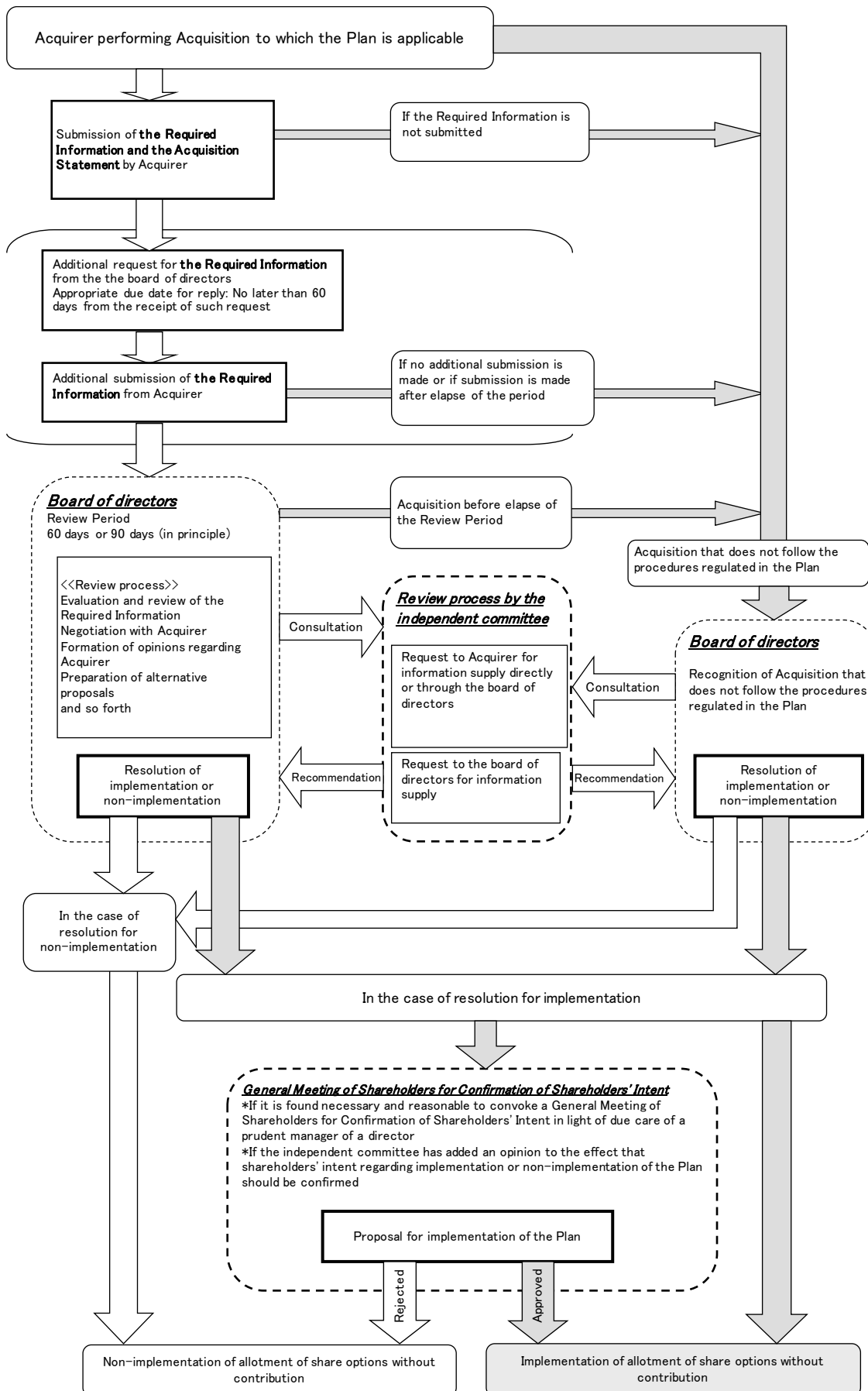
implementation or non-implementation of the Plan, the board of directors of the Company will respect the recommendations of the independent committee to the utmost extent possible.

