May 14, 2019

For immediate release


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| Company | MAEDA CORPORATION | |
| Representative: | President and Representative Director | Soji Maeda |
| (Code No.: 1824, TSE 1st Sec.) | | |
| Contact: | General Manager, Administration Department, Business Administration Division | Koji Ishimura |
| (TEL: 03-5276-5150) | | |


# Notice on Continuation of Response Policy to Large-Scale Acquisition of the Company's Shares, Etc. (Takeover Defense Measures)

The Company's Board of Directors, at its meeting held on May 12, 2016, resolved to continue the response policy ("Current Response Policy") on the acquisition of, or consequent acquisition of the Company's Share Certificates, etc.(Note 3) (in both cases, excluding acquisition with prior consent of the Board of Directors; this type of acquisition shall hereinafter referred to as a "Large-Scale Acquisition" and the party engaged in a Large-Scale Acquisition shall hereinafter referred to as a "Large-Scale Acquirer") for the purpose of increasing the percentage of voting rights(Note 2) of a specified group of shareholders(Note 1) to 20% or more. This was approved by shareholders at the Company's 71st Annual General Meeting of Shareholders held on June 24, 2016 (Current Response Policy will be in effect up to the conclusion of the Company's 74th Annual General Meeting of Shareholders (the "General Meeting of Shareholders") to be held on June 21, 2019).

The Company has reviewed the Current Response Policy from the perspective of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders. As a result, the Company has decided to make partial changes to the Current Response Policy at a meeting of its Board of Directors held on May 14, 2019, and to continue the policy as described below ("Response Policy" hereinafter), subject to approval of a majority of the voting rights of the shareholders present at the General Meeting of Shareholders.

Main changes in the Response Policy shall be as follows.

(i) Necessary revisions accompanying the formulation of the medium- to long-term business plan that commenced in FY2019

(ii) Partial changes to the Third-party Committee members due to expiration of their terms of office

(iii) Modifications required for the continuation of Response Policy

In addition, all five of the Company's corporate auditors, including the outside corporate auditors, have expressed their support for the Response Policy on condition that the Policy is put into

practice in a concrete manner.
As of today, the Company has not received any proposal for a large-scale acquisition of the Company's Share Certificates, etc.

[Note 1] The term "Specified Group of Shareholders" shall mean the holders (as defined in Article 27-23(1) of the Financial Instruments and Exchange Act, including holders based on paragraph 3 of the same article) of Share Certificates, etc. (as defined in Article 27-23(1) of the same Act) of the Company and their joint holders ( as defined in Article 27-23(5) of the Act, and those deemed as joint holders in accordance with paragraph 6 of the same Article), and persons who purchase (as defined in Article 27-2(1) of the Act, including those made in a financial instruments exchange market) the Company's share certificates, etc. (as defined in Article 27-2(1) of the same Act) and those in a special relationship with the person (refer to Person in Special Relationship specified in Article 27-2(7) of the same Act).

[Note 2] In accordance with the specific purchase method of Specified Group of Shareholders, percentage of voting rights shall mean

(i) the holding ratio of share certificates, etc. (as defined in Article 27-23(4) of the Financial Instruments and Exchange Act; in this case, the number of share certificates, etc. held by joint holders of the holder (refer to the number of Share Certificates, etc. held as stipulated in the same paragraph) shall also be taken into account in the calculation) held by the holder in the case where the Specified Group of Shareholders is a holder and a joint holder of the Company's share certificates, etc.,

(ii) or the total holding ratio of share certificates, etc. (as defined in Article 27-2(8) of the same Act) held by the Large-scale Acquirer and Person in Special Relationship in the case where the Specified Group of Shareholders is a Large-scale Acquirer of the Company's share certificates, etc. and Person in Special Relationship with the Acquirer.

In calculating each Holding Ratio of Share Certificates, etc., the total number of voting rights (specified in Article 27-2(8) of the same Act) and shares issued (specified in Article 27-23(4) of the same Act) shall be determined by referring to the most recently filed securities report, second quarter report and treasury stock purchase status report.

[Note 3] Share certificates, etc. shall refer to Share Certificates, etc. specified in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act.

