

The Takashimaya Group Management Principles

Management Principle

Putting People First

The Takashimaya Group contributes to society by valuing an attitude of trusting, caring for, and serving people.

Guidelines

- Leaving a positive impression through our hospitality
- Creating a new lifestyle and culture to open up future possibilities
 - Helping to build lively local communities
- Working tirelessly to conserve the global environment
 - Working to build people's trust

Corporate Message

Timeless, yet innovative

Because we have a tradition, we can be innovative.

We remain committed to delivering dependable value based on current trends.

While retaining what should be preserved, we will adapt to new tastes.

Defining what should be maintained, such as considerate services, and what should be changed to bring greater customer satisfaction, Takashimaya will evolve in harmony with its staff members.

The Group's Founding Spirit

“The Store Creed”

- We shall sell quality goods at reasonable prices, for the benefit of ourselves and others.
- We sell at fair prices of goods.
- We shall clearly inform customers of the quality of the goods and shall not mislead them in any way.
- We shall treat customers equally, without discrimination based on wealth or status.

To Our Shareholders

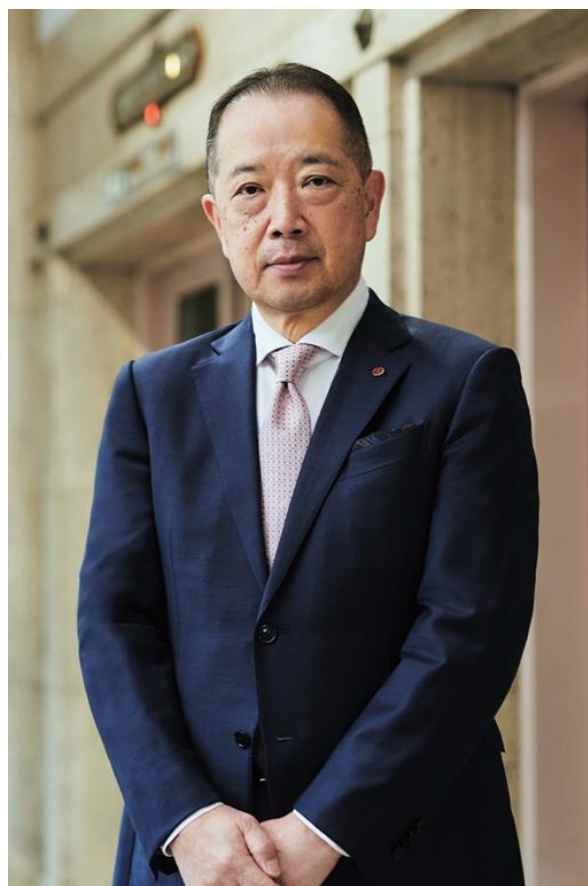
Firstly, we would like to express our sincere gratitude for your support. I would like to say a few words as we deliver the Notice of the 160th Ordinary General Meeting of Shareholders.

In FY2025, Takashimaya Group's performance lacked strength in its core department store business due to factors including the rebound effect of inbound demand. However, with continued support from customers in Japan, sales initiatives made steady progress.

As for profit, we recorded an extraordinary loss because we carried out the purchase and cancellation of convertible bonds with stock acquisition rights with the aim of enhancing shareholder value over the medium to long term. As the impact of this extraordinary loss is temporary and performance is progressing as planned, we propose an increase in the year-end dividend for FY2025.

The Group will celebrate its 200th anniversary in 2031. With a view to enhancing corporate value over the medium to long term, at this General Meeting of Shareholders we will propose a change in the institutional design in order to increase management transparency and effectiveness. Through this change, we will strengthen the governance structure that supports swift and accurate decision-making and sustainable growth.

Takashimaya Group will continue our full-scale efforts to meet the expectations of our shareholders and realize sustainable growth. We ask for your continued support and patronage.



Yoshio Murata
President
Takashimaya Co., Ltd.

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(Securities Code: 8233)

May 7, 2026

(Start date of measures for electronic provision: May 1, 2026)

To: Shareholders

Yoshio Murata, President
Takashimaya Company, Limited
1-5, Namba 5-chome, Chuo-ku, Osaka

Notice of the 160th Ordinary General Meeting of Shareholders

We are pleased to inform you that the 160th Ordinary General Meeting of Shareholders will be held as described below.

In convening the 160th Ordinary General Meeting of Shareholders, the Company has taken measures for electronic provision of information, and posted the matters to be provided electronically on the following website.

The Company's website (<https://www.takashimaya.co.jp/corp/shareholder/soukai/>) (Japanese only)

In addition to the above, the matters to be provided electronically are also posted on the Tokyo Stock Exchange (TSE) website. Please visit the TSE website (Listed Company Search) shown below, enter the issue name (the Company's name) or the Company's securities code and execute the search. Then, click "Basic information" and select "Documents for public inspection/PR information" to confirm the information.

TSE website (Listed Company Search)

(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

Date and Time: Tuesday, May 26, 2026 at 10:00 a.m.
(Reception starts at 9:00 a.m.)

Place: Naniwa Ballroom, 8th Floor, Swissôtel Nankai Osaka
1-60, Namba 5-chome, Chuo-ku, Osaka

Agenda of the Meeting

Matters to Be Reported:

1. The Business Report, Consolidated Financial Statements for the 160th Fiscal Term (from March 1, 2025 to February 28, 2026) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the 160th Fiscal Term (from March 1, 2025 to February 28, 2026)

Proposals to Be Resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendments to the Articles of Incorporation
- Proposal No. 3:** Election of Ten Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 4:** Election of Five Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 5:** Election of One Substitute Director Who is an Audit & Supervisory Committee Member
- Proposal No. 6:** Determination of the Amount of Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 7:** Determination of the Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 8:** Payment of Bonuses to Directors

Matters Decided for Convocation

We respectfully request that you exercise your voting rights prior to the meeting via the Internet or by mail. If you are unable to attend the meeting, please exercise your voting rights by either of the following methods by 5:00 p.m. on Monday, May 25, 2026.

[To execute your voting rights via the Internet]:

Please access our voting rights exercise site <https://evote.tr.mufg.jp/>, use your log-in ID and temporary password shown on the enclosed Voting Rights Exercise Form, review the Reference Material for the General Meeting of Shareholders posted on the matters provided electronically (Pages 10 through 43) or the electronic version thereof shown on the voting rights exercise site, and enter your vote following the instructions on the screen. For exercise of voting rights via the Internet, please make sure to check Page 6 below.

In the case of duplication in exercising via both mail and the Internet, the one via the Internet will be effective.

[To execute your voting rights via postal service]:

Please review the Reference Material for the General Meeting of Shareholders posted on the matters provided electronically (Pages 10 through 43), and indicate whether you approve or disapprove of the proposed issues on the enclosed Voting Rights Exercise Form, and return the form to us so that it will arrive by the above due date for exercising.

If there is no indication of approval or disapproval of a proposal, it will be treated as approval.

Exercise of Voting Rights by Proxy

Each shareholder may exercise his/her voting rights by authorizing one other shareholder with voting rights to act as his/her proxy, provided that a document evidencing his/her power of representation for each general meeting of shareholders is submitted.

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- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting. Also, please bring the notice with you in order to save resources.
 - Changes in the matters provided electronically, if any, will be posted on the respective websites on which the matters are posted.
 - The following matters are not stated in the documents delivered to shareholders who have requested delivery of documents in accordance with laws, regulations and the Company's Articles of Incorporation. Consequently, the documents delivered to shareholders who have requested delivery of documents are part of the documents audited by the Corporate Auditors and the Accounting Auditor when preparing the audit reports.
 - Consolidated Statements of Changes in Equity and Notes to Consolidated Financial Statements
 - Non-consolidated Statements of Changes in Equity and Notes to Non-consolidated Financial Statements
 - Shareholders who require special accommodations at the venue should contact the following division no later than Saturday, May 23, 2026, so that arrangements can be made.

General Affairs Headquarters, General Affairs Division, Stock Desk, Takashimaya Co., Ltd.
Phone: 0120-272-848 (available from 10:00 a.m. to 6:00 p.m., excluding Wednesday and Sunday)

Proposal No. 1 Appropriation of Surplus

Year-end dividend

In order to keep the basic stance to maintain a stable dividend level, and from a comprehensive viewpoint of the business performance excluding the impact of one-time extraordinary losses and managerial environment, we propose that the year-end dividend be 17 yen per share, 4 yen higher than the year-end dividend of the previous year.

This makes the annual dividend 34 yen per share, including the interim dividend of 17 yen per share implemented earlier. On September 1, 2024, the Company performed a two-for-one stock split of its common stock. The interim dividend (23 yen per share), paid with a record date of August 31 of the same year, is equivalent to a dividend of 11.50 yen per share converted to a post-stock split basis. The previous year's annual dividend equivalent, including the year-end dividend of 13 yen, was 24.50 yen per share, and this year's annual dividend of 34 yen represents an increase of 9.50 yen.

1. Type of the dividend property:
Cash
2. Allocation of the dividend property to shareholders and the total amount thereof:
17 yen per share of the Company's common stock
4,981,244,800 yen in total is to be distributed from retained earnings.
3. Effective date of dividend from surplus:
May 27, 2026

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reasons for proposal

In order to further strengthen the supervisory function of the Board of Directors, further enhance governance, and improve the fairness, transparency, and efficiency of management through swift decision-making and business execution based on the delegation of authority, the Company seeks to transition to a company with an Audit & Supervisory Committee. Accordingly, we propose to establish new provisions concerning the Audit & Supervisory Committee and Audit & Supervisory Committee Members, to delete the provisions concerning Corporate Auditors and the Board of Corporate Auditors, to make revisions to wording and to add paragraph numbers.

