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(Securities Code 8806)  
June 5, 2020

**To Shareholders with Voting Rights:**

Toshiyuki Sonobe  
Representative Director  
President Chief Executive Officer  
6-32, Nakanoshima 3-chome, Kita-ku,  
Osaka  
DAIBIRU CORPORATION

**NOTICE OF  
THE 148TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to notify you that the 148th Annual General Meeting of Shareholders of DAIBIRU CORPORATION (the “Company”) will be held for the purposes as described below.

In order to prevent the spread of COVID-19, shareholders are requested to check their own condition of health and determine whether to attend the General Meeting of Shareholders.

You may exercise your voting rights in writing or via the Internet rather than attending the meeting in person.

Please review the attached reference documents, follow the guide below and exercise your voting rights by no later than 5:00 p.m. on Wednesday, June 24, 2020 (Japan Standard Time).

**I. Date and Time:** Thursday, June 25, 2020 at 10:00 a.m. Japan time

**II. Place:** Heian-no-ma Hall, fourth Floor of ANA Crowne Plaza Osaka  
3-1 Dojimahama 1-chome, Kita-ku, Osaka

**III. Meeting Agenda:**

- Matters to be reported:**
1. Report on business activities, consolidated financial results for fiscal year 2019 (from April 1, 2019 to March 31, 2020) and results of audits of the consolidated financial statements for fiscal year 2019 (from April 1, 2019 to March 31, 2020) by the accounting auditor and the Audit & Supervisory Board
  2. Reports on the non-consolidated financial results for fiscal year 2019 (from April 1, 2019 to March 31, 2020)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Seven (7) Directors  
**Proposal 3:** Election of One (1) Substitute Audit & Supervisory Board Member  
**Proposal 4:** Payment of Bonuses to Directors  
**Proposal 5:** Decision on Compensation for the Grant of Restricted Stock to Directors

#### IV. Guide to Exercising Your Voting Rights:

- (1) If exercising your voting rights in writing:  
Please indicate your votes for or against the proposals on the enclosed voting rights exercise form and send it to us so that it arrives by 5:00 p.m. on Wednesday, June 24, 2020 (Japan Standard Time).
- (2) If exercising your voting rights via the Internet:  
Please review the “Guide on Exercising your Voting Rights via the Internet” in the Attachment (page 3) and exercise your voting rights by 5:00 p.m. on Wednesday, June 24, 2020 (Japan Standard Time).

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- ◎ When attending the meeting, please submit the enclosed voting rights exercise form at the reception desk.
  - ◎ Should the reference documents for the general meeting of shareholders, the report on business activities, consolidated financial results, non-consolidated financial results require revisions, the revised versions will be posted on the Company’s website (<http://www.daibiru.co.jp/>).

#### <Requests to our shareholders>

- ◎ Shareholders are requested to take appropriate precautions when attending the meeting such as wearing surgical masks. In addition, the Company may decide to take some measures necessary to ensure shareholders' safety and prevent the spread of infection, at the venue of the General Meeting of Shareholders. In such a case, we ask for your understanding and support.
- ◎ At the venue, seats will be spaced widely compared to those in other years to maintain social distancing. Therefore, we may be unable to provide enough seating for all attending shareholders. We humbly request your understanding of this matter.
- ◎ Directors of the Company and staff at the General Meeting of Shareholders will measure their body temperature and check their own condition of health before the meeting and wear surgical masks when attending.
- ◎ To shorten the time that shareholders spend in the venue, we will report on our business activities in a concise manner and make efforts to run the meeting smoothly. We ask for your understanding and support.
- ◎ Changes may be made to the operation or the venue of the General Meeting of Shareholders depending on factors including the status of the epidemic before and on the day of the meeting, and announcements made by the government or other authorities. Such changes will be posted on the Company’s website (<https://www.daibiru.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Appropriation of Surplus

In fiscal year 2019, businesses in Japan and overseas remained steady, and as a result, profit attributable to owners of the parent exceeded that for the previous fiscal year.

The Company's basic management policies are to continuously provide stable dividends to shareholders reflecting its business performance, business environment, and other conditions, while maintaining internal reserves necessary for sound financial strength and future business development. The company targets a payout ratio level (consolidated) of 30%-35%.

In light of the above, we plan to pay the year-end dividends as follows.