1. Necessity to implement the Response Policy

The Board of Directors believes, as long as the Company allows its shares to be traded freely as a public company, that a final decision to sell the Company's shares in response to a Large-Scale Acquisition should be made by its shareholders. In order for shareholders to make an appropriate decision on whether or not to accept the sale of the Company's shares, i.e., a Large-Scale Acquisition, it is necessary to provide them with sufficient information to make such a decision. For this purpose, we believe it is essential that the Board of Directors, which in substance manages the Company, provides them with sufficient information, including its assessment and opinion on the Large-Scale Acquisition as well as alternative proposals, in addition to unilateral information provided by the Large-Scale Acquirer.

The Company was founded on the philosophy of “public spirit” to serve the national interest in pre-war distressed times and the urgent need for electricity energy, which was considered a critical issue. After World War II, the Company expanded its activities as a leading enterprise in the construction of Japan’s dams, participating in national projects such as the Seikan Tunnel and the Seto Ohashi Bridge, and entering the construction sector with building of retractable domes and super-high-rise condominiums, and thus contributing to the “creation of a truly affluent society” through the construction industry and related businesses.
Since its founding, the Company has adhered to the corporate motto of “integrity, willingness and technology” and the founding philosophy of “earning the trust of our customers by doing good work,” and its basic management policy is to provide quality that gives customers and local communities a sense of trust, security and satisfaction, with quality as the highest priority based on customer-centricity.

In 2019 on the occasion of the 100th anniversary of our company’s founding, we have formulated a “New MAEDA Corporate Image” to achieve lasting growth for the next 100 years. And we have drawn up the roadmap and the vision for the next ten years, the “NEXT10,” to steadily execute this new challenge.
The vision that MAEDA aims for in “NEXT10” is a transformation into a “Comprehensive Infrastructure Services Company” through fusion of contracting and de-contracting. A “Comprehensive Infrastructure Services Company” aims to develop new construction services by expanding and reinforcing engineering capabilities, which are the source of profit. It can do this by expanding and reinforcing all upstream and downstream business domains with a focus on contracting, while responding to and expanding all kinds of projects centered on de-contracting. By achieving these goals, we will strive to become a “company that is trusted by every stakeholder.”
Furthermore, MAEDA’s new challenge for the next 100 years, the “NEXT 100,” will be to build a stable, highly profitable business structure for permanent growth, and to solve global issues to earn the trust of all stakeholders.
To achieve these goals, we have formulated a three-year medium-term business plan, “Maeda Change 1st Stage ’19–’21,” with FY2019 as its first year.
Vision and key measures for the medium- to long-term business plan shall be as follows.

I. New MAEDA Corporate Image aimed in “NEXT 100”

We aim to achieve the following by continuously implementing CSV management.

- Sustainable growth
- Stable and highly profitable structure
- Trust from all stakeholders
- Solving global social issues

II. Our Vision for “NEXT10”

By casting back from the “NEXT100,” we envision to become the following.

(i) Comprehensive Infrastructure Services Company combining the contracting and de-contracting

(ii) A company winning trust from all stakeholders by strengthening its management base

III. Key measures under NEXT10

In order to achieve our vision in the next 10 years, we have identified the following key measures.

(i) Productivity Reform: Achieve No. 1 value-added productivity
(ii) Company-wide promotion of de-contracting business: Evolution into a new business model through integration with the construction business
(iii) Corporate improvement: Elevation to a corporate structure and culture that achieves sustainable growth

IV. Key measures in "Maeda Change 1st Stage '19–'21"

In the first three years of the 1st Stage of NEXT10, we will work on the following items to implement the key measures.

(i) Productivity Reform: Building a foundation for increased value-added productivity
(ii) Company-wide promotion of de-contracting business: Expand the de-contracting business to take it to a new level
(iii) Corporate improvement: Building the foundation for a new corporate culture

We believe that the promotion of the medium- to long-term business plan based on the above priority measures will benefit all of our stakeholders, and to do so, we believe it is essential to conduct stable business operations from a medium- to long-term perspective. In order to implement these priority measures, it is essential that we maintain the good relationship with customers, employees, business partners, and local communities that we have built up over the years. Without an adequate understanding of these measures and the relationships we have built with our customers, employees, business partners and other stakeholders in Japan and abroad, it is difficult to make a fair assessment of the Company's corporate value.