As described above, the Plan is not designed to satisfy the purpose of maintenance of the statuses of the officers of the Company.

End of document

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1. As defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act. The same applies unless otherwise provided for.
 2. Including persons included in a holder pursuant to Article 27-23, paragraph (3) of the Financial Instruments and Exchange Act (further including persons whom the board of directors of the Company deems to fall under such category). The same applies unless otherwise required for.
 3. As defined in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. The same applies unless otherwise provided for.
 4. As defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act. The same applies in (3)(i)(b) unless otherwise provided for.
 5. As defined in Article 27-2, paragraph (6) of the Financial Instruments and Exchange Act. The same applies unless otherwise provided for.
 6. As defined in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act. The same applies unless separately required.
 7. As defined in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act (including persons whom the board of directors of the Company deems to fall under the definition). However, the persons set forth in the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer Article 3 (1) are excluded from the persons listed in Article 27-2, paragraph (7), item (i) of the Financial Instruments and Exchange Act. The same applies unless otherwise provided for.
 8. Meaning the Joint Holder set forth in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act and including persons who are deemed to fall under the definition of Joint Holder set forth in Article 27-23, paragraph (6) of the Financial Instruments and Exchange Act (further including the persons whom the board of directors of the Company deems to fall under the category of said holders). The same applies unless otherwise provided for.
 9. Meaning the "Non-qualified Person" defined in Section 6 (Conditions for Exercising the Share Options) of the "Outline of Allotment of Share Options without Contribution" of page 32 (Exhibit 4).

Flowchart



(Exhibit 2)

Outline of Regulations on the Independent Committee

- The independent committee shall be established through a resolution of the board of directors of the Company.
- The independent committee comprises 3 committee members or more, and shall be appointed by the board of directors of the Company from among: (1) persons who have never assumed the positions of directors, corporate auditors (however, outside corporate auditors shall be excluded; the same applies hereinafter), etc. of the Company, subsidiaries of the Company, or companies associated with the Company (hereinafter referred to as the "Company, etc.") currently or previously; (2) persons who are not family members of directors or corporate auditors of the Company, etc. currently or previously; (3) persons who do not have special interests with the Company, etc.; or (4) experienced corporate managers, etc., lawyers, certificated public accountants, intellectuals, or experts, or persons similar thereto. In principle, the independent committee members shall execute delegation agreements with the Company containing clauses for due care of a prudent manager, etc. for the Company.
- The terms of office of directors shall expire at the conclusion of the ordinary general meeting of shareholders on the last fiscal year within three years following their election of office; provided, however, that in case that the independent committee members assuming outside directors who are audit and supervisory committee members have no longer become audit and supervisory committee members or outside directors or in case that the Plan has been abolished, the terms of office for the independent committee members shall be completed simultaneously therewith.
- The independent committee shall make a resolution regarding the matters described in any Item below and shall provide the board of directors of the Company with recommendations with reasons therefor. The board of directors of the Company shall make a final decision respecting these recommendations by the independent committee (however, if a separate resolution regarding implementation or non-implementation of allotment of the Share Options without contribution stipulated in (i) below has been made by the General Meeting of Shareholders for Confirmation of Shareholders' Intent, such resolution shall be followed). In addition, the independent committee members shall state their opinions from the viewpoint concerning whether or not the aforementioned resolution contributes to the corporate value of the Company and common interests of its shareholders, shall participate in a resolution process, and shall not make such resolution for the purpose of exclusively attempting to gain personal benefits of such committee members or the directors of the Company.
 - (i) Implementation or non-implementation of allotment of the Share Options without contribution
 - (ii) (As needed) An issue concerning whether or not holding of the General Meeting of Shareholders for Confirmation of Shareholders' Intent is appropriate
 - (iii) An issue concerning whether or not the Review Period is extended
 - (iv) Advisability regarding discussion with a general meeting of shareholders for a proposal for modification or change of the Plan
 - (v) Suspension of allotment of the Share Options without contribution or acquisition of the Share Options without compensation
 - (vi) In addition to the matters stipulated in any of the previous Items of this Paragraph, the matters that the board of directors of the Company has consulted with the independent committee, among the matters for which the board of directors of the Company are required to make judgment.
- The independent committee may request that the board of directors of the Company submit all materials submitted by the Acquirer to the board of directors of the Company, opinions regarding such materials by the board of directors of the Company, supporting data thereof, alternative proposals thereof, and other information necessary for resolution and recommendation by the independent committee. Moreover, the independent committee may also request that the Acquirer submit data for review or other information that the independent committee deems necessary as needed through the board of directors of the Company.
- In case that the independent committee deems it necessary, the independent committee may cause the directors, advisors, advisers, accounting auditors, or employees of the Company to attend at the independent committee meeting and may request that they make reports regarding necessary matters and state their opinions.

