

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

Securities Code: 2733

June 8, 2020

To our shareholders:

Hiroaki Suzuki, Representative Director and President  
**ARATA CORPORATION**  
6-3-2 Toyo, Koto-ku, Tokyo

## Notice of the 18th Annual General Meeting of Shareholders

We hereby inform you of the 18th Annual General Meeting of Shareholders of ARATA CORPORATION (the “Company”) will be held as described below.

Please note that you may exercise your voting rights via the Internet or in writing instead of attending the meeting on the day of the meeting. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights accordingly.

### Exercise of Voting Rights

Voting via the Internet, etc.

Please submit your approval or disapproval of the proposals by 5:30 p.m. on Wednesday, June 24, 2020.

Voting in writing

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company so that your vote is received by 5:30 p.m. on Wednesday, June 24, 2020 (JST).

Voting by attending the General Meeting of Shareholders

Please bring the enclosed voting form to the meeting and submit it at the reception desk. Please bring this notice of convocation with you when you attend the meeting on the day.

- 1. Date and Time:** 10:00 a.m. Thursday, June 25, 2020
- 2. Venue:** Floor 4, East Net Building, Large Conference Room of ARATA CORPORATION  
7-1-2 Toyo, Koto-ku, Tokyo  
\* Please note that the venue is different from the previous one.

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 18th fiscal year (from April 1, 2019 to March 31, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 18th fiscal year (from April 1, 2019 to March 31, 2020)

#### Matters to be resolved

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Partial Amendments to the Articles of Incorporation         |
| <b>Proposal No. 2</b> | Election of Nine Directors                                  |
| <b>Proposal No. 3</b> | Election of Two Audit & Supervisory Board Members           |
| <b>Proposal No. 4</b> | Election of One Substitute Audit & Supervisory Board Member |

- If you are attending the meeting, please submit the enclosed voting form at the reception desk.
- If the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements are revised, revised contents will be posted on the Company’s website.

Company website: <http://www.arata-gr.jp/>

Reference Documents for General Meeting of Shareholders

**Proposal No. 1** Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The Company will partially amend Articles of Incorporation provisions on the election of Audit & Supervisory Board Members to determine the effective period of the resolution for the election of Substitute Audit & Supervisory Board Members and to clarify the term of office if they assume office, in preparation for the case where the number of Audit & Supervisory Board Members falls below the number required by laws and regulations.

2. Details of the amendments

The content of the change shall be as set forth below:

(Changed parts are indicated by underlining.)

Current Articles of Incorporation	Proposed Amendments
(Method of Election of Audit & Supervisory Board Members)	(Method of Election of Audit & Supervisory Board Members)
Article 35	Article 35
1 (Provision omitted)	1 (Unchanged)
2 (Provision omitted)	2 (Unchanged)
3 (Transferred from Article 36, paragraph 2 of the Current Articles of Incorporation)	<u>3 Pursuant to the provisions of Article 329, paragraph (3) of the Companies Act, the Company may elect a substitute Audit &amp; Supervisory Board Member at General Meeting of Shareholders in case the number of Audit &amp; Supervisory Members falls short of the number set forth in laws and regulations.</u>
4 (New provision)	<u>4 The effective period of the resolution for the election of substitute Audit &amp; Supervisory Board Member as set forth in the preceding paragraph shall be until the commencement of the Annual General Meeting of Shareholders for the last business year ending within four years after said resolution, unless shortened by said resolution.</u>
(Term of office of Audit & Supervisory Board Member)	(Term of office of Audit & Supervisory Board Member)
Article 36	Article 36
1 (Provision omitted)	1 (Unchanged)
<u>2 Pursuant to the provisions of Article 329, paragraph (3) of the Companies Act, the Company may elect a substitute Audit &amp; Supervisory Board Member at General Meeting of Shareholders in case the number of Audit &amp; Supervisory Members falls short of the number set forth in laws and regulations.</u>	(Transferred to Article 35, paragraph 3 of the proposed amendment)
<u>3 The term of office of an Audit &amp; Supervisory Board Member elected as a substitute shall continue until the expiration of the term of office of the retired Audit &amp; Supervisory Board Member.</u>	<u>2 The term of office of an Audit &amp; Supervisory Board Member elected as a substitute for an Audit &amp; Supervisory Board Member who retired from office before the expiration of the term of office shall continue until the expiration of the term of office of the retired Audit &amp; Supervisory Board Member. Provided, however, that if the substitute Audit &amp; Supervisory Board Member elected pursuant to Paragraph 3 of the preceding Article assumes the office of Audit &amp; Supervisory Board Member, it shall terminate the Ordinary General Meeting of Shareholders for the last business year ending within four years after his/her election as Substitute Audit &amp; Supervisory Board Member. Time cannot be exceeded.</u>