Therefore, if a Large-Scale Acquisition occurs suddenly, the shareholders must be able to make an appropriate decision within a short period of time as to whether or not such action is in the best interest of the shareholders as a whole. For this purpose, it is important that shareholders are provided with necessary and sufficient information such as the impact of the Large-Scale Acquisition on the Company and the details of management policy and strategy and business plan of the Large-Scale Acquirer upon its participation in the management of the Company. Furthermore, we believe that the opinion of the Board of Directors on the Acquisition is an important factor for shareholders to consider. Accordingly, our Board of Directors believes that it is beneficial to protect the interests of shareholders as a whole and our corporate value if Large-Scale Acquisition is conducted in accordance with certain reasonable rules that embody the above concept and set up the following rules on large-scale acquisition (hereinafter referred to as the "Large-Scale Acquisition Rules").

In addition, we believe that establishing these rules in advance to secure transparency will ensure predictability of large-scale acquisitions and prevent any atrophic effect (wasting away) on large-scale acquisitions that benefit the Company and its shareholders, if the rules were not established.

The Response Policy was designed in accordance with the three principles (principle of securing and enhancing corporate value and the common interests of shareholders, principle

of prior disclosure and shareholders' intentions, and principle of necessity and reasonableness) of the "Guidelines on Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" of the Ministry of Economy, Trade and Industry and the Ministry of Justice, dated May 27, 2005, as well as the "Takeover Defense Measures in Recent Changes of Business Environment" of the Corporate Value Study Group, dated June 30, 2008.

2. About Response Policy

Under the Large-Scale Acquisition Rules established by our Board of Directors, (1) a Large-Scale Acquirer shall provide in advance the necessary and sufficient information to the Company's Board of Directors; and (2) Large-Scale Acquisition shall commence following the passage of a certain period for assessment by the Company's Board of Directors of our company.

(1) Submission of the intent statement

Prior to Large-Scale Acquisition, a Large-Scale Acquirer shall submit the intent statement to the Company's representative director to comply with the Large-Scale Acquisition Rules. The intent statement shall include the name and address of a Large-Scale Acquirer, the governing law of incorporation, the name of the representative, contact in Japan and a summary of the proposed Large-Scale Acquisition.

(2) Provision of information

The Large-Scale Acquirer shall provide necessary and sufficient information (hereinafter referred to as "Required Information") for the shareholders to make a decision and for the Board of Directors to form its opinion.

The Board of Directors shall deliver to the Large-Scale Acquirer a list of Required Information to be provided within ten (10) business days after receipt of the intent statement in (1) above, with a submission due date appropriately set. If, as a result of examining information initially provided by the Large-Scale Acquirer, the Board of Directors determines that the information is insufficient for shareholders to make a decision or for the Board of Directors to form an opinion, the Board of Directors shall set a deadline for submission as appropriate and request the Large-Scale Acquirer to provide additional information until the Required Information is complete. The Board of Directors shall disclose all or part of the fact that a Large-Scale Acquisition has been proposed and Required Information provided to the Board of Directors at a time deemed appropriate if it judges it is necessary for shareholders to make a decision.

A partial list of the Required Information shall be as follows.

(i) Details of the Large-Scale Acquirer and the Group (including business profile, capital structure and financial position of Large-scale Acquirer, experience in the same type of business as the Company, and other information)

(ii) Purpose, method and details of Large-Scale Acquisition

(iii) Basis for calculating the purchase price of the Company's shares

(iv) Funding for the purchase of the Company's shares

(v) Management policy, management strategy, business plan, financial plan, capital policy, dividend policy, asset utilization policy, etc., assumed after participating in the management of the Company

(vi) Policy on the treatment of our employees, business partners, customers and other stakeholders after the completion of Large-Scale Acquisition

(vii) Any other information that the Board of Directors deems reasonably necessary