2. Details of amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation under this proposal will take effect upon the close of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
<p>Article 2 (Purpose) The purpose of the Company shall be to engage in the following business activities.</p> <ol style="list-style-type: none"> 1. Department store business, export and import business, wholesale business, and manufacturing and processing businesses incidental to these businesses 2. (Omitted) 3. Export, import, manufacturing, and sales of pharmaceuticals, quasi-pharmaceutical products, medical devices, and cosmetics 4.-10. (Omitted) 11. Design, supervision, and contracting of building construction work, interior finishing work, civil engineering work, etc. 12.-13. (Omitted) 14. Security, cleaning, and facility maintenance and management services for buildings 15.-18. (Omitted) 19. Production and sales of video software, films, etc.; operation of studios for video, music, etc.; operation of cultural classes and learning classes; and education and training business 20.-27. (Omitted) 28. Sales of clothing, daily necessities, household electrical appliances, foods, etc. on consignment, and store management on consignment 29. Consulting business relating to storefront sales and store management 30. (Omitted) 	<p>Article 2 (Purpose) The purpose of the Company shall be to engage in the following business activities.</p> <ol style="list-style-type: none"> 1. Department store business, export and import business, wholesale business, and manufacturing and processing businesses incidental to these businesses 2. (Unchanged) 3. Export, import, manufacturing, and sales of pharmaceuticals, quasi-pharmaceutical products, medical devices, and cosmetics 4.-10. (Unchanged) 11. Design, supervision, and contracting of building construction work, interior finishing work, civil engineering work, etc. 12.-13. (Unchanged) 14. Security, cleaning, and facility maintenance and management services for buildings 15.-18. (Unchanged) 19. Production and sales of video software, films, etc.; operation of studios for video, music, etc.; operation of cultural classes and learning classes; and education and training business 20.-27. (Unchanged) 28. Sales of clothing, daily necessities, household electrical appliances, foods, etc. on consignment, and store management on consignment 29. Consulting business relating to storefront sales and store management 30. (Unchanged)
<p>Article 4 (Organs) The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs:</p> <ol style="list-style-type: none"> (1) Board of Directors (2) <u>Corporate Auditors</u> (3) <u>Board of Corporate Auditors</u> (4) <u>Accounting Auditor</u> 	<p>Article 4 (Organs) The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs:</p> <ol style="list-style-type: none"> (1) Board of Directors (2) <u>Audit & Supervisory Committee</u> (Deleted) (3) <u>Accounting Auditor</u>

Current Articles of Incorporation	Proposed amendments
<p>Article 9 (Rights with Respect to Shares Less Than One Unit)</p> <p>A shareholder of the Company may not exercise any rights with respect to shares less than one unit held by such shareholder other than the following rights:</p> <p>(1) Rights set forth in each item of Article 189, Paragraph 2 of the Companies Act</p> <p>(2) The right to make a request under Article 166, Paragraph 1 of the Companies Act</p> <p>(3) The right to receive an allotment of offered shares and an allotment of offered share acquisition rights in proportion to the number of shares held by the shareholder</p> <p>(4) The right to make the request provided for in the following Article</p>	<p>Article 9 (Rights with Respect to Shares Less Than One Unit)</p> <p>A shareholder of the Company may not exercise any rights with respect to shares less than one unit held by such shareholder other than the following rights:</p> <p>(1) Rights set forth in each item of Article 189, Paragraph 2 of the Companies Act</p> <p>(2) The right to make a request under Article 166, Paragraph 1 of the Companies Act</p> <p>(3) The right to receive an allotment of offered shares and an allotment of offered share acquisition rights in proportion to the number of shares held by the shareholder</p> <p>(4) The right to make the request provided for in the following Article</p> <p>(Change in Japanese only; English unchanged)</p>
<p>Article 11 (Shareholder Register Administrator and Location of Shareholder Register, etc.)</p> <p>The Company shall appoint a shareholder register administrator.</p> <p>The shareholder register administrator and its office shall be designated by resolution of the Board of Directors, and shall be publicly notified.</p> <p>The Company's shareholder register and register of stock acquisition rights shall be kept at the office of the shareholder register administrator, and other administrative matters relating to the shareholder register and register of stock acquisition rights shall be handled by the shareholder register administrator and not by the Company.</p>	<p>Article 11 (Shareholder Register Administrator and Location of Shareholder Register, etc.)</p> <p><u>1.</u> The Company shall appoint a shareholder register administrator.</p> <p><u>2.</u> The shareholder register administrator and its office shall be designated by resolution of the Board of Directors, and shall be publicly notified.</p> <p><u>3.</u> The Company's shareholder register and register of stock acquisition rights shall be kept at the office of the shareholder register administrator, and other administrative matters relating to the shareholder register and register of stock acquisition rights shall be handled by the shareholder register administrator and not by the Company.</p>
<p>Article 13 (Time and Method of Holding Meetings)</p> <p>The Company convenes its ordinary general meeting of shareholders in May each year, and convenes an extraordinary general meeting of shareholders as necessary</p> <p>The record date for the voting rights of an ordinary general meeting of shareholders shall be the last day of February each year.</p> <p>The Company may hold a general meeting of shareholders without specifying a location.</p>	<p>Article 13 (Time and Method of Holding Meetings)</p> <p><u>1.</u> The Company convenes its ordinary general meeting of shareholders in May each year, and convenes an extraordinary general meeting of shareholders as necessary</p> <p><u>2.</u> The record date for the voting rights of an ordinary general meeting of shareholders shall be the last day of February each year.</p> <p><u>3.</u> The Company may hold a general meeting of shareholders without specifying a location.</p>
<p>Article 15 (Measures for Electronic Provision of Information, Etc.)</p> <p>The Company shall, when convening a general meeting of shareholders, provide information contained in the Reference Material for the General Meeting of Shareholders, etc. electronically.</p> <p>The Company may choose not to include in the paper copy to be sent to shareholders who have requested it by the record date for voting rights, all or part of the matters stipulated in the Ordinance of the Ministry of Justice from among the matters to be provided electronically.</p>	<p>Article 15 (Measures for Electronic Provision of Information, Etc.)</p> <p><u>1.</u> The Company shall, when convening a general meeting of shareholders, provide information contained in the Reference Material for the General Meeting of Shareholders, etc. electronically.</p> <p><u>2.</u> The Company may choose not to include in the paper copy to be sent to shareholders who have requested it by the record date for voting rights, all or part of the matters stipulated in the Ordinance of the Ministry of Justice from among the matters to be provided electronically.</p>

