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Securities Code: 9385

June 10, 2026

(Start Date of Measures for Electronic Provision: June 2, 2026)

To Shareholders with Voting Rights:

Eiji Shibahara
President and
Representative Director
SHOEI CORPORATION
2-1-1 Bingomachi, Chuo-ku, Osaka

**NOTICE OF CONVOCATION OF
THE 59TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 59th Annual General Meeting of Shareholders of SHOEI CORPORATION (the “Company”), which will be held for the purposes as described below.

In convening this Annual General Meeting of Shareholders, we have taken measures for electronic provision of information and posted the matters subject to electronic provision (“Matters Subject to Electronic Provision”) as the “NOTICE OF CONVOCATION OF THE 59TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following website on the Internet.

[The Company’s website]

<https://www.shoei-corp.co.jp/>

In addition to the above website, the Matters Subject to Electronic Provision have also been posted on the Tokyo Stock Exchange (TSE) website. Please access the TSE website (Listed Company Search) indicated below, enter and search the issue name (SHOEI CORPORATION) or securities code (9385), then select “Basic information” followed by “Documents for public inspection/PR information,” and check the matters posted in “Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting” under “Documents for public inspection.”

[Tokyo Stock Exchange website (Listed Company Search)]

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

If you attend the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Additionally, if you do not attend the meeting, you may exercise your voting rights via the Internet or in writing. Therefore, please review the Reference Documents for the General Meeting of Shareholders posted in the Matters Subject to Electronic Provision and exercise your voting rights by 5:15 p.m. on Wednesday, June 24, 2026.

- 1. **Date and Time:** Thursday, June 25, 2026, at 10:00 a.m. Japan time
- 2. **Place:** “une osaka”
 30F, Yodoyabashi Station One
 3-6-22 Kitahama, Chuo-ku, Osaka
 (Please note that the venue for the General Meeting of Shareholders is different from that of last year’s meeting.)

3. Meeting Agenda:

- Matters to be reported:**
- 1. The Business Report and Consolidated Financial Statements for the Company’s 59th Fiscal Year (April 1, 2025 - March 31, 2026) and Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
 - 2. Non-consolidated Financial Statements for the Company’s 59th Fiscal Year (April 1, 2025 - March 31, 2026)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 4:** Election of One (1) Director Who Is an Audit and Supervisory Committee Member
- Proposal 5:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

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■ Among the Matters Subject to Electronic Provision, the following items are not included in the paper-based documents delivered to shareholders who have requested the delivery of such documents, in accordance with the provisions of laws and regulations and the Company’s Articles of Incorporation.

- Notes to the Consolidated Financial Statements of the Consolidated Financial Statements
- Notes to the Non-consolidated Financial Statements of the Non-consolidated Financial Statements

Therefore, the paper-based documents delivered to shareholders who have requested the delivery of such documents constitute a portion of the documents audited by the Accounting Auditor and the Audit and Supervisory Committee in the preparation of their respective auditing reports.

■ Should the Matters Subject to Electronic Provision be revised, the revised versions will be posted on each of the websites where the information is posted.

Please note that the dress code of the meeting will be “Cool Biz” (business casual) and neckties will not be worn. We thank you for your understanding.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy for appropriation of surplus is to pay stable and continuous dividends and make efforts to enhance internal reserves in an effort to strengthen its business foundations.

[Matters concerning year-end dividends]

(1) Type of dividend property
Cash

(2) Matters concerning the allotment of dividend property and the total amount thereof
¥35.00 per share of the common stock of the Company
In this case, the total amount of dividends will be ¥270,454,240.

(3) Effective date of distribution of surplus
June 26, 2026

Proposal 2: Partial Amendments to the Articles of Incorporation

(1) Reasons for amendments

To ensure the continuity of our strengthened corporate governance and to increase the number of Directors, the Company proposes to amend Article 20 of its Articles of Incorporation.

(2) Details of amendments

The details of the amendments are as follows. The proposed amendments to the Articles of Incorporation shall take effect upon the conclusion of this General Meeting of Shareholders.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 to 19 (Text omitted)	Articles 1 to 19 (Unchanged)
(Number of Directors)	(Number of Directors)
Article 20 The number of Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed <u>seven (7)</u> .	Article 20 The number of Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed <u>eleven (11)</u> .
2. The number of Directors who are Audit and Supervisory Committee Members of Company shall not exceed five (5).	2. The number of Directors who are Audit and Supervisory Committee Members of Company shall not exceed five (5).