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



**Proposal No. 2** Election of Nine Directors



The terms of office of all nine currently serving Directors will expire at the conclusion of this meeting. In that regard, the Company proposes the election of nine Directors, including two new Directors.



The candidates for Director are as follows:


Candidate No.	Name	Current position and responsibility in the Company		Number of times of attendance at Board of Directors meetings
1	Nobuyuki Hatanaka	Chairman of the Board of Directors	Reelection	12/12 times
2	Hiroaki Suzuki	Representative Director and President	Reelection	12/12 times
3	Yoichi Suzuki	Representative Director and Executive Vice President, and General Manager of Administration	Reelection	12/12 times
4	Toshiyuki Omote	Director and Executive Vice President, and General Manager of Sales	Reelection	12/12 times
5	Takahiro Furiyoshi	Director and Managing Executive Officer, General Manager of Business Development, Manager of Development Strategy, and Manager of EC Business	Reelection	12/12 times
6	Akihito Mizuno		New election	-/-
7	Yoshihisa Aoki	Outside Director	Independent Outside Reelection	12/12 times
8	Hideo Ishii	Outside Director	Independent Outside Reelection	12/12 times
9	Akira Iwasaki		Independent Outside New election	-/-

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 <p>Nobuyuki Hatanaka August 1, 1949 Reelection Tenure as Director 14 years</p>	<p>Apr. 1972    Joined Tomen Corporation Jun. 1974    Joined Syukosha Corporation Dec. 1998    Representative Director and President Jan. 2002    Chairman and Executive Director of Ito-Yasu Corporation Apr. 2004    Representative Director and President of SISCO CORPORATION Oct. 2006    Representative Director and Executive Vice President of the Company Apr. 2007    Representative Director and President Apr. 2017    Representative Director and Chairman &amp; CEO Jun. 2019    Chairman of the Board of Directors (current position)</p>	459,654 shares
<p><b>Reasons for nomination as candidate for Director</b> After assuming the office as Representative Director and President in 2007, Nobuyuki Hatanaka was responsible for the Company's management. He strove for expansion and growth of the Company's business with his superior management skills and leadership, and led the Company to its current growth path. From 2017, he took charge of the Group as Representative Director and Chairman &amp; CEO and since 2019 and has been showing the right direction for the Group as Chairman of the Board of Directors while leading deliberations informed by the opinions of Outside Directors as Chair of the voluntarily established Nomination and Compensation Committees. The Company therefore judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			
2	 <p>Hiroaki Suzaki October 25, 1955 Reelection Tenure as Director 4 years</p>	<p>Apr. 1978    Joined Daika Corporation Apr. 2008    Executive Officer and General Manager of Products Department of Sales Division of the Company Apr. 2014    Managing Executive Officer and President of Chubu Branch Jun. 2016    Director and Managing Executive Officer, and President of Chubu Branch Jan. 2017    Director and Executive Vice President, and Acting General Manager of Sales Management Apr. 2017    Representative Director and President &amp; COO Apr. 2018    Representative Director and President &amp; COO, and General Manager of Sales Management Jun. 2019    Representative Director and President (current position)</p>	5,600 shares
<p><b>Reasons for nomination as candidate for Director</b> Hiroaki Suzaki has worked in the sales and the product divisions since joining the Company, and has extensive business experience and knowledge in the Company. He has assumed the office as Representative Director and President since 2017, has led the Company's management since then. He has steadily built excellent business records and has produced successful results. In addition, he contributed to achieving the targets of the Company's new medium-term management plan that started from the fiscal year ended March 2018. Based on the above, the Company judges that he is expected to demonstrate a strong leadership, which will contribute to future business growth of the Company and is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 <p>Yoichi Suzuki April 23, 1953 Reelection Tenure as Director 18 years</p>	<p>Jun. 1980      Joined Ito-I Corporation</p> <p>Apr. 2002      Director and Advisory Member of the Company</p> <p>Jun. 2004      Senior Managing Director and General Manager of Operations</p> <p>Apr. 2007      Representative Director and Senior Managing Executive Officer, General Manager of Administration, and Head of Internal Control Office</p> <p>Apr. 2009      Representative Director and Executive Vice President, and General Manager of Administration</p> <p>Apr. 2015      Representative Director and Executive Vice President, General Manager of Administration and General Manager of Systems</p> <p>Apr. 2018      Representative Director and Executive Vice President, and General Manager of Administration (current position)</p>	62,503