Current Articles of Incorporation	Proposed amendments
<p>Article 16 (Method of Resolution) Resolutions of a General Meeting of Shareholders shall be adopted by a majority of the voting rights of the shareholders present who are entitled to exercise their voting rights; provided that, if otherwise provided by laws and regulations or by these Articles of Incorporation, such provisions shall prevail. A resolution under Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the voting rights of the shareholders present who hold one-third or more of the voting rights of the shareholders entitled to exercise their voting rights.</p>	<p>Article 16 (Method of Resolution) <u>1.</u> Resolutions of a General Meeting of Shareholders shall be adopted by a majority of the voting rights of the shareholders present who are entitled to exercise their voting rights; provided that, if otherwise provided by laws and regulations or by these Articles of Incorporation, such provisions shall prevail. <u>2.</u> A <u>special</u> resolution under Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the voting rights of the shareholders present who hold one-third or more of the voting rights of the shareholders entitled to exercise their voting rights.</p>
<p>Article 17 (Exercise of Voting Rights by Proxy) A shareholder may exercise voting rights by appointing as proxy one other shareholder who attends the meeting and has voting rights, provided that the shareholder or the proxy submits to the Company a document evidencing the proxy's authority.</p>	<p>Article 17 (Exercise of Voting Rights by Proxy) A shareholder may exercise voting rights by appointing as proxy one other shareholder who attends the meeting and has voting rights, provided that the shareholder or the proxy submits to the Company a document evidencing the proxy's authority. (Change in Japanese only; English unchanged)</p>
<p>Chapter 4 Directors <u>and Board of Directors</u></p>	<p>Chapter 4 Directors, <u>Board of Directors, and Audit & Supervisory Committee</u></p>
<p>Article 19 (Number of Directors) The Company shall have <u>no fewer than three and no more than 15</u> Directors. (Newly Established)</p>	<p>Article 19 (Number of Directors) <u>1.</u> The Company shall have no more than <u>19</u> Directors. <u>2.</u> <u>Of the Directors set forth in the preceding paragraph, the number of Directors who are Audit & Supervisory Committee Members shall be no more than five, and a majority of them shall be Outside Directors.</u></p>
<p>Article 20 (Election of Directors) <u>A resolution of a General Meeting of Shareholders to elect Directors shall require the attendance of shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights.</u> <u>The resolution for the election of Directors set forth in the preceding paragraph shall not be conducted by cumulative voting.</u></p>	<p>Article 20 (Election of Directors) <u>1. The Company's Directors shall be elected at a General Meeting of Shareholders, separately for Directors who are Audit & Supervisory Committee Members and for other Directors.</u> <u>2. The resolution of the General Meeting of Shareholders set forth in the preceding paragraph (hereinafter referred to as a "resolution for the election of Directors") shall require the attendance of shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights, and shall be adopted by a majority of such voting rights. In addition, a resolution for the election of Directors shall not be conducted by cumulative voting.</u></p>
<p>Article 21 (Representative Directors) The Board of Directors shall, by its resolution, appoint a certain number of Directors to represent the Company.</p>	<p>Article 21 (Representative Directors) The Board of Directors shall, by its resolution, appoint a certain number of Directors to represent the Company <u>from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Article 22 (Directors with Titles) The Board of Directors may, by its resolution, appoint one President and a certain number of Senior Managing Directors and Managing Directors. When necessary, the Board of Directors may, by its resolution, appoint one Chairman and a certain number of Vice Presidents. The segregation of duties of each Director with title shall be governed by the Rules for the Segregation of Directors' Duties prescribed by the Board of Directors.</p>	<p>Article 22 (Directors with Titles) <u>1. The Board of Directors may, by its resolution, appoint one President and a certain number of Senior Managing Directors and Managing Directors from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u> <u>2. When necessary, the Board of Directors may, by its resolution, appoint one Chairman and a certain number of Vice Presidents from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u> <u>3. The segregation of duties of each Director with title shall be governed by the Rules for the Segregation of Directors' Duties prescribed by the Board of Directors.</u></p>
<p>Article 23 (Term of Office of Directors) The term of office of Directors shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within one year after their election.</p> <p>(Newly Established)</p> <p>(Newly Established)</p>	<p>Article 23 (Term of Office of Directors) <u>1. The term of office of Directors (excluding Directors who are Audit & Supervisory Committee Members) shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within one year after their election.</u> <u>2. The term of office of Directors who are Audit & Supervisory Committee Members shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within two years after their election.</u> <u>3. The term of office of a Director who is an Audit & Supervisory Committee Member elected as a substitute for a Director who was an Audit & Supervisory Committee Member and retired before the expiration of his or her term of office shall continue until the expiration of the term of office of the retired Director who was an Audit & Supervisory Committee Member.</u></p>
<p>(Newly Established)</p>	<p>Article 24 (Authority, etc. of Directors) <u>1. The Board of Directors shall resolve matters provided for in laws and regulations, these Articles of Incorporation, or the Rules of the Board of Directors, and shall supervise the execution of duties by Directors.</u> <u>2. Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Board of Directors may, by its resolution, delegate to Directors all or part of the authority to make decisions regarding important business execution (excluding the matters listed in each item of Paragraph 5 of the same Article).</u></p>
<p>Article 24 (Remuneration, etc. of Directors) The remuneration, bonuses, and other property benefits that Directors receive from the Company as consideration for the execution of their duties (hereinafter referred to as "remuneration, etc.") shall be determined by resolution of a General Meeting of Shareholders.</p>	<p>Article 25 (Remuneration, etc. of Directors) The remuneration, bonuses, and other property benefits that Directors receive from the Company as consideration for the execution of their duties (hereinafter referred to as "remuneration, etc.") shall be determined by resolution of a General Meeting of Shareholders, <u>separately for Directors who are Audit & Supervisory Committee Members and for other Directors.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Article <u>25</u> (Notice of Convocation of Board of Directors Meetings) Notice of convocation of a meeting of the Board of Directors shall be given to each Director <u>and each Corporate Auditor</u> three days prior to the date of the meeting.</p>	<p>Article <u>26</u> (Notice of Convocation of Board of Directors Meetings) Notice of convocation of a meeting of the Board of Directors shall be given to each Director <u>at least three days prior to the date of the meeting; provided that this period may be shortened if there is an urgent need.</u></p>
<p>Article <u>26</u> (Deemed Resolution of the Board of Directors) The Company shall deem that a resolution of the Board of Directors has been adopted <u>when the requirements of Article 370 of the Companies Act are satisfied.</u></p>	<p>Article <u>27</u> (Deemed Resolution of the Board of Directors) <u>If a Director proposes a matter to be resolved and all Directors who are entitled to participate in the vote consent in writing or by electromagnetic record to the matter,</u> the Company shall deem that a resolution of the Board of Directors <u>approving such matter</u> has been adopted.</p>
<p>Article <u>27</u> (Rules of the Board of Directors) Matters concerning the Board of Directors shall be governed by the Rules of the Board of Directors prescribed by the Board of Directors, in addition to matters provided for in laws and regulations and these Articles of Incorporation.</p>	<p>Article <u>28</u> (Rules of the Board of Directors) Matters concerning the Board of Directors shall be governed by the Rules of the Board of Directors prescribed by the Board of Directors, in addition to matters provided for in laws and regulations and these Articles of Incorporation.</p>
<p>Article <u>28</u> (Executive Officers) The Board of Directors may, by its resolution, appoint Executive Officers. Matters concerning Executive Officers shall be governed by the Rules of the Board of Directors and the Rules of Executive Officers prescribed by the Board of Directors.</p>	<p>Article <u>29</u> (Executive Officers) <u>1.</u> The Board of Directors may, by its resolution, appoint Executive Officers. <u>2.</u> Matters concerning Executive Officers shall be governed by the Rules of the Board of Directors and the Rules of Executive Officers prescribed by the Board of Directors.</p>
<p>Articles <u>29</u> through <u>30</u> (Omitted)</p>	<p>Articles <u>30</u> through <u>31</u> (Unchanged)</p>
<p>(Newly Established)</p>	<p><u>Article 32 (Organization of the Audit & Supervisory Committee)</u> <u>1. The Audit & Supervisory Committee shall be composed of Directors who are Audit & Supervisory Committee Members.</u> <u>2. The Audit & Supervisory Committee may, by its resolution, appoint a full-time Audit & Supervisory Committee Member.</u></p>
<p>(Newly Established)</p>	<p><u>Article 33 (Authority, etc. of the Audit & Supervisory Committee)</u> <u>The Audit & Supervisory Committee shall audit the execution of duties by Directors and prepare audit reports.</u></p>

Current Articles of Incorporation	Proposed amendments
(Newly Established)	<u>Article 34 (Notice of Convocation of Audit & Supervisory Committee Meetings)</u> <u>1. Notice of convocation of a meeting of the Audit & Supervisory Committee shall be given in writing or by electromagnetic means to each Audit & Supervisory Committee Member at least three days prior to the date of the meeting; provided that this period may be shortened if there is an urgent need.</u> <u>2. A meeting of the Audit & Supervisory Committee may be held without following the convocation procedures if all Audit & Supervisory Committee Members consent.</u>
(Newly Established)	<u>Article 35 (Rules of the Audit & Supervisory Committee)</u> <u>Matters concerning the Audit & Supervisory Committee shall be governed by the Rules of the Audit & Supervisory Committee prescribed by the Audit & Supervisory Committee, in addition to matters provided for in laws and regulations and these Articles of Incorporation.</u>
<u>Chapter 5 Corporate Auditors and Board of Corporate Auditors</u>	(Deleted)
<u>Article 31 (Number of Corporate Auditors)</u> <u>The Company shall have no fewer than three and no more than four Corporate Auditors.</u>	(Deleted)
<u>Article 32 (Election of Corporate Auditors)</u> <u>A resolution of a General Meeting of Shareholders to elect Corporate Auditors shall require the attendance of shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights.</u>	(Deleted)
<u>Article 33 (Full-time Corporate Auditor)</u> <u>The Board of Corporate Auditors shall, by its resolution, appoint a full-time Corporate Auditor.</u>	(Deleted)
<u>Article 34 (Term of Office of Corporate Auditors)</u> <u>The term of office of Corporate Auditors shall expire at the close of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within four years after their election; provided that the term of office of a Corporate Auditor who assumes office as a substitute shall be the same as the remaining term of office of the retired Corporate Auditor.</u>	(Deleted)
<u>Article 35 (Remuneration, etc. of Corporate Auditors)</u> <u>The remuneration, etc. of Corporate Auditors shall be determined by resolution of a General Meeting of Shareholders.</u>	(Deleted)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 36 (Notice of Convocation of Board of Corporate Auditors Meetings)</u> <u>Notice of convocation of a meeting of the Board of Corporate Auditors shall be given to each Corporate Auditor three days prior to the date of the meeting.</u></p>	(Deleted)
<p><u>Article 37 (Rules of the Board of Corporate Auditors)</u> <u>Matters concerning the Board of Corporate Auditors shall be governed by the Rules of the Board of Corporate Auditors prescribed by the Board of Corporate Auditors, in addition to matters provided for in laws and regulations and these Articles of Incorporation.</u></p>	(Deleted)
<p><u>Article 38 (Exemption from Liability of Corporate Auditors)</u> <u>Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Corporate Auditors (including persons who were Corporate Auditors) from liability for damages set forth in Article 423, Paragraph 1 of the same Act, within the limits provided by laws and regulations.</u></p>	(Deleted)
<p><u>Article 39 (Limited Liability Agreement with Corporate Auditors)</u> <u>Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with Corporate Auditors to limit their liability for damages set forth in Article 423, Paragraph 1 of the same Act; provided that the maximum liability for damages under such agreement shall be the amount provided by laws and regulations.</u></p>	(Deleted)
Chapter <u>6</u> Accounts	Chapter <u>5</u> Accounts
Articles <u>40</u> through <u>43</u> (Omitted)	Articles <u>36</u> through <u>39</u> (Unchanged)
(Newly Established)	<p><u>Supplementary Provisions</u> <u>(Transitional Measures Concerning Exemption from Liability of Corporate Auditors)</u> <u>With respect to exemption, by resolution of the Board of Directors, from liability for damages under Article 423, Paragraph 1 of the Companies Act arising from acts by Corporate Auditors (including persons who were Corporate Auditors) before the close of the 160th Ordinary General Meeting of Shareholders held in May 2026, the prior provisions shall remain applicable.</u> <u>With respect to agreements limiting liability for damages under Article 423, Paragraph 1 of the Companies Act arising from acts by Outside Corporate Auditors (including persons who were Outside Corporate Auditors) before the close of the 160th Ordinary General Meeting of Shareholders held in May 2026, the prior provisions shall remain applicable.</u></p>

[Reference]

<Transition to a Company with an Audit & Supervisory Committee>

1. Purpose of the Transition to a Company with an Audit & Supervisory Committee

The Company has adopted a business holding company structure that seeks to achieve the sustainable growth of the Group as a whole by maximizing synergies among the businesses while respecting the independence of each company, with the “Takashimaya” brand, which has been cultivated across the Group mainly through department stores, as its core. Under this structure, it is necessary to reliably link decisions on the Group-wide strategy, resource allocation, and control to business execution and to discharge responsibility for carrying them through. For this reason, the Company has placed a certain number of members from the business execution side on the Board of Directors. As a result, the composition of the Board of Directors has tended to be relatively centered on internally promoted members. This has made it an issue to further enhance the effectiveness of the supervisory function and the objectivity and transparency of the decision-making process.