Proposal 3: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The term of office of six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. To strengthen the management supervision function, the Company proposes to increase the number of Directors by one (1) and elect seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members).

The Company has established the following matters as required qualifications for Directors (excluding Directors who are Audit and Supervisory Committee Members) and all of the candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) have satisfied these requirements. In addition, the Company has selected the candidates after consulting with the Nomination and Compensation Committee and receiving reports from the Committee and has obtained an opinion from the Audit and Supervisory Committee to the effect that all of the candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are fully qualified.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) under this proposal are as follows.

[Selection criteria of Directors (excluding Directors who are Audit and Supervisory Committee Members)]

According to the selection criteria of Directors (excluding Directors who are Audit and Supervisory Committee Members), candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) shall satisfy the conditions set forth below in a well-balanced manner.

1. Must be true to his or her mission and deemed capable of creating future businesses
2. Must be deemed capable of achieving business performance targets with a strong sense of responsibility
3. Must be deemed to have communication capabilities to inspire others to act on their own initiative
4. Must be deemed capable of putting strategies and perspectives into action and achieving results
5. Must be deemed to adhere to a high sense of ethics and possess dignity and outstanding insight
6. Must be deemed to have a strong conviction that the purpose of a business is to nurture human resources and be capable of putting that conviction into practice
7. Must not fall under the reasons for disqualification for Directors set forth in each item of Article 331, Paragraph 1 of the Companies Act