<p><b>Reasons for nomination as candidate for Director</b></p> <p>Since joining the Company, Yoichi Suzuki has worked mainly in administrative divisions and has extensive business experience and knowledge in the Company. He assumed the office as a Representative Director in 2007, and has strengthened the management base such as administrative, business planning and system divisions. In his current role as Representative Director and Executive Vice President, and General Manager of Administration, he has worked on an enhancement of the administrative divisions, an improvement of the CSR systems and promotion of IR activities. The Company therefore judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			
4	 <p>Toshiyuki Omote October 20, 1956 Reelection Tenure as Director 2 years</p>	<p>Apr. 1979      Joined Daika Corporation</p> <p>Apr. 2004      Manager in charge of Wide-Area Mass Sales Department of East Japan of Sales Division of the Company</p> <p>Oct. 2006      Manager of Wide-Area Mass Sales Department of Sales Division</p> <p>Apr. 2010      Executive Officer and Manager of Wide-Area Mass Sales Department of Sales Division</p> <p>Apr. 2015      Managing Executive Officer and Manager of Wide-Area Mass Sales Department 1 of Sales Division</p> <p>Apr. 2018      Managing Executive Officer and General Manager of Sales</p> <p>Jun. 2018      Director and Managing Executive Officer, and General Manager of Sales</p> <p>Apr. 2019      Director and Senior Managing Executive Officer, and General Manager of Sales</p> <p>Apr. 2020      Director and Executive Vice President, and General Manager of Sales (current position)</p>	3,100 shares
<p><b>Reasons for nomination as candidate for Director</b></p> <p>Since joining the Company, Toshiyuki Omote has held several managerial positions in the sales division. Since 2010 he has served as Executive Officer and Manager of Wide-Area Mass Sales Department of Sales Division, and has played a part in strengthening the Company's sales activities and in achieving growth of its business. In his current role as Director and Executive Vice President, and General Manager of Sales, he works on the strategies for expanding its business and profits through strengthening its sales capabilities, as he has been doing to date. The Company therefore judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 <p>Takahiro Furiyoshi July 17, 1965 Reelection Tenure as Director 5 years</p>	<p>Apr. 1989    Joined Procter &amp; Gamble Far East, Inc. Mar. 1993    Joined Daika Corporation Apr. 2010    General Manager of Wide-Area Mass Sales Department of the Company Apr. 2014    Executive Officer, General Manager of Tokyo Metropolitan Area, and President of Kanto Branch Jun. 2015    Director and Managing Executive Officer, and General Manager of Sales Apr. 2017    Director and Managing Executive Officer, and General Manager of Business Development Apr. 2019    Director and Managing Executive Officer, General Manager of Business Development, Manager of Development Strategy, and Manager of EC Business (current position)</p>	21,950 shares
<p><b>Reasons for nomination as candidate for Director</b> Since joining the Company Takahiro Furiyoshi has worked in the sales division, is well vested in things on logistics sites, and has specialist knowledge in the field. Since 2015, he has been engaged as General Manager of Sales in strengthening sales activities and has played a significant part in expansion of the business. Since 2017, he has been engaged as Director and Managing Executive Officer, and General Manager of Business Development in development of new business and growth of the overseas business, which will be the pillars of its future operations. The Company therefore judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			
6	 <p>Akihito Mizuno (December 20, 1963) New election Tenure as Director - years</p>	<p>Apr. 1986    Joined Japell Co., Ltd. Jun. 2010    Director, General Manager of West Japan Sales Division Jun. 2013    Managing Director and General Manager of Sales Division Jun. 2015    Senior Managing Director, General Manager of Sales Division Jun. 2016    President and CEO (current position) Apr. 2017    President and CEO of Japell Partnership Service Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) President and CEO of Japell Co., Ltd. President and CEO of Japell Partnership Service Co., Ltd.</p>	2,808 shares