(3) Assessment period by the Company's Board of Directors

The Board of Directors believes that, after the Large-Scale Acquirer completes the provision of Required Information to the Board of Directors, depending on the degree of difficulty in assessing and reviewing the Large-Scale acquisition, (i) sixty (60) days in the case of a purchase of all of the Company's shares, etc. through a tender offer with cash (in yen) as the only consideration, and (ii) ninety (90) days in the case of any other Large-Scale Acquisition should be secured as a period for the Board of Directors to assess, review, negotiate, form an opinion and make alternative plans (referred to as the "Board Assessment Period" hereinafter). Accordingly, the Large-Scale Acquisition shall commence only after the Board Assessment Period has elapsed. During the Board Assessment Period, the Company's Board of Directors shall fully assess and review the Required Information provided by the Large-Scale Acquirer with advice from outside experts, etc., compile and disclose its opinion. If necessary, the Board of Directors may negotiate with the Large-Scale Acquirer to improve the terms of Large-Scale Acquisition and present alternative plans to the shareholders of the Company.

3. Response Policy in the Event of a Large-Scale Acquisition

(1) When Large-Scale Acquirer complies with the Large-Scale Acquisition Rules

If a Large-Scale Acquirer complies with the Large-Scale Acquisition Rules and the Board of Directors opposes such an acquisition, the Board of Directors will only persuade the Company's shareholders by expressing its opposition to the proposed Large-Scale Acquisition and presenting alternative proposals, and shall, in principle, not take any countermeasures against the Large-Scale Acquisition. Whether or not to accept the proposal of Large-Scale Acquisition shall be decided by the shareholders of the Company, taking into consideration the purchase proposal, the opinions on such purchase proposal presented by the Company and alternative proposals, etc.

Provided, however, that even if the Large-Scale Acquisition Rules are complied with, but the Board of Directors of the Company judges that the Large-Scale Acquisition would materially damage the corporate value of the Company and the common interests of its shareholders, the Board of Directors may take the countermeasures as it deems appropriate in order to protect the interests of the Company's shareholders, fully respecting to the recommendations of the Third Party Committee.

Specifically, the Company believes that a Large-Scale Acquisition that falls under one of the following categories shall, in principle, correspond to a state that is significantly detrimental to the corporate value of the Company and the common interests of its shareholders

(i) In the case of a greenmailer, where shares are acquired with the intention of causing the company's related parties to purchase the shares at an inflated price, without any intention of participating in the management of the company

(ii) When shares are acquired for the purpose of so-called "depletion management," through temporary control of the company's management to transfer intellectual property rights, know-how, trade secret information, major business partners,

customers, etc. necessary for the business operation of the company to the acquirer or its group companies, etc.

(iii) When shares are acquired with the intention of diverting the assets of the company to secure or repay the debt of the acquirer or its group companies, etc. after taking control of the company's management

(iv) When shares are acquired for the purpose of temporarily controlling the management of the company and forcing it to sell or otherwise dispose of real estate, securities and other high-value assets that are not currently related to the business of the company, and using the profits from the disposal to temporarily pay high dividends, or to sell the shares at a high price in order to take advantage of the opportunity afforded by the sharp rise in the share price due to temporary high dividends

(v) In the case of a coercive two-stage buy-out, where the acquirer does not solicit the purchase of all the shares in the initial purchase, but sets unfavorable or unclear conditions for the second stage of the purchase through a tender offer or other acquisition approach to shares

(2) When Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules

If a Large-Scale Acquirer does not comply with the Large-Scale Acquisition Rules, regardless of the specific purchase approach, the Board of Directors may take countermeasures permitted under laws and regulations and the Company's Articles of Incorporation, such as the issuance of share options, to oppose the Large-Scale Acquisition for the purpose of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders. The Board of Directors shall choose the specific countermeasures it deems most appropriate at the time.

Share options to be issued through a shareholder allotment as a concrete countermeasure are as described in Exhibit 1 "Overview of share options." When share options are actually issued, the exercise period and conditions may be set considering the effect of countermeasures, e.g., shareholders shall not affiliate with Specified Group of Shareholders with Holding Ratio of Voting Rights at a certain level or higher.