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Eiji Shibahara (December 6, 1948) [Reappointment] [Attendance at the Board of Directors meetings] 16/16 (100%)	April 1973 April 1982 April 1988 June 2017 August 2021	Joined the Company Managing Director President and Representative Director President and Representative Director, CEO, and Representative Executive Officer President and Representative Director and Representative Executive Officer (current position)	1,908,000 shares
<p>[Reason for nomination as candidate for Director] Since his appointment as President and Representative Director in 1988, Mr. Eiji Shibahara has taken the lead in Group management. He possesses extensive experience and wide-ranging insight as a corporate manager as well as comprehensive judgment on the management of the Group as a whole. Therefore, the Company has determined that he is capable of appropriately fulfilling his duties as President and Representative Director to sustainably enhance the corporate value of the Group and materialize the Medium-term Management Plan going forward. For the above reasons, the Company renominated him as a candidate for Director and proposes his reelection.</p>				
2	Hiroyasu Kawakami (August 15, 1958) [Reappointment] [Attendance at the Board of Directors meetings] 16/16 (100%)	April 1981 April 2011 April 2014 April 2015 April 2017 April 2020 May 2022 June 2022	Joined ITOCHU Corporation CEO and President of ITOCHU Korea Ltd. Managing Executive Officer of C.I. Kasei Co., Ltd. Director and Managing Executive Officer Director and Managing Executive Director of C.I. TAKIRON Corporation CEO & President of Bonset America Corporation and Executive Officer of C.I. TAKIRON Group Joined the Company, Advisor, in charge of Sales Department Director, Executive Officer, in charge of Sales Department (current position)	2,500 shares
<p>[Reason for nomination as candidate for Director] Mr. Hiroyasu Kawakami, having long been involved with the management of chemical products trading companies as senior management, is equipped with sales and management capabilities in the industry. Since he joined the Company in 2022, he has been involved with the Sales Department and contributed to the growth and development of the Company as its key figure. He has also been promoting integrated marketing targeted by the Group. Therefore, the Company has determined that he is capable of appropriately fulfilling his duties as Director to enhance the corporate value of the Group and materialize the Medium-term Management Plan going forward. For the above reasons, the Company renominated him as a candidate for Director and proposes his reelection.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Hirofumi Tanaka (April 1, 1965)</p> <p>[Reappointment] [Attendance at the Board of Directors meetings] 16/16 (100%)</p>	<p>April 1983 Joined Sakaeya Co., Ltd.</p> <p>January 1994 Joined the Company</p> <p>April 2012 Vice General Manager, Sales Department III</p> <p>April 2013 General Manager, Sales Department II, Headquarters</p> <p>December 2015 Vice General Manager, Sales Division; General Manager, Sales Department II, Headquarters</p> <p>April 2017 Executive Officer; General Manager, Media Network Sales Department</p> <p>April 2019 Executive Officer; in charge of Sales</p> <p>June 2019 Director; Executive Officer; in charge of Media Network Sales</p> <p>April 2021 Director; Executive Officer; in charge of Sales Department II of Osaka Headquarters, Sales Department II and III of Tokyo Headquarters, and West Japan Sales Department</p> <p>April 2022 Executive Officer; in charge of Sales Promotion Support Business and Sales Division</p> <p>April 2023 Executive Officer; in charge of Sales Promotion Support Business and Sales Division; General Manager, Sales Department II, Osaka Headquarters</p> <p>June 2024 Director, Executive Officer; in charge of Sales Promotion Support Business and Sales Division; General Manager, Sales Department II, Osaka Headquarters</p> <p>April 2025 Director, Executive Officer, in charge of Sales Promotion Support Business and Sales Division, General Manager, Sales Department II, Osaka Headquarters, and Sales Department II, Tokyo Headquarters</p> <p>April 2026 Director, Executive Officer, in charge of Sales Promotion Support Business (current position)</p>	35,500 shares
<p>[Reason for nomination as candidate for Director] Mr. Hirofumi Tanaka has always engaged in sales since joining the Company in 1994 and contributed to the Company's growth and development as a central member when it entered the direct mail shipping business. He has also been promoting integrated marketing targeted by the Group. Therefore, the Company has determined that he is capable of appropriately fulfilling his duties as Director to sustainably enhance the corporate value of the Group and materialize the Medium-term Management Plan going forward. For the above reasons, the Company renominated him as a candidate for Director and proposes his reelection.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
4	<p>Kazuki Inaya (December 7, 1971)</p> <p>[Reappointment] [Attendance at the Board of Directors meetings] 12/12 (100%)</p> <p>(Note) The above represents his attendance after his assumption of office as Director on June 25, 2025</p>	<p>April 1994 Joined Taiyo Pearl Co., Ltd.</p> <p>April 2002 Joined Koryo Co., Ltd.</p> <p>July 2007 Joined the Company, assigned to Accounting Department</p> <p>August 2017 General Manager, Accounting Department</p> <p>April 2019 Executive Officer, General Manager, Accounting Department</p> <p>April 2022 Executive Officer, General Manager, Corporate Management Department</p> <p>April 2025 Executive Officer, in charge of Management Department and General Manager, Accounting Department</p> <p>June 2025 Director, in charge of Management Department and General Manager, Accounting Department</p> <p>April 2026 Director, in charge of Management Department, General Manager, Accounting Department, General Manager, Corporate Planning Department, and General Manager, Legal Department (current position)</p>		8,000 shares
		<p>[Reason for nomination as candidate for Director] Mr. Kazuki Inaya has always engaged in accounting since joining the Company and has abundant experience and advanced insight in finance, accounting and risk management. With the expectation that his experience and knowledge in these areas will contribute to the enhancement of the Company's corporate value, the Company renominated him as a candidate for Director and proposes his reelection.</p>		
5	<p>Hayato Yano (February 5, 1986)</p> <p>[New appointment]</p>	<p>April 2007 Joined Cyber Works Co., Ltd.</p> <p>December 2012 Joined Systems Design Co., Ltd.</p> <p>October 2014 Joined IBM Japan, Ltd.</p> <p>February 2023 Joined Boston Consulting Group LLC. (current position)</p> <p>April 2026 Joined the Company, Advisor in charge of Corporate Planning Department (current position)</p>		
		<p>[Reason for nomination as candidate for Director] Mr. Hayato Yano has extensive experience and specialized knowledge in consulting on management issues across diverse industries, including insurance, finance, and manufacturing. His expertise lies particularly in business transformation utilizing digital technologies, new business creation, business process re-engineering, and business integration associated with M&A. The Company has determined that he is capable of strengthening the Company's management structure by leveraging his experiences and insights and thus nominated him as a new Director and proposes his election.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Yoshiko Yamanokuchi (February 13, 1957) [Reappointment] [Outside] [Attendance at the Board of Directors meetings] 16/16 (100%)	April 1979 Joined Pias Corporation April 1983 Joined Japan Electronics Industry Ltd. (currently JEI Co., Ltd.) June 1995 Director June 1998 Managing Director May 2007 President and Representative Director (current position) September 2016 President and Representative Director, JEI Holdings, Inc. (current position) June 2023 Director, the Company (current position)	—
	[Reason for nomination as candidate for Outside Director and a summary of her expected role] Ms. Yoshiko Yamanokuchi, having long been involved with management in the manufacturing industry as senior management, has abundant experience and wide-ranging insight into the manufacturing and development fields. Therefore, the Company has determined that she can be expected to strengthen the Company's management structure by leveraging such experience and insight and providing advice and instruction to the Company's management, as well as by appropriate oversight from an objective standpoint, and thus renominated her as a candidate for Outside Director and proposes her reelection.		
7	Junichiro Katayama (November 6, 1965) [Reappointment] [Outside] [Attendance at the Board of Directors meetings] 16/16 (100%)	April 1990 Joined the Industrial Bank of Japan, Limited (current Mizuho Bank, Ltd.) October 1995 Joined Semco Co., Ltd. January 2000 President (current position) September 2010 Vice President of Nippon International Cooperation for Community Development (current position) February 2021 Representative Director of JM Capital Management Co., Ltd. (current position) March 2021 President and Representative Director of Seibu Shodoku Co., Ltd. (current position) October 2022 President and Representative Director of Termguard Asia Pte. (current position) June 2023 Director, the Company (current position) October 2023 Representative Director and President of Kinki Living Supports Co., Ltd. (current position) October 2024 Representative Director of AMEMIYA, Inc.	—
	[Reason for nomination as candidate for Outside Director and a summary of his expected role] Mr. Junichiro Katayama, having long been involved with management in the manufacturing and sales industry as senior management, is equipped with the sales and management capabilities required for expanding sales channels. Therefore, the Company has determined that he can be expected to strengthen the Company's management structure by leveraging such experience and insight and providing advice and instruction to the Company's management, as well as by appropriate oversight from an objective standpoint, and thus renominated him as a candidate for Outside Director and proposes his reelection.		