#### 1. Matters concerning year-end dividends

##### (1) Type of dividend property

Cash

##### (2) Assignment of dividend property and total amount thereof

¥10.50 per share of common stock of the Company (The same as the previous year)

Total: ¥1,224,575,877

(Note) The annual dividends per share, including the interim dividends, will be ¥21 per share (increasing by ¥1.00 from the previous year), and the payout ratio level (consolidated) will be 30.9%.

##### (3) Effective date of distribution of surplus

June 26, 2020

(Reference: Acquisition of treasury shares)

To enhance shareholder returns and increase capital efficiency, the Company resolved, at the Board of Directors meeting held on April 30, 2020, to acquire treasury shares up to 2.0 million shares or purchase at a total cost of no more than ¥2.5 billion through the market purchase of common shares of the Company available on the Tokyo Stock Exchange during the period from May 7, 2020 to December 30, 2020.

**Proposal 2: Election of Seven (7) Directors**

The terms of office of all seven (7) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly the election of seven (7) Directors is proposed.

The candidates for Directors are as follows:

Candidate number	Name	Current position in the Company	
1	Toshiyuki Sonobe	Representative Director, President Chief Executive Officer	Reappointment
2	Junichi Narita	Representative Director, Senior Managing Executive Officer	Reappointment
3	Kensuke Tanaka	Director, Managing Executive Officer	Reappointment
4	Takehiko Ota	Director, Managing Executive Officer	Reappointment
5	Hideki Tainaka	Managing Executive Officer	New appointment
6	Atsushi Oi	Director	Reappointment Outside Director Independent Officer
7	Atsushi Miyano	Director	Reappointment Outside Director Independent Officer