4. Procedures to maintain fairness in countermeasures

(1) Establishment of a Third Party Committee

Under the Response Policy, the Board of Directors has a final say on whether or not a Large-Scale Acquirer has complied with the Large-Scale Acquisition Rules and the necessity to take countermeasures. In order to ensure fairness, rationality and objectivity of its decisions, the Company shall establish a Third Party Committee as an organization independent of the Board of Directors. There shall be at least three (3) members of the Third-Party Committee, and in order to enable fair and neutral judgments, they shall be appointed from outside directors and outside corporate auditors of the Company, or outside experts (lawyers, tax accountants, certified public accountants, academic experts, etc.) who are independent of the management team that executes the Company's business. The names and background of the appointed committee members shall be disclosed in a timely manner. In addition, the term of office of the members shall expire at the end of the meeting of the Board of Directors held immediately after the ordinary general meeting of shareholders relating to the last

fiscal year ending within one year after their election, unless the Company or a member of the Board of Directors notifies the other party in writing otherwise at least one (1) month prior to the end of the term of office, in which case the term of office shall be automatically extended for a further one (1) year. Names and background of the Third Party Committee members under the Response Policy shall be as described in the Exhibit 2 "Names and background of the Third Party Committee members."

(2) Procedures for the Board of Directors to invoke countermeasures

The Board of Directors shall consult with the Third Party Committee and receive recommendations of the Third Party Committee when deciding the necessity of invoking a countermeasure. The Third Party Committee may, at the Company's expense, obtain the advice of outside experts and others different from those who gave advice to the Company's Board of Directors, or require the Company's directors, auditors, employees and others to attend the Third Party Committee meeting and request explanations of the necessary information. In this way, the Committee deliberates, resolves and recommends on the matters consulted by the Board of Directors based on the contents of the resolution. The Board of Directors shall fully respect the recommendations of the Third Party Committee in determining the necessity of invoking a countermeasure. Regarding the specific measures to be taken, the Board of Directors shall select the measure it deems most appropriate at the time and make a decision after receiving the recommendation of the Third Party Committee. However, depending on the content of a countermeasure selected, the Company may seek resolution at a general meeting of shareholders in accordance with the provisions of laws and regulations and the Articles of Incorporation, or seek approval of the general meeting of shareholders based on the recommendation of the Third Party Committee.

(3) Procedures for suspending the invocation of countermeasures

In the event that a Large-Scale Acquirer withdraws or amends the Large-Scale Acquisition after the Board of Directors decides to take a countermeasure, if the Board of Directors determines that the implementation of a countermeasure is not appropriate, it may suspend or change the implementation of the countermeasure after giving due consideration to the recommendations of the Third Party Committee.

5. Impact, etc. on shareholders and investors

(1) Impact, etc. of Large-Scale Acquisition Rules on shareholders and investors

The purpose of the Large-Scale Acquisition Rules shall be to provide our shareholders with the information necessary to make a decision on whether or not to accept the Large-Scale Acquisition, to offer the opinions of the Board of Directors that in substance manages the Company, and to ensure opportunities for our shareholders to receive alternative proposals. This will enable our shareholders to make an appropriate decision on whether or not to accept the Large-Scale Acquisition with sufficient information, which we believe will protect the interests of our shareholders as a whole. Accordingly, the Company believes that the establishment of the Large-Scale Acquisition Rules is essential for shareholders and investors to make appropriate investment decisions, and thus contributes to the interests of shareholders and investors of the Company.

As described in section 3 above, since the Company's Response Policy on Large-Scale

Acquisition depends on Large-Scale Acquirer's compliance with the Large-Scale Acquisition Rules, we request that our shareholders and investors pay attention to the actions of Large-Scale Acquirer.

(2) Impact, etc. on shareholders and investors by the invocation of countermeasures

If a Large-Scale Acquirer violates the Large-Scale Acquisition Rules, the Board of Directors may take countermeasures permitted under laws and regulations and the Articles of Incorporation of the Company for the purpose of protecting the corporate value of the Company and the common interests of its shareholders. Due to a mechanism of such countermeasures, the Board of Directors assumes that the shareholders of the Company (excluding Large-scale Acquirers who violate the Large-scale Acquisition Rules or those engaged in Large-scale Acquisition that is clearly detrimental to the common interests of the Company's shareholders) shall not be deprived of legal rights or suffer economic losses. In the event that the Board of Directors decides to take specific countermeasures, the Company shall make timely and appropriate disclosures in accordance with laws and regulations and the stock exchange rules.