In light of these circumstances, the Company has decided to transition to a company with an Audit & Supervisory Committee for the purpose of further strengthening the supervisory function of the Board of Directors. The Company will build a more objective and transparent governance structure. At the same time, it will further speed up decision-making through delegation of authority and further enrich discussions centered on corporate strategy at the Board of Directors. Through these efforts, the Company will work to enhance corporate value.

The Company will continue to make constant efforts to deepen corporate governance in both offense and defense and aim for a prosperous future together with all stakeholders.

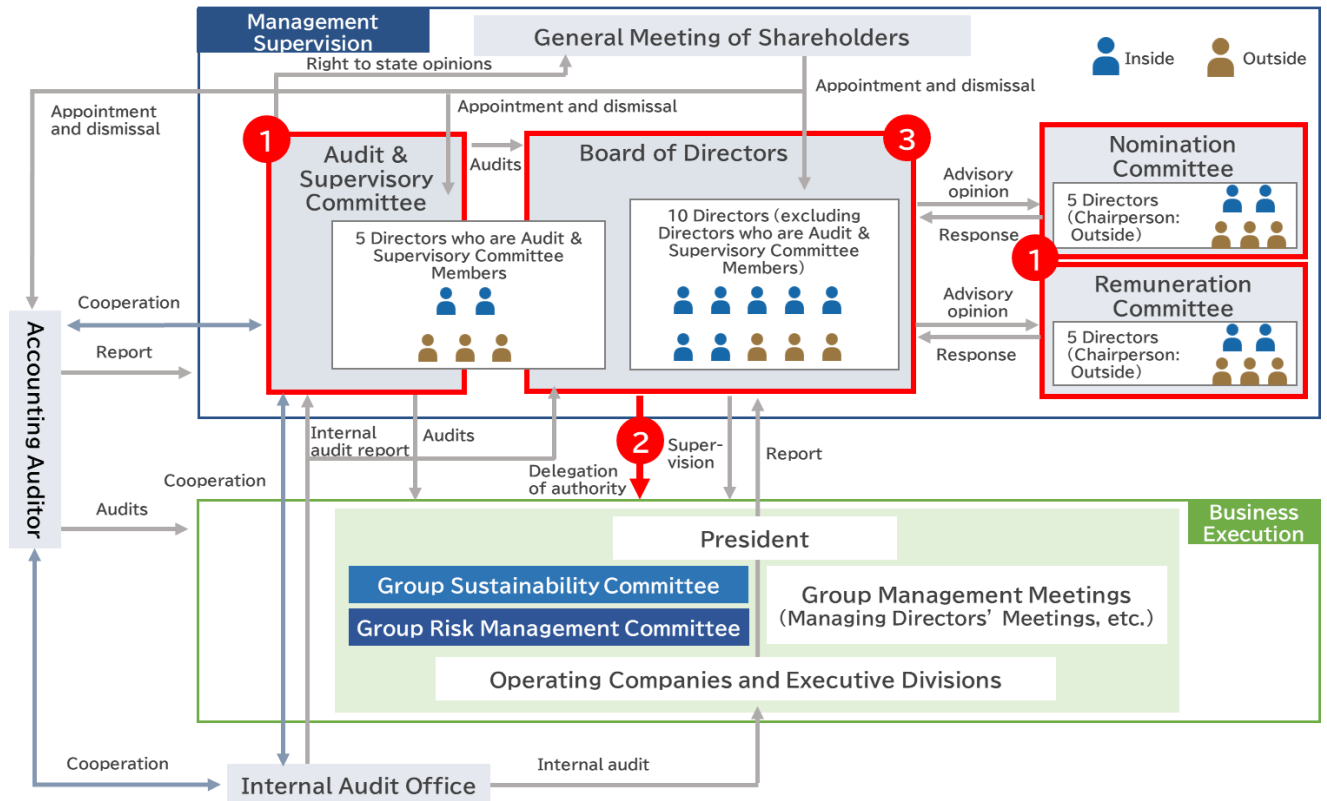
2. Structure After the Transition to a Company with an Audit & Supervisory Committee

The structure after the transition to a company with an Audit & Supervisory Committee will be as follows.

- The current officer structure consists of a total of 16 officers, comprising 12 Directors (eight inside and four outside) and four Corporate Auditors (two inside and two outside). After the transition, the number of Directors will be 15 (nine inside and six outside). Of these, five will be Directors who are Audit & Supervisory Committee Members (two inside and three outside).
- After the transition to a company with an Audit & Supervisory Committee, the Company will continue to maintain the Nomination Committee and the Remuneration Committee. A majority of the members of each committee will be Outside Directors, and the chairperson of each committee will also be an Outside Director. Through this structure, the Company will enhance the objectivity and transparency of the nomination of Directors and the determination of their remuneration.

(Key Points of the Change in Institutional Design)

- (i) **Strengthening the supervisory function** of the Board of Directors and **ensuring objectivity and transparency** through the establishment of an Audit & Supervisory Committee and voluntary advisory committees composed of a majority of Outside Directors
- (ii) **Further speeding up decision-making and business execution** by delegating authority to make decisions on important business execution
- (iii) **Enhancing corporate value by enriching discussions** centered on Group strategy



Proposal No. 3 Election of Ten Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Accordingly, as the terms of the current twelve Directors will expire at the close of this General Meeting of Shareholders, we propose that ten Directors (excluding Directors who are Audit & Supervisory Committee Members) be elected.

This proposal will become effective subject to the amendments to the Articles of Incorporation under Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” taking effect.

The candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

No.	Name	Current positions		Attendance at the Board of Directors meetings in FY2025
1	Yoshio Murata	President (Representative Director)	[Reappointment]	15 / 15 (100%)
2	Koichi Makino	Senior Managing Director (Representative Director)	[Reappointment]	15 / 15 (100%)
3	Naohiro Sato	Senior Managing Executive Officer	[New Appointment]	-
4	Tomoko Sugiyama	Managing Director (Representative Director)	[Reappointment]	13 / 13 (100%) (since taking office)
5	Akio Okawa	Advisor	[New Appointment]	-
6	Masayuki Kiyose	Director	[Reappointment]	15 / 15 (100%)
7	Takehito Sueyoshi	-	[New Appointment]	-
8	Keisuke Yokoo	Director	[Reappointment] [Outside] [Independent]	15 / 15 (100%)
9	Atsumi Arima	Director	[Reappointment] [Outside] [Independent]	15 / 15 (100%)
10	Miyuki Ebisawa	Director	[Reappointment] [Outside] [Independent]	15 / 15 (100%)