<p><b>Reasons for nomination as candidate for Director</b> Since 2016, Akihito Mizuno has served as President and CEO of Japell Co., Ltd., the leading specialist wholesaler of pet products and a subsidiary of the Company, and has been instrumental in driving the company's business growth and raising its position in the industry under his strong leadership. In anticipation of adequate advice being given by him on execution of the business based on his abundant knowledge and experience, the Company judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	 <p data-bbox="347 539 523 752">Yoshihisa Aoki January 17, 1952 Independent Outside Reelection Tenure as Director 3 years</p>	<p data-bbox="611 266 1230 689">Apr. 1974    Joined ITOCHU Corporation Apr. 2006    Managing Executive Officer Jun. 2009    Managing Director Apr. 2010    Representative Director, Senior Managing Executive Officer, and President of Food Company Mar. 2017    Administrative Officer (current position) Jun. 2017    Outside Director of the Company (current position) Mar. 2019    Outside Director of Otsuka Holdings Co., Ltd. (current position) (Significant concurrent positions outside the Company) Outside Director of Otsuka Holdings Co., Ltd.</p>	- shares
<p data-bbox="272 763 863 786"><b>Reasons for nomination as candidate for outside Director</b></p> <p data-bbox="272 792 1417 947">As a Representative Director at ITOCHU Corporation's Food Company, Yoshihisa Aoki has extensive experience and deep insight into global corporate management. He has served as outside Director of the Company since 2017, has offered adequate advice on the entire range of management, and has been engaged in enhancement of the Company's corporate governance. The Company therefore judges that he is the right person to enhance corporate values of the Company, and nominates him as a candidate for outside Director.</p>			
8	 <p data-bbox="347 1391 523 1603">Hideo Ishii October 6, 1954 Independent Outside Reelection Tenure as Director 2 years</p>	<p data-bbox="611 958 1230 1765">Apr. 1978    Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Apr. 2002    General Manager of Human Resources Department and Head of Human Resources Training Office of Business Planning Group of Mizuho Securities Co., Ltd. Apr. 2004    General Manager of Head Office Sales Department 1 of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Apr. 2007    Executive Officer and General Manager of Fukuoka Sales Department Apr. 2008    Managing Executive Officer of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.) Oct. 2010    Senior Managing Director Jun. 2013    Director and President of Japan Investor Solutions &amp; Technologies Co., Ltd. Mar. 2018    Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd. (current position) Jun. 2018    Outside Director of the Company (current position) (Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd.</p>	- shares
<p data-bbox="272 1776 863 1798"><b>Reasons for nomination as candidate for outside Director</b></p> <p data-bbox="272 1805 1417 1953">Hideo Ishii served as Director and President at Japan Investor Solutions &amp; Technologies Co., Ltd., and has experience in overseeing the entire business of a company. As for corporate management, he is a capable person who can make a judgment and express opinions from objective viewpoints on execution of the Company's business. The Company therefore nominates him as a candidate for outside Director. He retired from Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) in March 2008.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	 <p>Akira Iwasaki (April 1, 1952) Independent Outside New election Tenure as Director - years</p>	<p>Apr. 1974      Joined IBM Japan, Ltd. Apr. 2004      Member of the Board in charge of Industry Solutions Feb. 2007      Executive Officer of Japan Post Holdings Co., Ltd. Oct. 2007      Executive Officer and CIO of Japan Post Network Co., Ltd. (currently JAPAN POST Co., Ltd.) Jun. 2008      Managing Executive Officer and CIO Jun. 2008      Managing Executive Officer (concurrent service) and Deputy CIO of Japan Post Bank Co., Ltd. Jun. 2009      Senior Managing Executive Officer and CIO of Japan Post Network Co., Ltd. (currently Japan Post Co., Ltd.) Jun. 2009      Senior Managing Executive Officer (concurrent service) and Deputy CIO of Japan Post Bank Co., Ltd. Aug. 2010      Senior Director of Cisco Systems G.K. Aug. 2012      Senior Managing Executive Officer of salesforce.com Co., Ltd. Apr. 2018      External Director of FRONTIER INTERNATIONAL INC. (current position) Jun. 2019      Outside Director of Maeda Road Construction Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) External Director of FRONTIER INTERNATIONAL INC. Outside Director of Maeda Road Construction Co., Ltd.</p>	- shares
<p><b>Reasons for nomination as candidate for outside Director</b> Akira Iwasaki has served as Executive Officer and CIO at multiple companies related to finance and systems, and has a wealth of knowledge and experience in general management, and systems and IT. The Company therefore nominates him as a candidate for outside Director as it expects him capable of providing judgments and comments on matters including corporate management and system division regarding appropriate business execution from an objective perspective.</p>			