- Notes: 1. None of the above candidates has any special interests in the Company.
2. Ms. Yoshiko Yamanokuchi and Mr. Junichiro Katayama are candidates for Outside Director.

3. Ms. Yoshiko Yamanokuchi and Mr. Junichiro Katayama are currently Outside Directors of the Company, and the term of office will be three (3) years for both of them at the conclusion of this General Meeting of Shareholders.
4. The Company has filed Ms. Yoshiko Yamanokuchi and Mr. Junichiro Katayama with the Tokyo Stock Exchange as independent officers. If their reappointment is approved, the Company intends to continue to file them.
5. The Company, pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, has entered into an agreement with Ms. Yoshiko Yamanokuchi and Mr. Junichiro Katayama to limit the liability for damages under Article 423, Paragraph 1 of the said Act. If they are reappointed as Outside Directors, the Company intends to renew the agreement. The limit of liability for damages under the said agreement shall be the minimum liability amount stipulated by laws and regulations.
6. The Company has entered into a directors and officers liability insurance contract with an insurance company, as provided for in Article 430-3, Paragraph 1 of the Companies Act, to cover any legal damages and litigation costs that the insured may be required to bear. Each candidate will be included in the insured under the contract. Furthermore, we plan to renew the contract with the same terms and conditions at the time of the next renewal.

Proposal 4: Election of One (1) Director Who is an Audit and Supervisory Committee Member

One (1) Director who is an Audit and Supervisory Committee Member will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Director who is an Audit and Supervisory Committee Member.

The Company has established the following matters as required qualifications for Directors who are Audit and Supervisory Committee Members and as the required qualifications for Outside Directors. The candidate for a Director who is an Audit and Supervisory Committee Member has satisfied these requirements. In addition, the Company has obtained the consent of the Audit and Supervisory Committee.

The candidate for Outside Director satisfies the requirements for independent officers stipulated by the Tokyo Stock Exchange.

The candidate for Director who is an Audit and Supervisory Committee Member under this proposal is as follows.

[Selection criteria of Directors who are Audit and Supervisory Committee Members]

According to the selection criteria of Directors who are Audit and Supervisory Committee Members, candidates for Directors who are Audit and Supervisory Committee Members shall satisfy the conditions set forth below in a well-balanced manner.