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Toshiyuki Sonobe (May 21, 1957) [Reappointment]	<p>April 1981      Joined Japan Line, Ltd. (currently Mitsui O.S.K. Lines, Ltd.)</p> <p>June 2009      General Manager of Tanker Division, Mitsui O.S.K. Lines, Ltd.</p> <p>June 2011      Managing Director of Mitsui O.S.K. Bulk Shipping (Asia Oceania) Pte. Ltd. (currently MOL (Asia Oceania) Pte. Ltd.) (until March 2016)</p> <p>June 2012      Executive Officer, responsible for South-East Asia, Mitsui O.S.K. Lines, Ltd.</p> <p>June 2015      Executive Officer, Chief Executive Representative for Asia, the Middle East and Oceania</p> <p>April 2016      Managing Executive Officer, Group Business Division, responsible for Kansai Area/Japan Logistics Business Promotion</p> <p>June 2016      Director of the Company</p> <p>March 2017      Resigned from Managing Executive Officer of Mitsui O.S.K. Lines, Ltd.</p> <p>April 2017      Executive Vice President, Director General of Office Leasing &amp; Development Division of the Company</p> <p>June 2017      Representative Director, Executive Vice President, Director General of Office Leasing &amp; Development Division</p> <p>April 2018      Representative Director, President Chief Executive Officer (to present)</p> <p>Mitsui O.S.K. Lines, Ltd. is the parent company of the Company. Mitsui O.S.K. Bulk Shipping (Asia Oceania) Pte. Ltd. (currently MOL (Asia Oceania) Pte. Ltd.) is a subsidiary of Mitsui O.S.K. Lines, Ltd.</p>	15,700
<p>[Reason for nomination]</p> <p>Mr. Toshiyuki Sonobe is currently responsible for the management of the Company as Representative Director and President Chief Executive Officer, and has played an appropriate role to contribute to the improvement of the Company's corporate value over the medium to long term by leveraging his wealth of experience and broad insight regarding company management in Japan and overseas. We therefore renominate him for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Junichi Narita (April 27, 1958) [Reappointment]	<p>April 1981      Joined Mitsui O.S.K. Lines, Ltd.</p> <p>June 2008      General Manager, Logistics Business Division of Mitsui O.S.K. Lines, Ltd.</p> <p>June 2009      Full-time Corporate Auditor</p> <p>June 2011      Outside Audit &amp; Supervisory Board Member of the Company</p> <p>June 2013      Resigned from Full-time Corporate Auditor of Mitsui O.S.K. Lines, Ltd. Resigned from Outside Audit &amp; Supervisory Board Member of the Company Director, Managing Executive Officer, Director General, Administration Division, and commissioned as General Manager, Corporate Planning &amp; Strategic Business Office of the Company</p> <p>April 2016      Director, Senior Managing Executive Officer, Director General of Administration Division, responsible for IR (Investor Relations)</p> <p>April 2019      Representative Director, Senior Managing Executive Officer, supervisor for Finance &amp; Accounting Department, responsible for General Affairs Department, Human Resources Department, and Internal Audit Office</p> <p>April 2020      Representative Director, Senior Managing Executive Officer, responsible for General Affairs Department, Human Resources Department, and Internal Audit Office (to present)</p>	16,600
<p>[Reason for nomination] Mr. Junichi Narita is currently responsible for the management of the Company as Representative Director and Senior Managing Executive Officer. He possesses thorough knowledge of business management, group management and overseas business, and has played an appropriate role to contribute to the improvement of the Company's corporate value over the medium to long term by leveraging his wealth of experience and a high level of insight. We therefore renominate him for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Kensuke Tanaka (March 7, 1959) [Reappointment]	<p>April 1983    Joined Mitsui O.S.K. Lines, Ltd.</p> <p>June 2006    Group Leader, LNG No. 3 Group, LNG Carrier Division of Mitsui O.S.K. Lines, Ltd.</p> <p>June 2009    Seconded to the Company, and commissioned as General Manager, Corporate Planning &amp; Strategic Business Office of the Company</p> <p>June 2010    Executive Officer, Deputy Director General of Administration Division, and commissioned as General Manager, Corporate Planning &amp; Strategic Business Office</p> <p>June 2012    Retired from Mitsui O.S.K. Lines, Ltd.</p> <p>April 2017    Managing Executive Officer, Deputy Director General of Office Leasing and Development Division (responsible for Osaka Office Leasing and Development Department) and commissioned as General Manager, Tokyo Office Leasing and Development Department</p> <p>June 2019    Director, Managing Executive Officer, supervisor for Business Planning Department and Osaka Office Leasing Department, responsible for Tokyo Office Leasing Department, Real Estate Development Office, and Special Projects (reconstruction of Yaesu Daibiru Building, and branding strategy)</p> <p>April 2020    Director, Managing Executive Officer, responsible for Real Estate Development Office, Tokyo Office Leasing Department, Sapporo Business Department, and Special Projects (projects for the Sapporo city) (to present)</p>	11,200
<p>[Reason for nomination] Mr. Kensuke Tanaka has played an appropriate role to contribute to the improvement of the Company's corporate value over the medium to long term by leveraging his wealth of experience and a high level of insight in the Office Leasing &amp; Development Division and the Administration Department. We therefore renominate him for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
4	Takehiko Ota (April 5, 1960) [Reappointment]	April 1984 June 2008 June 2013 June 2017	Joined Mitsui O.S.K. Lines, Ltd. Manager of IR (Investor Relations) Office Full-time Corporate Auditor Resigned from Full-time Corporate Auditor of Mitsui O.S.K. Lines, Ltd. Executive Officer, Deputy Director General of Administration Division (responsible for Corporate Planning & Strategic Business Office), and commissioned as Manager of Corporate Communications Office of the Company	3,700
		April 2019 June 2019	Managing Executive Officer, responsible for Corporate Planning Department, Overseas Business Department, and IR (Investor Relations) Director, Managing Executive Officer, responsible for Corporate Planning Department, Overseas Business Department, and IR (Investor Relations) (to present)	
[Reason for nomination] Mr. Takehiko Ota has played an appropriate role to contribute to the improvement of the Company's corporate value over the medium to long term by leveraging his wealth of experience and a high level of insight in the Administration Department and the Overseas Business Department. We therefore renominate him for Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
5	Hideki Tainaka (August 10, 1965) [New appointment]	April 1988 June 2016	Joined the Company General Manager of Construction & Technical Management Department	10,000
		April 2018 April 2020	Executive Officer, Assistant to the Officer responsible for Construction & Technical Management Department, and commissioned as General Manager of Construction & Technical Management Department Managing Executive Officer, responsible for Construction & Technical Management Department and Special Projects (reconstruction of Midosuji Daibiru Building and Yaesu Daibiru Building) (to present)	
[Reason for nomination] Mr. Hideki Tainaka has been involved with the Construction & Technical Management Department and building management at the Company and the Group Companies for many years. He has played an appropriate role to contribute to the improvement of the Company's corporate value over the medium to long term by leveraging his wealth of experience and a high level of insight as a first-class registered architect. We therefore newly nominate him for Director.				