- The independent committee may obtain advice by independent third parties (including financial advisors, certificated public accountants, lawyers, consultants, and other experts) at the cost of the Company.
- When the relevant independent committee members have convoked the independent committee meetings in accordance with the regulations on the independent committee, such meetings shall be held.
- The independent committee meeting shall be effective conditional upon attendance of all of the independent committee members, and a resolution thereof shall be made based on approval of the majority of votes of such attendees; provided, however, that in case that the independent committee members have been absent for undividable circumstances, the independent committee meeting shall be effective conditional upon attendance of a majority of the independent committee members, and a resolution thereof shall be made based on approval of the majority of votes of such attendees.

(Exhibit 3)

Name and History of the Independent Committee Members

Names and histories of the independent committee members are described as follows.

Kyoichi Uemura

(Born: March 29, 1940)

History: June 2015	Outside director, audit & supervisory committee member of the Company (incumbent)
July 2009	Seiko Audit Corporation representative partner (incumbent)
June 1995	Outside corporate auditor of the Company
August 1970	Director of UEMURA-KYOICHI OFFICE (incumbent)

Mr. Kyoichi Uemura is an outside director who is an audit and supervisory committee member of the Company regulated under the Companies Act Article 2 (xv).

No special interest exists between Mr. Kyoichi Uemura and the Company.

Mitsumasa Kishida

(Born: February 18, 1955)

History: June 2019	Outside director, audit & supervisory committee member of the Company (incumbent)
August 1998	Director of Mitsumasa Kishida Certified Public Tax Accountant Office (incumbent) Registered as Certified Public Tax Accountant
July 1998	Retired from Osaka Regional Taxation Bureau
April 1978	Joined Osaka Regional Taxation Bureau

Mr. Mitsumasa Kishida is an outside director who is an audit and supervisory committee member of the Company regulated under the Companies Act Article 2 (xv).

No special interest exists between Mr. Mitsumasa Kishida and the Company.

Masaaki Isokawa

(Born: March 8, 1946)

History: June 2009	President of Osaka Seikei Gakuen (incumbent)
March 2008	Auditor of The Settsu Suito Shinkin Bank (currently, The Kitaosaka Shinkin Bank)
April 2000	Vice President of Osaka Bar Association
December 1980	Director of Masaaki Isokawa Law Office (currently, Global Law Office) (incumbent)
April 1978	Registered at Osaka Bar Association

No special interest exists between Mr. Masaaki Isokawa and the Company.

(Exhibit 4)

Outline of Allotment of Share Options without Contribution

1. Shareholders Subject to Allotment

The Share Options shall be allotted to shareholders recorded in a shareholder registry as of the record date (hereinafter referred to as the "Allotment Date") regulated by the board of directors of the Company through a resolution (hereinafter referred to as "Resolution for Allotment of Share Options without Contribution") of the board of directors of the Company related to allotment of the Share Options without contribution at the ratio of one Share Option per share held by each shareholder (however, treasury stocks held by the Company shall be excluded).

2. Class and Number of Shares to be Issued upon Exercise of the Share Options

The class of shares to be issued upon exercise of the Share Options is the shares of the Company¹ and the number of shares to be issued upon exercise of one Share Option (hereinafter referred to as the "Targeted Number of Shares") shall be one unless separately adjusted.