- Notes
1. There is no special interest between any of the candidates and the Company.
  2. Yoshihisa Aoki, Hideo Ishii and Akira Iwasaki are candidates for outside Director.
  3. The Company has entered into a limited liability agreement with Yoshihisa Aoki and Hideo Ishii under the provisions of Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The maximum liability for damages based on this agreement is limited to the amount prescribed in Article 425, paragraph (1) of the Companies Act. If the reappointment of Yoshihisa Aoki and Hideo Ishii is approved, the Company plans to continue this agreement with them. If the election of Akira Iwasaki is approved, the Company plans to enter into the same limited liability agreement with him.
  4. The Company has submitted notification to the Tokyo Stock Exchange that Yoshihisa Aoki and Hideo Ishii have been appointed as independent officers as provided for by the aforementioned exchange. If Yoshihisa Aoki and Hideo Ishii are reappointed, the Company plans for their appointment as independent officers to continue. Furthermore, Akira Iwasaki satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange and if he is elected, the Company plans to submit notification that he is an independent officer.



**Proposal No. 3** Election of Two Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members, Satoshi Hiramitsu and Takashi Doi will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of two Audit & Supervisory Board Members, including one new candidate.

The Audit and Supervisory Committee has already given its consent to this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name (Date of birth)	Career summary and major positions, etc. (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 <p>Satoshi Hiramitsu May 14, 1967 Independent Outside Reelection Tenure as Audit &amp; Supervisory Board Member 8 years</p>	<p>Apr. 1990      Joined The Tokai Bank, Limited (currently MUFG Bank, Ltd.) Nov. 1993      Joined Chuo Audit Corporation Sep. 2003      Joined Masanobu Nakano CPA Office Apr. 2005      Joined Tax Accounting Corporation TAS Jun. 2012      Audit &amp; Supervisory Board Member of the Company (current position) Nov. 2014      Representative Partner of Tax Accounting Corporation TAS Jun. 2019      Outside Corporate Auditor of FUJITEC CO., LTD. (current position) Dec. 2019      President of Tax Accounting Corporation TAS (current position)</p> <p>(Significant concurrent positions outside the Company) President of Tax Accounting Corporation TAS Outside Corporate Auditor of FUJITEC CO., LTD.</p>	- shares
<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</b> Satoshi Hiramitsu, being equipped with significant specialized knowledge as a Certified Public Accountant, has been monitoring the Company's business as a whole, contributing to appropriate audits of it as an outside Audit &amp; Supervisory Board Member of the Company since 2012. The Company therefore nominates him as a candidate for outside Audit &amp; Supervisory Board Member as we wish to see him continue to leverage his insights. He has never been involved in the management of a company other than serving as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Audit &amp; Supervisory Board Member based on the above reasons. He left the Tokai Bank, Ltd. (currently MUFG Bank, Ltd.) in October 1993.</p>			