No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Atsushi Oi (January 14, 1949) [Reappointment] [Outside Director] [Independent Officer]	<p>April 1973      Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>September 1999      Director of Public Utilities Department, Agency for Natural Resources and Energy</p> <p>August 2001      Deputy Director-General of Minister's Secretariat, Ministry of Economy, Trade and Industry</p> <p>July 2002      Defense Counselor of Japan Defense Agency (currently Ministry of Defense)</p> <p>August 2005      Director of Japan Development Bank (currently Development Bank of Japan Inc.)</p> <p>September 2007      Resigned from Director of Japan Development Bank</p> <p>October 2007      Counselor of Mitsui &amp; Co., Ltd.</p> <p>April 2008      Managing Officer, Chairman &amp; Managing Director of Mitsui &amp; Co. (Australia) Ltd.</p> <p>April 2010      Executive Managing Officer, Chief Representative of Mitsui &amp; Co., Ltd. in China</p> <p>April 2014      Senior Executive Managing Officer, General Manager of Osaka Office</p> <p>April 2015      Counselor</p> <p>June 2015      Resigned from Counselor of Mitsui &amp; Co., Ltd. President of Japan Institute of Design Promotion (to present)</p> <p>June 2018      Outside Director of the Company (to present)</p> <p>Significant concurrent position President of Japan Institute of Design Promotion</p>	0
<p>[Reason for nomination] Mr. Atsushi Oi has a wealth of experience and insight through his career in government administration and company management in Japan and overseas, which he will apply in the management of the Company. We therefore renominate him for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Atsushi Miyanoya (April 3, 1959) [Reappointment][ Outside Director] [Independent Officer]	<p>April 1982      Joined Bank of Japan</p> <p>May 2010      Director-General of Financial System and Bank Examination Department</p> <p>March 2013    Manager of Nagoya Branch</p> <p>May 2014      Executive Director and Manager of Osaka Branch</p> <p>March 2017    Executive Director, responsible for Financial System and Bank Examination Department, Currency Issue Department, and Public Relations Department</p> <p>May 2018      Resigned from Executive Director</p> <p>June 2018      Chairman of NTT DATA Institute of Management Consulting, Inc. (to present)</p> <p>June 2019      Outside Director of the Company (to present)</p> <p>Significant concurrent position Chairman of NTT DATA Institute of Management Consulting, Inc.</p>	0
	<p>[Reason for nomination] Mr. Atsushi Miyanoya has a wealth of experience and insight through his duties at a central bank, which he will apply in the management of the Company. We therefore renominate him for Outside Director.</p>		

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. Mr. Hideki Tainaka is a newly appointed candidate for Director.
3. Mr. Atsushi Oi and Mr. Atsushi Miyanoya are candidates for Outside Directors.
4. Mr. Atsushi Oi's term of office as Outside Director will be two years at the conclusion of this General Meeting of Shareholders.  
Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Atsushi Oi to limit his liability for damages under Article 423, Paragraph 1 of the said Act. Subject to his reelection, the Company intends to continue the above liability limitation agreement with him.  
The Company has registered him as an Independent Officer as prescribed by the rules of Tokyo Stock Exchange, Inc. and has submitted a notification of the appointment to the same Exchange. Subject to his reelection, the Company intends to continue to register him as an Independent Officer.
5. Mr. Atsushi Miyanoya's term of office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.  
Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Atsushi Miyanoya to limit his liability for damages under Article 423, Paragraph 1 of the said Act. Subject to his reelection, the Company intends to continue the above liability limitation agreement with him.  
The Company has registered him as an Independent Officer as prescribed by the rules of Tokyo Stock Exchange, Inc. and has submitted a notification of the appointment to the same Exchange. Subject to his reelection, the Company intends to continue to register him as an Independent Officer.  
In addition, Mr. Atsushi Miyanoya is scheduled to assume the office of Outside Director of The Bank of Iwate, Ltd. on June 23, 2020.

**Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member**

The Company proposes to elect one (1) Substitute Audit and Supervisory Board Member pursuant to the provision of Article 329, Paragraph 3 of the Companies Act, in preparation of a shortage in the number of Audit & Supervisory Board Members stipulated in the laws and regulations.

The candidate for Substitute Audit & Supervisory Board Member is as follows. The Audit and Supervisory Board has previously given its approval to this proposal.