3. Total Number of the Share Options

The total number of the Share Options shall be up to a ceiling of the final total number of issued shares on the allotment date (however, the number of the treasury stocks held by the Company shall be excluded at such time).

4. Value of Property to be Contributed upon Exercise of the Share Options

The property that is the subject of contribution upon exercise of the Share Options shall be money. The value per share of the property to be contributed upon exercise of the Share Options shall be the value separately determined through a Resolution for Allotment of Share Options without Contribution within the range between 1 yen at minimum and 1/2 of the market price per share of the Company at maximum.

5. Exercise Period for the Share Options

The exercise period for the Share Options shall be the period from an initial day separately determined by the board of directors of the Company through a Resolution for Allotment of Share Options without Contribution (such initial day for the exercise period is hereinafter referred to as the "Commencement Day for Exercise Period") lasting for 1 to 3 months as separately determined by the board of directors of the Company through a Resolution for Allotment of Share Options without Contribution; provided, however, that in case that the Company acquires the Share Options in accordance with the provisions of Section 8 below, the exercise period for the Share Options related to such acquisition shall be until the day immediately preceding the day for such acquisition. If a final day for exercise period falls on a holiday for the place for payment to which money is to be paid upon exercise, the business day immediately preceding such day shall be a final day.

6. Conditions for Exercising the Share Options

Only a person other than the following persons may exercise the Share Options: (I) Specific Large Volume Holders²; (II) joint holder of Specific Large Volume Holders; (III) Specific Large Volume Acquirers³; (IV) other persons in special relationship; (V) persons who have accepted or succeeded to the Share Options without obtaining the approval of the board of directors of the Company from a person listed in (I) through (IV) above; or (VI) persons associated with any of the persons listed in (I) through (V) above⁴ (the persons listed in (I) through (VI) above are hereinafter referred to as "Non-Qualified Persons"). Moreover, in accordance with foreign applicable laws and regulations, upon exercising the Share Options, nonresidents who require prescribed procedures upon exercise of the Share Options may not exercise the Share Options, in principle (However, certain nonresidents may exercise the Share Options (e.g., nonresidents who are able to use the provisions for exemption from application in accordance with the corresponding foreign applicable laws and regulations), and the Share Options held by nonresidents shall be the subject of acquisition in exchange of the shares of the Company as described in Section 8 below.). Furthermore, the Share Options may not be exercised if the person fails to submit a document in a form prescribed by the Company containing the representation and warranty clause (e.g., satisfaction of conditions for exercising the Share Options), the indemnification clause, and other pledge wording.

7. Assignment of the Share Options

Acquisition of the Share Options through assignment thereof shall require the approval of the board of directors of the Company.

8. Acquisition of the Share Options

(1) In case that the board of directors of the Company deems appropriate that the Company acquires the Share Options at any time during the period until the day immediately preceding the Commencement Day for Exercise Period, the Company may acquire all of the Share Options upon arrival of the day separately determined by the board of directors of the Company.

(2) On arrival of the day separately determined by the board of directors of the Company which falls within a range from the day of effectuation of allotment of the Share Options until expiration of the exercise period of the Share Options, the Company may acquire all of the unexercised Share Options held by persons other than the Non-Qualified Persons on or before the day immediately preceding the day determined by the board of directors of the Company, and, in exchange of such Share Options, the Company may issue the Targeted Number of Shares per Share Option.

If the board of directors of the Company finds, on and after the day for the aforementioned acquisition, that a person other than the Non-Qualified Persons is included in the persons holding the Share Options, on arrival of the day separately determined by the board of directors of the Company which arrives later than the day for the aforementioned acquisition, the Company may acquire all of the unexercised Share Options held by such person on or before the day immediately preceding the day determined by the board of directors of the Company, in exchange of such Share Options, the Company may issue the Targeted Number of Shares per the Share Option, and the same shall apply thereafter.

¹ Even if the Company becomes a Corporation with Class Shares (Article 2, item (xiii) of the Companies Act in the future, both of (i) the shares of the Company issued upon exercise of the Share Options and (ii) the shares issued in exchange of acquisition of the Share Options shall be the same class of shares as the shares (common shares) actually issued by the Company at the time of holding of the ordinary general meeting of shareholders.