No.	Name (Date of birth)	Career summary, positions and assignments	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as Director
1	 Yoshio Murata (October 26, 1961) (Reappointed)	<p>April 1985 Joined Takashimaya Co., Ltd. May 2011 General Manager - Kashiwa Store, Sales Headquarters February 2013 Executive Officer, and Deputy General Manager - General Affairs Headquarters, and General Manager - General Affairs Division and Rental Management Office February 2014 Executive Officer, and Deputy General Manager - General Affairs Headquarters, and General Manager - General Affairs Division, Rental Management Office, Development Group, Planning Headquarters, Asia Development Office, and Deputy General Manager - Planning Office for Nihombashi Redevelopment May 2015 Managing Director, and Deputy General Manager - Planning Headquarters, and General Manager - Corporate Strategy Division and In charge of IT Promotion Office August 2017 Managing Director (Representative Director), and General Manager - General Affairs Headquarters, and Deputy General Manager - Planning Headquarters, and General Manager - Corporate Strategy Division, and In charge of Secretariat Office and IT Promotion Office March 2018 Managing Director (Representative Director), and General Manager - Planning Headquarters, and In charge of IT Promotion Office March 2019 President (Representative Director), and In charge of CSR Promotion Office and Internal Audit Office March 2020 President (Representative Director), and In charge of Internal Audit Office November 2021 President (Representative Director), and In charge of Sales Headquarters and Internal Audit Office May 2024 President (Representative Director), and In charge of Internal Audit Office (to the present)</p> <p>(4) Following positions including Managing Director and Representative Director, and General Manager - General Affairs Headquarters, and Managing Director and Representative Director, and General Manager - Planning Headquarters, Mr. Murata has served as President and Representative Director since 2019, and is proposed as a candidate for ongoing Director in view of his leadership, creativity, and abilities to conceive new ideas and execute corporate strategy.</p>	<p>(1) 108,800 shares (2) N/A (3) N/A</p>
2	 Koichi Makino (September 21, 1962) (Reappointed)	<p>April 1985 Joined Takashimaya Co., Ltd. February 2010 General Manager - Women's Clothing Merchandising Headquarters, Sales Headquarters February 2013 General Manager - Kashiwa Store, Sales Headquarters March 2015 President (Representative Director) - Fashion Plaza Sunroser Co., Ltd. March 2016 General Manager - Sales Headquarters, JR Tokai Takashimaya Co., Ltd. May 2016 Managing Director, and General Manager - Sales Headquarters, JR Tokai Takashimaya Co., Ltd. March 2019 Executive Officer, and General Manager - Shinjuku Store, Sales Headquarters, Takashimaya Co., Ltd. March 2021 Senior Executive Officer, Deputy General Manager - Merchandising Headquarters, Sales Headquarters, and General Manager - Outlet Operation Division March 2022 Senior Executive Officer, and Deputy General Manager - Merchandising Headquarters, Sales Headquarters March 2023 Managing Executive Officer, Deputy General Manager - Sales Headquarters, and General Manager - Merchandising Headquarters May 2024 Managing Director, Deputy General Manager - Sales Headquarters, and General Manager - Merchandising Headquarters March 2025 Managing Director, and General Manager - Nihombashi Store, Sales Headquarters March 2026 Senior Managing Director (Representative Director), General Manager - Sales Headquarters, and In charge of Life Design Office (to the present)</p> <p>(4) Mr. Makino has served as Managing Director, and General Manager - Sales Headquarters of JR Tokai Takashimaya Co., Ltd., Executive Officer, and General Manager - Shinjuku Store, Senior Executive Officer, Deputy General Manager - Merchandising Headquarters, and Managing Director, Deputy General Manager - Sales Headquarters, General Manager - Merchandising Headquarters, and General Manager - Nihombashi Store of the Company. Currently serving as Senior Managing Director and Representative Director, and General Manager - Sales Headquarters, he is leading the Sales Headquarters in an effort to increase operating profit. In view of his wealth of experience and knowledge, the Company has judged that he will appropriately execute the duties of Director of the Company, and proposes him as a candidate for ongoing Director.</p>	<p>(1) 33,000 shares (2) N/A (3) N/A</p>
3	 Naohiro Sato (September 27, 1961) (Newly Nominated)	<p>April 1985 Joined Takashimaya Co., Ltd. May 2011 Deputy General Manager - Omiya Store, Sales Headquarters, and General Manager - General Affairs Division February 2013 Deputy General Manager - Kashiwa Store, Sales Headquarters, and General Manager - General Affairs Division June 2016 Director, and General Manager - Administrative Division, A&S Takashimaya Duty Free Company Limited March 2021 President (Representative Director), CENTURY & Co., Ltd. March 2023 Senior Executive Officer, and General Manager - Nihombashi Store, Sales Headquarters, Takashimaya Co., Ltd. March 2025 Executive Officer, and General Manager - Rental Management Office, Corporate Planning Division, Planning Headquarters March 2026 Senior Managing Executive Officer, General Manager - Planning Headquarters, and In charge of Takashimaya Archives (to the present)</p> <p>(4) Through his experience as Deputy General Manager - Omiya Store and Kashiwa Store, in launching new businesses through the establishment of a joint venture with another company, and in managing Group companies, Mr. Sato has ensured strict control of income and expenditures and achieved increases in both revenues and profits under challenging conditions. In addition, as General Manager - Nihombashi Store, he has led strong business performance, and as General Manager - Rental Management Office, he has demonstrated his skills in effectively using assets held by the Group as a whole. In view of his wealth of experience and knowledge, the Company proposes him as a candidate for a new Director.</p>	<p>(1) 16,082 shares (2) N/A (3) N/A</p>

No.	Name (Date of birth)	Career summary, positions and assignments	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as Director
4	 Tomoko Sugiyama (December 24, 1967) (Reappointed)	<p>April 1990 Joined Takashimaya Co., Ltd.</p> <p>September 2016 General Manager – Children’s Wear Information Device & Hobbies Division, Merchandising Headquarters, Sales Headquarters</p> <p>March 2019 Deputy General Manager - Shinjuku Store, Sales Headquarters, and General Manager - General Affairs Division</p> <p>March 2020 General Manager - Legal Affairs and Risk Management Office, General Affairs Division, General Affairs Headquarters</p> <p>March 2022 Executive Officer, and General Manager - General Affairs Division, General Affairs Headquarters</p> <p>March 2025 Managing Executive Officer, General Manager - General Affairs Headquarters, and In charge of Secretariat Office</p> <p>May 2025 Managing Director (Representative Director), General Manager - General Affairs Headquarters, and In charge of Secretariat Office (to the present)</p>	<p>(1) 11,300 shares (2) N/A (3) N/A</p>
		(4) Through her involvement in facilities management, risk control and shareholder relations as General Manager - General Affairs Division, Ms. Sugiyama has a wealth of knowledge in a broad range of areas. Currently as Managing Director and Representative Director, and General Manager - General Affairs Headquarters, she has demonstrated her skill in taking a thorough hands-on approach to strengthening compliance and governance, and therefore, the Company proposes her as a candidate for ongoing Director.	
5	 Akio Okawa (October 8, 1968) (Newly Nominated)	<p>October 2018 Joined Takashimaya Co., Ltd.</p> <p>March 2019 General Manager - IT Promotion Office</p> <p>March 2020 Executive Officer, and General Manager - Information Systems Division</p> <p>March 2022 Executive Officer, General Manager - Corporate Planning Division, and In charge of Information Systems Division</p> <p>March 2023 Outside Director, Lupinus Inc.</p> <p>May 2025 Advisor for Information Systems of Takashimaya Co., Ltd.</p> <p>March 2026 Advisor for Information Systems and Information Security (to the present)</p> <p>March 2026 Executive Advisor, Lupinus Inc. (to the present)</p>	<p>(1) 4,230 shares (2) N/A (3) N/A</p>
		(4) Mr. Okawa has extensive knowledge and insight in IT and also has corporate management experience. The Company expects him to demonstrate his skill in formulating information systems strategies aligned with corporate strategy, strengthening information security and IT governance, and promoting DX, and therefore proposes him as a candidate for a new Director.	
6	 Masayuki Kiyose (September 16, 1957) (Reappointed)	<p>March 1992 Joined Toshin Development Co., Ltd.</p> <p>May 2006 Director, and General Manager - Development Headquarters, Toshin Development Co., Ltd.</p> <p>March 2008 Managing Director, and General Manager – Corporate Management Headquarters, Toshin Development Co., Ltd.</p> <p>February 2014 Managing Director, and Deputy General Manager - Sales Headquarters (In charge of Sales Planning and Tamagawa), Toshin Development Co., Ltd.</p> <p>March 2016 Senior Managing Director, and General Manager - Sales Headquarters, Toshin Development Co., Ltd.</p> <p>March 2018 Vice President (Representative Director), Toshin Development Co., Ltd.</p> <p>March 2021 Managing Executive Officer, and General Manager - Planning Headquarters of Takashimaya Co., Ltd.</p> <p>May 2021 Managing Director (Representative Director), and General Manager - Planning Headquarters</p> <p>November 2021 Managing Director (Representative Director), General Manager - Planning Headquarters, and General Manager - Corporate Strategy Division</p> <p>March 2022 Managing Director (Representative Director), and General Manager - Planning Headquarters</p> <p>March 2023 Senior Managing Director (Representative Director), and General Manager - Planning Headquarters</p> <p>March 2024 Director (to the present)</p> <p>March 2024 Representative Director and Chairman, Toshin Development Co., Ltd. (to the present)</p>	<p>(1) 21,100 shares (2) Representative Director and Chairman of Toshin Development Co., Ltd. (3) N/A</p>
		(4) Following positions including Director as well as Vice President and Representative Director of Toshin Development Co., Ltd., Mr. Kiyose has served as Managing Director and Representative Director, and General Manager - Planning Headquarters of the Company since 2021, Senior Managing Director and Representative Director, and General Manager - Planning Headquarters of the Company since 2023, and Representative Director and Chairman of Toshin Development Co., Ltd. since 2024. In view of his wealth of experience in management and knowledge, the Company proposes him as a candidate for ongoing Director.	
7	 Takehito Sueyoshi (October 13, 1968) (Newly Nominated)	<p>April 1991 Joined Takashimaya Co., Ltd.</p> <p>March 2016 General Manager - Sales Promotion Group, Sales Promotion Division, Sales Headquarters</p> <p>March 2018 Deputy General Manager - Sales Promotion Division, Sales Headquarters</p> <p>March 2019 Senior Managing Director, Takashimaya Credit Co., Ltd. (currently Takashimaya Financial Partners Co., Ltd.)</p> <p>March 2020 Senior Managing Director, and General Manager - Sales Headquarters, Takashimaya Financial Partners Co., Ltd.</p> <p>March 2022 President (Representative Director), Takashimaya Financial Partners Co., Ltd. (to the present)</p>	<p>(1) 5,128 shares (2) President (Representative Director) of Takashimaya Financial Partners Co., Ltd. (3) N/A</p>
		(4) As President and Representative Director of Takashimaya Financial Partners Co., Ltd., Mr. Sueyoshi has a track record of leading financial strategies unique to Takashimaya Group in coordination with the Company’s Planning Headquarters and Sales Headquarters. The Company expects him to accelerate the Machi-dukuri strategy through seamless integration across the Group, and therefore proposes him as a candidate for a new Director.	