Name (Date of birth)	Career summary and significant concurrent positions	Number of shares of the Company held
Hiroshi Morimoto (July 13, 1960)	April 1987 Registered as an attorney-at-law Joined Kitahama Law Office (currently Kitahama Partners) January 1992 Partner of Kitahama Law Office June 1995 Outside Audit & Supervisory Board Member of Japan Cash Machine Co., Ltd. (to present) March 2006 Outside Audit & Supervisory Board Member of Senshukai Co. Ltd. (to present) January 2008 Representative Partner of Kitahama Partners (to present) July 2013 CEO of Kitahama Group (to present) November 2018 Outside Audit & Supervisory Board Member of the Company June 2019 Resigned from Outside Audit & Supervisory Board Member of the Company Significant concurrent position Representative Partner of Kitahama Partners CEO of Kitahama Group Outside Audit & Supervisory Board Member of Japan Cash Machine Co., Ltd. Audit & Supervisory Board Member of Senshukai Co. Ltd.	0
[Reason for nomination] Mr. Hiroshi Morimoto has a wealth of experience and insight as an attorney-at-law, which he will apply in auditing duties of the Company, and we therefore newly nominate him for Substitute Audit & Supervisory Board Member. For the above-mentioned reason, we believe that he will be able to execute the duties of Outside Audit & Supervisory Board Member appropriately.		

(Notes)

1. There are no special interests between Mr. Hiroshi Morimoto and the Company.
2. Mr. Hiroshi Morimoto is nominated as a candidate for Substitute Audit and Supervisory Board Member.
3. Subject to his assumption of office as Outside Audit & Supervisory Board Member, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the said act.
4. Subject to his assumption of office as Outside Audit & Supervisory Board Member, the Company intends to register him as an Independent Officer as prescribed by the rules of Tokyo Stock Exchange, Inc. and submit a notification of the appointment to the same Exchange.

## Reference

### Criteria for the Independence of Outside Directors and Outside Audit & Supervisory Board Members

In the Company, outside directors and outside Audit & Supervisory Board Members with independence refer to those who do not fall under any of the following:

1. A person who is, or used to be an executor of business at the Company, or a group company of the Company (consolidated subsidiaries)
2. A person who is a principal shareholder of the Company (a shareholder with 10% or higher shareholding of voting rights at the end of the immediately preceding fiscal year). For cases where such principal shareholder is a corporate entity such as a company, a person who is, or used to be an executor of business at such corporation in the past three years.
3. A person who is a principal business partner of the Company or a group company, or a person with whom the Company or a group company is a principal business partner. For cases where such person is a corporation such as a company, a person who is, or used to be an executor of business at such corporation in the past three years. A principal business partner refers to a person who engages in transactions with the Company or a group company in which the annual amount of such transactions accounts for 2% or more of the consolidated total revenue in the immediately preceding fiscal year at either party.
4. A person who is a principal lender to the Company or to a group company. For cases where such person is a corporation such as a company, a person who is, or used to be an executor of business at such corporation in the past three years. A principal lender refers to a person from whom the Company or a group company has borrowings, whose latest balance accounts for 2% or more of the consolidated total assets of the Company.
5. A person who is an independent auditor of the Company or a group company, or an employee, etc. of the independent auditor, or a person who engaged in the audit work for the Company or a group company as an employee, etc. of the independent auditor in the past three years.
6. A person who is an attorney, judicial scrivener, certified public accountant, certified public tax accountant or other consultant, etc. who has received money or other property in excess of ¥10 million per year on average for the past three years from the Company or a group company, other than executive compensation. For cases where such person is an organization such as a corporation and association, a person who belongs to such organization.
7. A person who has received donations in excess of ¥10 million per year on average for the past three years from the Company or a group company. For cases where such person is an organization such as a corporation and association, a person who belongs to such organization.
8. A person who is an executor of business at a company where a director from the Company or a group company has been seconded, or at the parent company or a significant subsidiary of such company.
9. A person who has served for eight years since the first appointment as an independent outside officer of the Company.
10. Spouse or relative within the second degree of kinship of the person who falls under any of the above 1. to 8.

**Proposal 4: Payment of Bonuses to Directors**

Taking into consideration the business performance, etc. for the year under review, the Company has decided to pay Directors' bonuses of a total of ¥73,000,000 to the five (5) Directors (excluding two (2) Outside Directors) in office as of the end of the year under review.

Moreover, the decision on the amount to be paid to each Director will be entrusted to the Board of Directors.