1. Must be deemed to possess high ethical standards as well as outstanding character and insight
2. Must be deemed to possess outstanding management sense and be well-versed in various management issues
3. Must be deemed to possess a company-level perspective and capabilities for objective analysis and judgment
4. Must be deemed capable of proactively expressing own opinions from a company-level perspective
5. Must possess any of the following backgrounds or capabilities
 - A legal expert, such as an attorney-at-law
 - A person with experience in corporate management
 - A person with considerable knowledge of finance and accounting
 - A person with extensive experience in the sales, research and development, and other fields
 - A person with a background or capabilities similar to each of the above
6. Must not fall under the reasons for disqualification for Directors set forth in each item of Article 331, Paragraph 1 of the Companies Act

[Selection criteria of Outside Directors]

According to the selection criteria of Outside Directors, candidates for Outside Directors shall be a person who satisfies all of the conditions set forth below.

1. A person who possesses a sincere character, high insight, and capabilities, as well as extensive knowledge, experience, and achievements in the field in which he or she engaged, from the perspective of incorporating various perspectives into the Board of Directors
2. A person who does not fall under the reasons for disqualification for Directors set forth in each item of Article 331, Paragraph 1 of the Companies Act
3. A person who concurrently serves as an officer at not more than three companies other than the Company
4. A person who possesses any of the following backgrounds or capabilities
 - A legal expert, such as an attorney-at-law
 - A person with experience in corporate management
 - A person with considerable knowledge of finance and accounting
 - A person with extensive experience in the sales, research and development, and other fields
 - A person with a background or capabilities similar to each of the above

5. A person who satisfies the requirements of an Outside Director, as stipulated by Article 2-15 of the Companies Act

[Independence criteria of Outside Officers]

Among Outside Officers, those who do not fall under any of the following items shall be determined to be independent of the Company.

1. A person who is a major shareholder (holding 10% or more of the total voting rights of the Company as of the end of the most recent business year) or an executive thereof
2. A person for whom the Company is a major business partner or an executive thereof
3. A major business partner of the Company or an executive thereof
4. An accounting auditor or an employee thereof of the Company or a consolidated subsidiary of the Company who is in charge of auditing the Company or a consolidated subsidiary of the Company
5. An attorney-at-law, judicial scrivener, patent attorney, certified public accountant, tax accountant, consultant, etc., who received money or other property benefits worth more than ¥10 million annually other than executive compensation from the Company (however, if the person receiving such property is an organization, such as a corporation and an association, then an executive of the organization receiving property equivalent to more than 2% of its annual income from the Company)
6. A major lender of the Company (a lender whose name or company name has been listed as a major lender in the business report of the most recent business year) or an executive thereof
7. A person receiving charitable donations worth more than ¥10 million annually from the Company (however, if the person receiving such charitable donations is an organization, such as a corporation and an association, then an executive of the organization receiving property from the Company equivalent to more than 2% of its annual income from the Company)
8. A person who fell under any of the items 1. through 7. above in the past three years
9. A spouse or a relative within a second-degree kinship of persons listed in any of the items 1. through 8. above (however, limited to important persons)
10. A spouse or a relative within a second-degree kinship of a director, executive officer, trustee, manager, employee, or accounting advisor (if the accounting advisor is a corporate body, then including employees who are engaged in the relevant services) of the Company or its subsidiary
11. A spouse or a relative within a second-degree kinship of a person who fell under a director, executive officer, trustee, manager, employee, or accounting advisor (if the accounting advisor is a corporate body, then including employees who are engaged in the relevant services) of the Company or its subsidiary in the past three years
12. In addition to the above items, any person who have particular reasons due to which he or she is not capable of fulfilling his or her responsibility as an independent outside officer, such as having a conflict of interests with the Company

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
Satoko Tomiyama (February 10, 1979) [New appointment] [Outside]	October 2004 Registered as an attorney-at-law Joined Nishimura & Partners (currently Nishimura & Asahi) August 2006 Joined Dojima Law Office January 2012 Partner of Dojima Law Office (current position) June 2023 Outside Audit & Supervisory Board Member of Tigers Polymer Corporation (current position) June 2024 Outside Auditor, Utsue Valve Service Co. Ltd. (current position)	–
<p>[Reason for nomination as candidate for Outside Director and a summary of her expected role]</p> <p>Ms. Satoko Tomiyama is qualified as an attorney-at-law. Based on her broad knowledge and extensive experience, the Company has determined that she would be highly beneficial in ensuring the legality of the Company's business execution. Therefore, the Company nominates her as a candidate for Director and proposes her election. As an attorney, she possesses extensive expertise in corporate legal affairs, the Company believes she is capable of appropriately fulfilling her duties as an Outside Director of the Company.</p>		