Candidate No.	Name (Date of birth)	Career summary and major positions, etc. (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	 Tomoko Sakamoto (May 11, 1974) Independent Outside New election Tenure as Audit & Supervisory Board Member - years	Apr. 2000 Registered as an attorney at law, joined Kitahama Law Office Oct. 2003 Joined Yanagida & Nomura Law Office (currently Yanagida & Partners) Nov. 2006 Joined Iwata Godo Attorneys and Counsellors at Law Jul. 2011 Partner (current position) Jun. 2015 Outside Director of The Yachiyo Bank, Limited (currently Kiraboshi Bank, Ltd.) Dec. 2018 Outside Audit & Supervisory Board Member of FCE Holdings (current position) Jun. 2019 Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd. (current position) (Significant concurrent positions outside the Company) Partner of Iwata Godo Attorneys and Counsellors at Law Outside Audit & Supervisory Board Member of FCE Holdings Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd.	- shares
<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</b></p> <p>Tomoko Sakamoto has abundant experience as an attorney at law as well as significant insights into corporate legal affairs. Accordingly, the Company judges that she can be expected to monitor and audit the Company's management from an independent standpoint by leveraging such capabilities, and nominates her a candidate for outside Audit &amp; Supervisory Board Member. She has never been involved in the management of a company other than serving as an outside officer. However, the Company judges she will appropriately fulfill her duties as an outside Audit &amp; Supervisory Board Member based on the above reasons.</p>			


- Notes
1. There is no special interest between any of the candidates and the Company.
  2. Satoshi Hiramitsu and Tomoko Sakamoto are candidates for outside Audit & Supervisory Board Members.
  3. The Company has entered into a limited liability agreement with Satoshi Hiramitsu under the provisions of Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The maximum liability for damages based on this agreement is limited to the amount prescribed in Article 425, paragraph (1) of the Companies Act. If the reappointment of Satoshi Hiramitsu is approved, the Company plans to continue this agreement with him. If the election of Tomoko Sakamoto is approved, the Company plans to enter into the same limited liability agreement with her.
  4. The Company has submitted notification to the Tokyo Stock Exchange that Satoshi Hiramitsu has been appointed as an independent officer as provided for by the aforementioned exchange. If Satoshi Hiramitsu is reappointed, the Company plans for his appointment as an independent officer to continue. Furthermore, Tomoko Sakamoto satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange and the Company plans to submit notification to the aforementioned exchange concerning her appointment as an independent officer as per the rules of the aforementioned exchange.

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

The Company requests approval for the prior election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

The Audit and Supervisory Committee has already given its consent to this proposal.

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

Name (Date of birth)	Career summary and major positions, etc. (Significant concurrent positions outside the Company)	Number of the Company's shares owned
 <p>Shuichi Okada July 20, 1970 Independent Outside Tenure as Audit &amp; Supervisory Board Member - years</p>	<p>Apr. 2000 Registered with the Daini Tokyo Bar Association as an attorney at law Apr. 2006 Partner of Kano &amp; Okada Law Office (current position) Apr. 2010 Member of Monitoring Committee for Ministry of Agriculture, Forestry and Fisheries Tender Offers, etc. Apr. 2012 Judicial commissioner of Tokyo Summary Court Apr. 2013 Advisor of Consumer Affairs Consulting Service of Tokyo Metropolitan Comprehensive Consumer Center Apr. 2017 Deputy Chair of the Daini Tokyo Bar Association (Significant concurrent positions outside the Company) Partner of Kano &amp; Okada Law Office</p>	<p>- shares</p>
<p><b>Reasons for nomination as candidate for substitute outside Audit &amp; Supervisory Board Member</b> Shuichi Okada has had an extensive career as an attorney at law, and possesses a high level of specialist insight. The Company therefore judges that he can be expected to utilize such capabilities in the Company's auditing system, and nominates him as a candidate for substitute outside Audit &amp; Supervisory Director. He has never been involved in the management of a company. However, the Company judges that he will appropriately fulfill his duties as an outside Audit &amp; Supervisory Board Member based on the above reasons.</p>		

- Notes
1. There is no special interest between Shuichi Okada and the Company.
  2. Shuichi Okada is a candidate for substitute outside Audit & Supervisory Board Member.
  3. If Shuichi Okada assumes the office of Audit & Supervisory Board Member, the Company plans to submit notification to the Tokyo Stock Exchange concerning his appointment as an independent officer as per the rules of the aforementioned exchange.
  4. If the election of Shuichi Okada is approved, the Company plans to enter into a limited liability agreement with him under the provisions of Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement is limited to the amount provided for under Article 425, paragraph (1) of the Companies Act.