No.	Name (Date of birth)	Career summary, positions and assignments	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as Outside Director and expected role
8	 Keisuke Yokoo (November 26, 1951) (Outside Director) (Independent Director) (Reappointed)	<p>April 1974 June 2001 April 2007 June 2011 April 2015 October 2016 June 2017 May 2019 December 2019 May 2020 June 2020</p> <p>Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Managing Executive Officer, and Head of Planning Group, Mizuho Securities Co., Ltd. President & CEO, Mizuho Securities Co., Ltd. Chairman, Member of the Board of Directors, Mizuho Securities Co., Ltd. Vice Chairman & President, Japan Association of Corporate Executives Outside Director, the Dai-ichi Life Insurance Company, Limited Outside Board Member, Nippon Suisan Kaisha, Ltd. (currently Nissui Corporation) Chairman, Sonar Advisers Inc. (to the present) President, Member of the Board, Chief Executive Officer, Japan Investment Corporation (to the present) Outside Director of Takashimaya Co., Ltd. (to the present) Outside Director, Ricoh Company, Ltd. (to the present)</p>	<p>(1) 8,600 shares (2) Chairman of Sonar Advisers Inc., President, Member of the Board, Chief Executive Officer of Japan Investment Corporation, Outside Director of Ricoh Company, Ltd. (3) N/A</p>
		(4) Mr. Yokoo has a wealth of experience as top management and in-depth knowledge. In view of these points, Mr. Yokoo is proposed as a candidate for ongoing Outside Director. The Company expects that he will continuously provide supervision and advice on the Company's management after his election mainly from a managerial perspective.	
9	 Atsumi Arima (August 11, 1962) (Outside Director) (Independent Director) (Reappointed)	<p>April 1986 April 2014 April 2016 April 2019 May 2020 May 2020 October 2020 June 2021 June 2021 April 2022 June 2023 June 2024 March 2026</p> <p>Joined the Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.) Executive Officer, and General Manager of Corporate Advisory Division, Mizuho Bank, Ltd. Executive Officer, and General Manager of International Business Department, Mizuho Bank, Ltd. Outside Director, SEIBU RAILWAY Co., Ltd. Outside Director, PRINCE HOTELS, INC. Outside Director of Takashimaya Co., Ltd. (to the present) Outside Director, Daiso Sangyo Co., Ltd. Outside Director, Reapra Japan Outside Director, SEIBU HOLDINGS INC. (to the present) Director (non-executive), SEIBU RAILWAY Co., Ltd. Director (non-executive), PRINCE HOTELS, INC. (currently SEIBU REAL ESTATE INC.) Director (non-executive), SEIBU PRINCE HOTELS WORLDWIDE INC. Outside Director, Culture Entertainment Co., Ltd. (currently Culture Entertainment Group Inc.) (to the present) Outside Director, The Shoko Chukin Bank, Ltd. (to the present) Outside Director, Canon Inc. (to the present)</p>	<p>(1) 8,600 shares (2) Outside Director of SEIBU HOLDINGS INC., Outside Director of Culture Entertainment Group Inc., Outside Director of The Shoko Chukin Bank, Ltd., Outside Director of Canon Inc. (3) N/A</p>
		(4) Ms. Arima has a wealth of experience in the field of finance and an in-depth knowledge of social issues that companies should be aware of through her learning and initiatives. In view of these points, Ms. Arima is proposed as a candidate for ongoing Outside Director. The Company expects that she will continuously provide supervision and advice on the Company's management after her election mainly from a managerial perspective.	
10	 Miyuki Ebisawa (August 12, 1975) (Outside Director) (Independent Director) (Reappointed)	<p>April 1998 January 2017 May 2022 May 2024 June 2025</p> <p>Joined the Ministry of Home Affairs (currently Ministry of Internal Affairs and Communications) Registered as a lawyer (to the present) Outside Director of Takashimaya Co., Ltd. (to the present) Outside Director (Member of the Audit and Supervisory Committee) of Takihyō Co., Ltd. (to the present) Outside Director, Culture Entertainment Group Inc. (to the present)</p>	<p>(1) 4,000 shares (2) Outside Director (Member of the Audit and Supervisory Committee) of Takihyō Co., Ltd., Outside Director of Culture Entertainment Group Inc. (3) N/A</p>
		(4) Ms. Ebisawa practices fashion law, a legal field specializing in legal issues in the fashion industry, at Mimura Komatsu Law Firm. In view of her extensive career, the Company has judged that she will appropriately execute the duties of Outside Director of the Company, and proposes her as a candidate for ongoing Outside Director. The Company expects that she will provide supervision and advice on the Company's management after her election by making the most of her wealth of knowledge as a lawyer.	

- Notes:
1. Keisuke Yokoo, Atsumi Arima, and Miyuki Ebisawa are the candidates for Outside Directors, and Keisuke Yokoo, Atsumi Arima, and Miyuki Ebisawa meet the requirements of the criteria defined by the Company for assessing independence of outside officers. The Company has registered the three candidates with the Tokyo Stock Exchange as Independent Directors as stipulated by the exchange.
 2. Keisuke Yokoo and Atsumi Arima have served as Outside Directors of the Company since May 2020, and their terms of office will be six years as of the close of this general meeting.
 3. Miyuki Ebisawa has served as Outside Director of the Company since May 2022, and her term of office will be four years as of the close of this general meeting.
 4. The Company has entered into a limited liability agreement, which sets forth that the maximum liability for damages shall be the amount required by laws and regulations, with Keisuke Yokoo, Atsumi Arima, and Miyuki Ebisawa and plans to continue the agreement with the three candidates, if their reelection is approved.
 5. The Company has entered into a directors and officers liability insurance agreement with an insurance company to cover damages that could arise due to the insured directors and officers assuming responsibility for the performance of their duties or from claims pertaining to the pursuit of the said responsibility. The ten candidates will be included in those insured under the said insurance agreement.
- [Summary of the Insurance Contract]

(i) Effective responsibility of the insured regarding payment of premiums

The Company is responsible for premiums including riders, and the insured are effectively free of any payments of premiums.

(ii) Overview of incidents covered

The policy, together with riders, will cover damages that may arise due to the insured directors and officers assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability. However, there are certain exemptions, such as in case of actions taken with the knowledge that they are in violation of laws and regulations.

(iii) Measures to ensure the appropriateness of duties of Directors, etc.

The insurance contract has a deductible clause, and will not cover damages up to that amount.



Proposal No. 4 Election of Five Directors Who Are Audit & Supervisory Committee Members




If Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Accordingly, we propose that five Directors who are Audit & Supervisory Committee Members be elected.

This proposal will become effective subject to the amendments to the Articles of Incorporation under Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” taking effect.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name	Current positions		Attendance at the Board of Directors meetings in FY2025	Attendance at the Board of Corporate Auditors meetings in FY2025
1	Fujie Kataoka	Full-time Corporate Auditor	[New Appointment]	15 / 15 (100%)	13 / 13 (100%)
2	Tsuneaki Okabe	Full-time Corporate Auditor	[New Appointment]	15 / 15 (100%)	13 / 13 (100%)
3	Kunihiko Sugahara	Corporate Auditor	[New Appointment] [Outside] [Independent]	15 / 15 (100%)	13 / 13 (100%)
4	Makiko Terahara	Corporate Auditor	[New Appointment] [Outside] [Independent]	15 / 15 (100%)	13 / 13 (100%)
5	Shuichi Sugahisa	-	[New Appointment] [Outside] [Independent]	-	-

No.	Name (Date of birth)	Career summary, positions and assignments	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as Director who is an Audit & Supervisory Committee Member
1	 <p>Fujie Kataoka (October 27, 1959) (Newly Nominated)</p>	<p>April 1982 Joined Takashimaya Co., Ltd. March 2007 General Manager - Gift Promotion Office, Merchandising Headquarters, Sales Headquarters March 2008 General Manager - Gift and Service Planning Office, Merchandising Headquarters, Sales Headquarters February 2011 Merchandising Director - Merchandising Policy Office, Merchandising Headquarters, Sales Headquarters April 2013 General Manager - Sales Group 3, Cross Media Business Division, Sales Headquarters March 2015 General Manager - Internal Audit Office March 2017 Executive Officer, and General Manager - General Affairs Division, General Affairs Headquarters March 2018 Executive Officer, Deputy General Manager - General Affairs Headquarters, and General Manager - General Affairs Division May 2020 Full-time Corporate Auditor (to the present)</p> <p>(4) Following positions including General Manager - Internal Audit Office, Deputy General Manager - General Affairs Headquarters, and General Manager - General Affairs Division, Ms. Kataoka has been engaged in audit duties for the Company and its Group as a Full-time Corporate Auditor since 2020. She has sufficient knowledge relating to overall corporate administration, including financial affairs, accounting, and legal affairs, and also has a track record of carrying out audit duties fairly and impartially from a position independent of the business execution divisions. In view of her experience in sales planning, the head office corporate functions, and as a Director and Corporate Auditor of Group companies, the Company has judged that she will appropriately contribute from the perspective of audit and supervision to judgments on corporate strategy and important business execution, and proposes her as a candidate for Director who is an Audit & Supervisory Committee Member.</p>	<p>(1) 27,400 shares (2) N/A (3) N/A</p>
2	 <p>Tsuneaki Okabe (April 21, 1961) (Newly Nominated)</p>	<p>April 1984 Joined Takashimaya Co., Ltd. February 2012 Deputy General Manager - Kyoto Store, Sales Headquarters February 2013 Deputy General Manager - Nihombashi Store, Sales Headquarters February 2014 Executive Officer, and General Manager - Kyoto Store, Sales Headquarters March 2018 Managing Executive Officer, and General Manager - Sales Promotion Division, Sales Headquarters May 2018 Managing Director, and General Manager - Sales Promotion Division, Sales Headquarters March 2019 Managing Director (Representative Director), and General Manager - Planning Headquarters, and In charge of IT Promotion Office March 2020 Managing Director (Representative Director), and General Manager - Planning Headquarters March 2021 Managing Director (Representative Director), and General Manager - General Affairs Headquarters, and In charge of Secretariat Office March 2023 Director, and In charge of special services requested by top executives May 2023 Full-time Corporate Auditor (to the present)</p> <p>(4) Mr. Okabe has served as the officer responsible for the Sales Headquarters as Managing Director and for the Planning Headquarters and the General Affairs Headquarters as Representative Director, and has broad experience and knowledge in the Company's sales, planning, and general affairs areas. Since 2023, he has been engaged in audit duties as a Full-time Corporate Auditor from a position independent of the business execution divisions, and has conducted audits and supervision of management decisions and important business execution in a fair and impartial manner. Through this management experience and his practical experience as a Corporate Auditor, he has the knowledge to appropriately contribute from the perspective of audit and supervision at Board of Directors meetings. Therefore, the Company proposes him as a candidate for Director who is an Audit & Supervisory Committee Member.</p>	<p>(1) 48,100 shares (2) N/A (3) N/A</p>