² The term "Specific Large Volume Holders" refers to holders of share certificates, etc. issued by the Company and whose percentage of holding of such share certificates, etc. is 20% or greater (including those who are deemed to be such persons by the board of directors of the Company); provided, however, that the following persons are not Specific Large Volume Holders; (i) the Company, subsidiaries of the Company, or companies associated with the Company; (ii) persons recognized by the board of directors of the Company that have become Specific Large Volume Holders without intending to control the Company and who are no longer Specific Large Volume Holders through disposal of share certificates, etc. of the Company held thereby within 10 days (however, the board of directors of the Company may extend such period) after they became Specific Large Volume Holders; (iii) persons who have become Specific Large Volume Holders related to the Company not based on their own intent due to acquisition of treasury stocks of the Company or for other reasons (however, excluding cases in which the share certificates, etc. of the Company have newly acquired based on their own intent subsequently); and (iv) persons recognized by the board of directors of the Company that for such persons to acquire or hold the share certificates, etc. of the Company is not against the corporate value of the Company and common interests of its shareholders (and the board of directors of the Company may recognize such persons at any time, and in case that the board of directors of the Company has deemed that such recognition is not against the corporate value of the Company and common interests of its shareholders under certain conditions, limited to cases in which such conditions have been satisfied).

³ The term "Specific Large Volume Acquirers" refers to persons who have provided public notice to the effect that such persons would perform Purchase, etc. (defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act; the same shall apply hereinafter) of the stock certificates, etc. issued by the Company through a tender offer and whose total of the ownership ratio (including similar cases regulated under Article 7, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act) of share certificates, etc. related to such persons following such Purchase, etc. and the ownership ratio of stock certificates, etc. of persons in special relationship of such persons becomes 20% or greater (including persons that the board of directors of the Company deems are such persons); provided, however, that the following persons are not Specific Large Volume Acquirers; (i) the Company, subsidiaries of the Company, or companies associated with the Company; and (ii) persons recognized by the board of directors of the Company that for such persons to acquire or hold the stock certificates, etc. of the Company is not against the corporate value of the Company and common interests of its shareholders (and the board of directors of the Company may recognize such persons at any time, and in case that the board of directors of the Company has deemed that such recognition is not against the corporate value of the Company and common interests of its shareholders under certain conditions, limited to cases in which such conditions have been satisfied).

⁴ "Associated party" of a party means a party that substantially controls, is controlled by, or is under common control with the subject party (including persons that the board of directors of the Company deems to fall under such category), or that acts in cooperation with the subject party.

(Exhibit 5)

Shareholder Status of Shares (As of March 31, 2024)

1. Total number of authorized shares: 190,000,000 shares
2. Total number of issued shares: 56,386,718 shares
3. Number of shareholders: 17,075 persons
4. Major shareholders (top 10 shareholders)

Name of shareholder	Number of shares held	Percentage of ownership
The Master Trust Bank of Japan, Ltd. (trust account)	4,176,000 shares	8.5 %
NIPPON ACTIVE VALUE FUND PLC	3,000,000 shares	6.1 %
Tomimoto Shogakukai	2,695,000 shares	5.5 %
Daido Life Insurance Company	2,632,000 shares	5.3 %
Sumitomo Mitsui Banking Corporation	2,498,000 shares	5.1 %
Custody Bank of Japan, Ltd. (trust account)	2,045,000 shares	4.1 %
Nippon Life Insurance Company	1,960,000 shares	4.0 %
Client stock ownership of MEISEI INDUSTRIAL Co., Ltd.	1,938,000 shares	3.9 %
The Dai-ichi Life Insurance Company, Limited	1,930,000 shares	3.9 %
MUFG Bank, Ltd.	1,400,000 shares	2.8 %

(Note) The Company holds 7,431,200 treasury stocks, which are excluded from the aforementioned major shareholders. Furthermore, the treasury stocks do not include 163,100 shares in the Company held by the Board Benefit Trust (BBT). The percentage of ownership is calculated after deducting treasury stocks.