**Proposal 5: Decision on Compensation for the Grant of Restricted Stock to Directors**

A total amount of monthly compensation for Directors of the Company not exceeding 23 million yen per month was approved by the 128th Annual General Meeting of Shareholders held on June 29, 2000. (There were 11 Directors in office immediately after the conclusion of that General Meeting of Shareholders). The Company requests approval for the payment of compensation for the restricted stock to Directors (excluding Outside Directors; hereinafter referred to as "Eligible Directors"), in addition to the above mentioned monthly compensation and the total amount of Directors' bonuses proposed at each Annual General Meeting of Shareholders, with the aim of providing incentives for the sustained enhancement of the Company's corporate value, and further promotion of shared values between the Eligible Directors and shareholders.

The total amount of monetary compensation paid for granting of restricted stock to the Eligible Directors under this proposal shall be no more than 75 million yen per annum, which is an amount deemed appropriate given the aims described above.

The Eligible Directors shall receive common shares of the Company through issuance or disposal, in return for contribution in kind of all monetary compensation rights arising under this proposal, based on a resolution of the Board of Directors. The total number of common shares of the Company to be issued or disposed of in this manner shall not exceed 50 thousand shares. However, in the event after the date of resolution of this proposal a stock split of the Company's common shares (including gratis allotment of the Company's common shares), or a reverse stock split are conducted, or in other cases where it is necessary to adjust the upper limit of the total number to be allotted, the upper limit may be reasonably adjusted. The amount paid per share shall be equivalent to the closing price of the Company's common shares on the Tokyo Stock Exchange, Inc. on the business day preceding the date of resolution of each meeting of the Board of Directors (if no trading is completed on the same day, the closing price of the most recent trading day prior to that day will be the closing price). The Board of Directors shall determine the specific timing and allocation of compensation to each Eligible Director. If Proposal 2 "Election of Seven (7) Directors" is approved and passed as proposed, the number of the Eligible Directors will be five (5).

The Company plans to pay similar compensation to its Executive Officers for granting of restricted stock, subject to the approval of this proposal as originally proposed.

When the Company issues or disposes of common shares to the Eligible Directors, the Company shall conclude a restricted stock allotment agreement (hereinafter "the Allotment Agreement") that includes the content summarized below, with each Eligible Director.

**(1) Period of the Transfer Restrictions**

Under the Allotment Agreement, the Eligible Director must not transfer, pledge or otherwise dispose of the restricted stock for the period (hereinafter "the Transfer Restriction Period") beginning from the day when the shares were allotted, and concluding on the day when the Eligible Director retires (that is, ceases to be both Director and Executive Officer; these restrictions are hereinafter referred to as "the Transfer Restrictions").

**(2) Release from the Transfer Restrictions**

When the Eligible Director has served continuously as a Director or Executive Officer of the Company for the duration of the Transfer Restriction Period, the Company shall remove the Transfer Restrictions pertaining to all Allotted Shares held by the Eligible Director at the conclusion of the Transfer Restriction

Period.

(3) Gratis Acquisition of the Allotted Shares

In certain cases, stipulated under the Allotment Agreement, such as the retirement of the Eligible Director before the expiration of the Transfer Restriction Period, except for a reason deemed proper by the Company's Board of Directors, the Company shall acquire the Allotted Shares free of charge.

(4) Treatment in the Case of Organizational Restructuring, etc.

Notwithstanding the provisions in (1) above, where a merger agreement with the Company as the non-surviving company, a share exchange agreement where the Company becomes a wholly-owned subsidiary, a share transfer plan or another matter concerning an organizational restructuring etc. is approved by the Company's General Meeting of Shareholders (or the Company's Board of Directors, for organizational restructuring etc. that does not require the approval of the General Meeting of Shareholders) during the Transfer Restriction Period, the Transfer Restrictions shall be removed before the effective date of the organizational restructuring etc., for a number of the Allotted Shares to be determined reasonably based upon the length of the period from the day when the Transfer Restriction Period commenced to the effective date of the organizational restructuring etc. In this case, the Company shall rightfully acquire, free of charge, the remaining Allotted Shares for which the Transfer Restrictions have not been removed, immediately subsequent to the removal of the Transfer Restrictions in accordance with the provisions above.

(5) Other Matters Determined by the Board of Directors

The Allotment Agreement shall contain other matters determined by the Board of Directors, including the methods used for indicating intention and notification under the Allotment Agreement and amending the Allotment Agreement.

For the duration of the Transfer Restriction Period, it is planned to manage shares allotted to the Eligible Directors under this Allotment Agreement in a dedicated account established by each Eligible Director at a securities company to be determined by the Company, in order to prevent disposal of the shares by transfer, pledge or other means during the Transfer Restriction Period.