No.	Name (Date of birth)	Career summary, positions and assignments	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as Outside Director who is an Audit & Supervisory Committee Member and expected role
3	 Kunihiko Sugahara (March 8, 1952) (Outside Director) (Independent Director) (Newly Nominated)	March 1979 Registered as Certified Public Accountant (to the present) June 1997 Partner, Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC) August 2013 Representative, Kunihiko Sugahara, CPA Accounting Office (to the present) August 2013 Outside Director, SAKATA SEED CORPORATION (to the present) May 2015 Substitute Corporate Auditor of Takashimaya Co., Ltd. May 2023 Corporate Auditor (to the present)	(1) 10,000 shares (2) Representative of Kunihiko Sugahara, CPA Accounting Office, Outside Director of SAKATA SEED CORPORATION (3) N/A (4) Mr. Sugahara possesses qualifications as a certified public accountant and extensive appropriate knowledge of domestic and international financial affairs and accounting cultivated through many years of overseas service. In view of this expertise, the Company has judged that Mr. Sugahara will conduct appropriate audits and supervision of the appropriateness of financial reporting and management decisions from an independent position, and proposes him as a candidate for Outside Director who is an Audit & Supervisory Committee Member.
4	 Makiko Terahara (December 23, 1974) (Outside Director) (Independent Director) (Newly Nominated)	April 2000 Registered as a lawyer (to the present) February 2008 Registered as a lawyer in the State of New York, U.S.A. (to the present) September 2010 Partner, Enomoto & Terahara Law Office (currently Tokyo Omotesando Law & Accounting LPC) (to the present) June 2018 Outside Director (Audit & Supervisory Committee Member), ADVANTAGE Risk Management Co., Ltd. (to the present) March 2019 Outside Director, Japan Fawick Co., Ltd. (to the present) June 2019 Outside Member of the Compliance Committee, Japan Infrastructure Fund Advisors Ltd. (to the present) October 2021 Supervisory Director, AEON REIT Investment Corporation (to the present) May 2023 Corporate Auditor of Takashimaya Co., Ltd. (to the present) June 2024 Outside Audit & Supervisory Board Member, Nissui Corporation (to the present)	(1) 0 shares (2) Outside Director (Audit & Supervisory Committee Member), ADVANTAGE Risk Management Co., Ltd. Outside Director, Japan Fawick Co., Ltd. Supervisory Director, AEON REIT Investment Corporation, Outside Audit & Supervisory Board Member, Nissui Corporation (3) N/A (4) Ms. Terahara is registered as a lawyer in Japan and the State of New York, U.S.A., and has experience serving as an Outside Director of several companies. In addition to advanced expertise centered on legal affairs, she also has an understanding of corporate accounting. In view of this, the Company expects her to contribute from an independent position to strengthening the audit and supervisory functions of the Board of Directors, and proposes her as a candidate for Outside Director who is an Audit & Supervisory Committee Member.
5	 Shuichi Sugahisa (August 14, 1960) (Outside Director) (Independent Director) (Newly Nominated)	April 1983 Joined Secretariat, Japan Fair Trade Commission June 1991 Consul, Consulate-General of Japan in Berlin June 2009 Director, Management and Planning Division, Investigation Bureau, General Secretariat, Japan Fair Trade Commission June 2010 Director, General Affairs Division, Secretariat, General Secretariat, Japan Fair Trade Commission February 2013 Director General, Consumer Affairs Agency June 2016 Director General, Trade Practices Department, General Secretariat, Japan Fair Trade Commission July 2017 Director General, Economic Affairs Bureau, General Secretariat, Japan Fair Trade Commission January 2020 Secretary General, Japan Fair Trade Commission August 2022 Senior Consultant, Baker & McKenzie (Gaikokuho Joint Enterprise) December 2025 Senior Consultant, Atsumi & Sakai (to the present)	(1) 0 shares (2) N/A (3) N/A (4) Through his experience as Secretary General of the Japan Fair Trade Commission, Mr. Sugahisa has advanced professional knowledge in fair trade and competition policy. In addition, he has an international perspective, including experience as a consul at the Consulate-General of Japan in Berlin, and currently serves as a senior consultant at a law firm in the areas of antitrust law, competition policy, and the Act against Unjustifiable Premiums and Misleading Representations. In view of this knowledge, the Company expects him to contribute from an independent position to strengthening the audit and supervisory functions from the perspectives of fair trade and consumer protection, and proposes him as a candidate for a new Outside Director who is an Audit & Supervisory Committee Member.

- Notes:
1. Kunihiko Sugahara, Makiko Terahara, and Shuichi Sugahisa are the candidates for Outside Directors who are Audit & Supervisory Committee Members and meet the requirements of the criteria defined by the Company for assessing independence of outside officers.
 2. The Company plans to register Kunihiko Sugahara, Makiko Terahara, and Shuichi Sugahisa with the Tokyo Stock Exchange as Independent Directors as stipulated by the exchange, if they take office as Outside Directors who are Audit & Supervisory Committee Members.
 3. The Company plans to enter into a limited liability agreement, which sets forth that the maximum liability for damages shall be the amount required by laws and regulations, with Kunihiko Sugahara, Makiko Terahara, and Shuichi Sugahisa when they take office as Outside Directors who are Audit & Supervisory Committee Members, if their election is approved.
 4. The Company has entered into a directors and officers liability insurance agreement with an insurance company to cover damages that could arise due to the insured directors and officers assuming responsibility for the performance of their duties or from claims pertaining to the pursuit of the said responsibility. If the election of the five candidates is approved, they will be included in those insured under the said insurance agreement when they take office.
- [Summary of the Insurance Contract]
- (i) Effective responsibility of the insured regarding payment of premiums
 The Company is responsible for premiums including riders, and the insured are effectively free of any payments of premiums.

(ii) Overview of incidents covered

The policy, together with riders, will cover damages that may arise due to the insured directors and officers assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability. However, there are certain exemptions, such as in case of actions taken with the knowledge that they are in violation of laws and regulations.

(iii) Measures to ensure the appropriateness of duties of Directors, etc.

The insurance contract has a deductible clause, and will not cover damages up to that amount.


Proposal No. 5 Election of One Substitute Director Who is an Audit & Supervisory Committee Member

If Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee. Accordingly, to prepare for the event that the number of Directors who are Audit & Supervisory Committee Members falls below the number required by laws and regulations, the Company proposes to elect a substitute Director who is an Audit & Supervisory Committee Member in advance.

This proposal will become effective subject to the amendments to the Articles of Incorporation under Proposal No. 2, “Partial Amendments to the Articles of Incorporation,” taking effect.

The effect of this resolution will remain in force until the opening of the next Ordinary General Meeting of Shareholders.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and position	(1) Number of shares of the Company held (2) Status of important concurrent positions (3) Special interest with the Company (4) Reasons for candidacy as substitute Outside Director who is an Audit & Supervisory Committee Member and expected role
 Yuko Onishi (January 4, 1980) (Outside Director) (Independent Director)	July 2007 Registered as Certified Public Accountant (to the present) September 2015 Serves as a partner, Sakurabashi Audit Corporation (to the present) June 2024 Outside Corporate Auditor, NCS&A Co., Ltd. (to the present)	(1) 0 shares (2) Outside Corporate Auditor of NCS&A Co., Ltd. (3) N/A (4) Ms. Onishi joined Asahi & Co. (currently KPMG AZSA LLC) in 2003, and has 20 years or more of practical experience in auditing, including statutory audits of listed companies in the retail and service industries. She currently engages in audit services as a partner of Sakurabashi Audit Corporation from a fair and independent position. She also has experience in internal control support at a general trading company and IFRS-based disclosure support at a manufacturer, and has professional knowledge centered on financial affairs and accounting. In view of this experience and knowledge, the Company has judged that Ms. Onishi possesses the independence and expertise required of an Outside Director who is an Audit & Supervisory Committee Member and will perform her duties smoothly as necessary, and proposes her as a candidate for a substitute Director who is an Audit & Supervisory Committee Member.

- Notes:
1. Yuko Onishi is the candidate for substitute Director who is an Audit & Supervisory Committee Member and meets the requirements of the criteria defined by the Company for assessing independence of outside officers.
 2. The Company plans to register Yuko Onishi with the Tokyo Stock Exchange as Independent Director as stipulated by the exchange, if she takes office as Outside Director who is an Audit & Supervisory Committee Member.
 3. The Company plans to enter into a limited liability agreement, which sets forth that the maximum liability for damages shall be the amount required by laws and regulations, with Yuko Onishi when she takes office as Outside Director who is an Audit & Supervisory Committee Member, if her election is approved.
 4. The Company has entered into a directors and officers liability insurance agreement with an insurance company to cover damages that could arise due to the insured directors and officers assuming responsibility for the performance of their duties or from claims pertaining to the pursuit of the said responsibility. If her election is approved, Yuko Onishi will be included in those insured under the said insurance agreement when she takes office as Outside Director who is an Audit & Supervisory Committee Member.
- [Summary of the Insurance Contract]
- (i) Effective responsibility of the insured regarding payment of premiums
The Company is responsible for premiums including riders, and the insured are effectively free of any payments of premiums.
 - (ii) Overview of incidents covered
The policy, together with riders, will cover damages that may arise due to the insured directors and officers assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability. However, there are certain exemptions, such as in case of actions taken with the knowledge that they are in violation of laws and regulations.
 - (iii) Measures to ensure the appropriateness of duties of Directors, etc.
The insurance contract has a deductible clause, and will not cover damages up to that amount.