- Notes:
1. Ms. Satoko Tomiyama's name on the family register is Satoko Hirano.
 2. Ms. Satoko Tomiyama has no special interests in the Company.
 3. Ms. Satoko Tomiyama is a candidate for Outside Director.
 4. If Ms. Satoko Tomiyama is elected, the Company intends to file her with the Tokyo Stock Exchange as an independent officer.
 5. If Ms. Satoko Tomiyama is elected, the Company, pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, plans to enter into an agreement with her to limit the liability for damages under Article 423, Paragraph 1 of the said Act. The limit of liability for damages under the said agreement shall be the minimum liability amount stipulated by laws and regulations.
 6. Her term of office will be until the expiration of the term of office of the resigning Director who is an Audit and Supervisory Committee Member.
 7. The Company has entered into a directors and officers liability insurance contract with an insurance company, as provided for in Article 430-3, Paragraph 1 of the Companies Act, to cover any legal damages and litigation costs that the insured may be required to bear. Ms. Satoko Tomiyama will be included in the insured under the contract. Furthermore, we plan to renew the contract with the same terms and conditions at the time of the next renewal.

Proposal 5: Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

In order to prepare for the possibility that the number of Directors who are Audit and Supervisory Committee Members may fall below the number required by applicable laws and regulations, the Company proposes the election of one (1) Substitute Director who is an Audit and Supervisory Committee Member.

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

The candidate for Substitute Director who is an Audit and Supervisory Committee Member under this proposal is as follows.

[Selection criteria of Directors who are Audit and Supervisory Committee Members]

According to the selection criteria of Directors who are Audit and Supervisory Committee Members, candidates for Directors who are Audit and Supervisory Committee Members shall satisfy the conditions set forth below in a well-balanced manner.

1. Must be deemed to possess high ethical standards as well as outstanding character and insight
2. Must be deemed to possess outstanding management sense and be well-versed in various management issues
3. Must be deemed to possess a company-level perspective and capabilities for objective analysis and judgment
4. Must be deemed capable of proactively expressing own opinions from a company-level perspective
5. Must possess any of the following backgrounds or capabilities
 - A legal expert, such as an attorney-at-law
 - A person with experience in corporate management
 - A person with considerable knowledge of finance and accounting
 - A person with extensive experience in the sales, research and development, and other fields
 - A person with a background or capabilities similar to each of the above
6. Must not fall under the reasons for disqualification for Directors set forth in each item of Article 331, Paragraph 1 of the Companies Act

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
Motomi Tamaki (August 17, 1972) [New appointment]	October 1998 Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC) Osaka office August 2004 Established Japan Management Consulting Co., Ltd. Director (current position) August 2007 Joined the Company, Contract Employee, Accounting Department April 2011 Registered as a certified tax accountant (Kinzei Certified Public Tax Accountants' Association)	–
<p>[Reason for nomination as candidate for Substitute Director who is an Audit and Supervisory Committee Member] Mr. Motomi Tamaki has extensive experience and professional expertise as a certified public accountant and tax accountant, and the Company expects that he will provide valuable advice. Therefore, the Company has determined he is capable of appropriately fulfilling his duties as a Director who is an Audit and Supervisory Committee Member.</p>		

- Notes:
1. The candidate has no special interests in the Company.
 2. If Mr. Motomi Tamaki is elected, the Company, pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, plans to enter into an agreement with him to limit the liability for damages under Article 423, Paragraph 1 of the said Act. In addition, if he is elected as a Director who is an Audit and Supervisory Committee Member, the limit of liability for damages under the said agreement shall be the minimum liability amount stipulated by laws and regulations.
 3. The Company has entered into a directors and officers liability insurance contract with an insurance company, as provided for in Article 430-3, Paragraph 1 of the Companies Act, to cover any legal damages and litigation costs that the insured may be required to bear. The candidate will be included in the insured under the contract. Furthermore, we plan to renew the contract with the same terms and conditions at the time of the next renewal.