[Reference]

<Criteria for assessing independence of outside officers>

The Company has set up its own criteria for assessing independence of outside officers in designating Outside Directors as independent. Outside Directors or candidates for such roles are only recognized as independent from the Company if they fall under NONE of the following items.

1. The person serves, or has served within the past ten years, as an executive officer^{*1} in the Group (meaning the Company or a subsidiary thereof)
2. The person serves as an executive officer in a significant associate^{*2} of the Group
3. The person serves as an executive officer in a significant creditor^{*3} of the Group
4. The person is, or currently serves as an executive officer in, a significant shareholder^{*4} of the Company
5. The person serves as an executive officer in a company in which the Group holds significant shares^{*4}
6. The person belongs to an organization serving as the Group's accounting auditor
7. The person is a lawyer, certified public accountant, certified tax accountant/consultant who receives from the Group monetary or non-monetary compensation of a significant amount^{*5}, excluding any compensation the person may receive for serving the Group as a Director
8. The person serves as a director or other executive officer of an organization to which the Group donates a significant amount^{*5}
9. The person serves as an executive officer in a company that has appointed an executive officer of the Group as an officer
10. The person has fallen under any of the items from 2 to 9 in the past three years
11. The person is married to, or is a first or second-degree relative of, someone who...
 - (a) serves as an executive officer of the Group (or, if the candidate in question is standing as an independent Outside Director who is an Audit & Supervisory Committee Member, serves as a non-executive director of the Group) with significant rank^{*6};
 - (b) has fallen under (a) at any point in the 1-year period preceding the date the candidate assumes officer; or
 - (c) falls under any of the items from 2 to 9 and holds significant rank
12. In addition to the above, the person's appointment may cause a substantial conflict of interest with shareholders, or there are other valid reasons to believe that the person would not discharge his or her duties as an independent outside officer

^{*1} "Executive officer" refers to an executive (with or without fiduciary duties), owner, or employee of an organization. The term does not include non-executive directors

^{*2} "Significant associate" means either a client of the Group that has in any of the past three years compensated the Company in an amount at least 2 percent of the Company's consolidated turnover for that year, or a supplier of the Group that has in any of the past three years been compensated by the Company in an amount at least 2 percent of the supplier's consolidated turnover for that year

^{*3} "Significant creditor" means an entity to which the Company owes, as of the end of the latest fiscal year, an amount at least 2 percent of the Company's total assets for that year

^{*4} "Significant shareholder of the Group" means an entity holding at least 10 percent of the Company's total voting rights, either directly or indirectly, or an executive officer of said entity

^{*5} "Significant amount" means, in the context of an individual, an amount averaging at 10,000,000 yen or more for the past three fiscal years or, in the context of an organization, an amount representing more than 2 percent of the organization's average total revenue for the last three fiscal years

^{*6} "Significant rank" means a director, an executive with or without fiduciary duties, or any other senior manager

Name		Skills desirable for the Company's Board of Directors								
		Corporate management, business strategy, and ESG	Financial accounting and finance	Legal affairs and risk management	Human resources strategy	IT and DX	Marketing	Commercial development and real estate	Overseas strategy	Financial strategy
Directors (excluding Members)	Yoshio Murata	●	●	●	●		●		●	
	Koichi Makino	●					●	●		
	Naohiro Sato	●	●	●	●		●	●		
	Tomoko Sugiyama			●	●		●			
	Akio Okawa	●				●				
	Masayuki Kiyose	●					●	●	●	
	Takehito Sueyoshi	●			●		●			●
	Keisuke Yokoo	●	●			●				●
	Atsumi Arima	●	●		●					●
	Miyuki Ebisawa			●			●			
Directors who are Audit & Supervisory Committee Members	Fujie Kataoka		●	●			●			
	Tsuneaki Okabe	●		●	●	●	●	●		
	Kunihiko Sugahara	●	●	●					●	●
	Makiko Terahara			●	●					
	Shuichi Sugahisa			●			●			
	Yuko Onishi		●	●						

Corporate management, business strategy, and ESG	The knowledge and experience in general corporate and business management required to achieve Group management based on multiple earnings pillars, on the premise of sustainable value co-creation with multiple stakeholders
Financial accounting and finance	The knowledge and experience in financial and capital policies with a focus on cost of capital and share price that support sound, growth-oriented management from the perspective of maximizing Group value
Legal affairs and risk management	The knowledge and experience to be able to make appropriate management decisions while minimizing risk at the Company, which positions compliance at the base of all activities
Human resources strategy	The knowledge and experience to be able to achieve human capital management that leads to growth of the abilities of diverse people, through human resources strategies linked to the Group's corporate strategy
IT and DX	The knowledge and experience to leverage digital and AI abilities not only for improvement in existing businesses but also as an integral part of growth strategy, while understanding information security risks, leading to business model transformation and the creation of new value
Marketing	The knowledge and experience to define the value to be provided by accurately capturing changes among customers and in society, and to achieve strategy formulation and store operations based on that value
Commercial development and real estate	The knowledge and experience to promote development through real estate development and operation, including commercial facilities, while achieving both profitability and the enhancement of local appeal
Overseas strategy	The knowledge and experience to drive growth in the overseas business, which is positioned as a pillar of growth, based on the global market environment and regional characteristics
Financial strategy	The knowledge and experience in businesses and strategies based on the characteristics of financial businesses and financial functions

Proposal No. 6 Determination of the Amount of Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

At the 158th Ordinary General Meeting of Shareholders held on May 21, 2024, it was approved to set the maximum amount of remuneration for the Company's Directors at 720 million yen per year (including no more than 100 million yen per year for Outside Directors, exclusive of the employee salary portion for a Director who concurrently serves as an employee). Those figures have remained the same ever since.

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee.

Accordingly, in accordance with the provisions of the Companies Act and the Regulations for Enforcement of the Companies Act, we hereby submit this proposal with respect to the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members).

We propose that the total amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) be set at no more than 700 million yen per year (including no more than 100 million yen per year for Outside Directors, exclusive of the employee salary portion for a Director who concurrently serves as an employee).

The Company currently has twelve Directors (including four Outside Directors). However, if Proposal No. 2, "Partial Amendments to the Articles of Incorporation," and Proposal No. 3, "Election of Ten Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)," are approved and adopted as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be ten (including three Outside Directors).

The Company adopted, at the Board of Directors meeting held on February 19, 2021, a policy for determining the details of remuneration for individual Directors, etc., and this policy is as described on pages 63 through 66 of the Business Report. This proposal is in line with the above policy and is reasonable, as it has been determined by the Board of Directors, following consultation with the Remuneration Committee chaired by an Independent Outside Director, after comprehensively taking into account the Company's business scale, the officer remuneration system and payment standards thereunder, the current number of officers, and future trends.

This proposal will become effective subject to the amendments to the Articles of Incorporation under Proposal No. 2, "Partial Amendments to the Articles of Incorporation," taking effect.

Proposal No. 7 Determination of the Amount of Remuneration for Directors Who Are Audit & Supervisory Committee Members

At the 158th Ordinary General Meeting of Shareholders held on May 21, 2024, it was approved to set the maximum amount of remuneration for the Company's Corporate Auditors at 120 million yen per year (including no more than 50 million yen per year for Outside Corporate Auditors). Those figures have remained the same ever since.

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," is approved and adopted as originally proposed, the Company will transition to a company with an Audit & Supervisory Committee.

Accordingly, in accordance with the provisions of the Companies Act and the Regulations for Enforcement of the Companies Act, we hereby submit this proposal with respect to the amount of remuneration for Directors who are Audit & Supervisory Committee Members.

We propose that the maximum amount of remuneration for Directors who are Audit & Supervisory Committee Members be set at 200 million yen per year (including no more than 100 million yen per year for Outside Directors who are Audit & Supervisory Committee Members).

This proposal has been determined after comprehensively taking into account the Company's business scale, the officer remuneration system and payment standards thereunder, the current number of officers, and future trends, based also on the advice of the Remuneration Committee chaired by an Independent Outside Director, and thus is reasonable.

If Proposal No. 2, "Partial Amendments to the Articles of Incorporation," and Proposal No. 4, "Election of Five Directors Who Are Audit & Supervisory Committee Members," are approved and adopted as originally proposed, the number of Directors who are Audit & Supervisory Committee Members pertaining to this proposal will be five (including three Outside Directors who are Audit & Supervisory Committee Members).

This proposal will become effective subject to the amendments to the Articles of Incorporation under Proposal No. 2, "Partial Amendments to the Articles of Incorporation," taking effect.

Proposal No. 8 Payment of Bonuses to Directors

It is proposed to pay bonuses of 96 million yen in total to seven Directors (excluding unremunerated Directors and Outside Directors) as of the end of the term in order to reward their service during the term, taking into account earnings for the term, previous bonuses to Directors and other circumstances. The amount of bonuses to be paid to Directors is calculated within an appropriate range based on the Group's consolidated performance in accordance with the Company's policy for determining the details of remuneration for individual Directors, etc., and thus is reasonable. It is proposed that the amount of bonus to each Director be left to the discretion of the Board of Directors.