Among the possible countermeasures, in the event of issuing share options by allotment, our shareholders are required to complete payment of the exercise price within a predetermined period of time after acquiring share options. Details of such procedures will be announced separately when share options are actually issued, in accordance with laws and regulations and stock exchange rules, etc. Provided, however, that in order for the shareholders of the Company to acquire share options, they must be recorded in the register of shareholders by the date of allotment separately determined and announced by the Board of Directors of the Company. In addition, pursuant to the provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares, the shares of the Company's common stocks issued as a result of the exercise of share options cannot be recorded in a special account, so a securities account or other book-entry account shall be opened when exercising share options.

In addition, if the board of directors of the Company suspends the issuance of share options or acquires the issued share options free of charge upon the recommendation of the third party committee, there is no dilution in the value of each share. Therefore, shareholders and investors who traded on the assumption that the value of the Company's shares will be diluted on or after the ex-rights date of the gratis allocation of such share options may suffer unforeseen losses due to fluctuations in the share price.

6. Effective period, abolition and amendment of the Response Policy

The effective period of Response Policy shall be from the conclusion of the General Meeting of Shareholders to the conclusion of Company's 77th Ordinary General Meeting of Shareholders scheduled to be held in June 2022. Provided, however, that if the Company's general meeting of shareholders resolves to abolish the Response Policy, the Response Policy may be canceled even during its effective period described above. If the Board of Directors decides to discontinue the Response Policy, the Policy will also expire on the decision date. If the Board of Directors decides to discontinue the Response Policy, the Board shall promptly announce the decision.

Also, during the effective period of the Response Policy, the Company may review the Policy

as appropriate based on the development of relevant laws and regulations and the improvement of the listing system established by the Tokyo Stock Exchange from the perspective of increasing corporate value and protecting the common interests of shareholders, and change the Policy with approval of the Company's general meeting of shareholders. In that case, the Company shall promptly announce the details of the change.

The effective period of the Response Policy shall be about three years until the conclusion of the 77th Ordinary General Meeting of Shareholders. However, as stated above, the Response Policy can also be abolished during the effective period by the resolution of the Company's general meeting of shareholders or the Board of Directors. Based on this, we believe that this roughly three-year effective period is a reasonable length of time for our shareholders to make a decision on the appropriateness of the Response Policy. In addition, as the Response Policy may be abolished at any time by the Board of Directors comprised of directors elected at the Company's general meeting of shareholders, a Large-Scale Acquirer may abolish the Response Policy by the resolution of the Company's Board of Directors, comprising directors appointed by the Large-Scale Acquirer and resolved by a general meeting of shareholders. Therefore, the Response Policy is not a dead-hand provision (anti-takeover defense measure that cannot be stopped even if a majority of the Board of Directors is replaced). In addition, the term of office of the Company's directors is one year and the Company does not adopt a staggered term of office system; therefore, the Response Policy is not a slow-hand provision either (anti-takeover defense measure whose activation takes time to stop as the board members cannot be replaced in a single go).

(Exhibit 1)

Overview of share options

1. Shareholders to whom share options are granted and the conditions of issuance
   Share options shall be allotted to the shareholders recorded in the final register of shareholders as of the date of allotment as determined by the Board of Directors of the Company, at a ratio of one share option for every one share of the Company held by the shareholder (provided, however, that the Company's common stocks held by the Company shall be excluded).

2. Class and number of shares issued for share options
   The class of shares to be issued for share options shall be the Company's common stocks, and the number of shares to be issued for each share option shall be one. Provided, however, that if the Company conducts a stock split or a reverse stock split, the necessary adjustments shall be made.

3. Total number of share options to be issued
   The maximum number of shares shall be the total number of shares of the Company's common stocks available for issuance on the date of allotment determined by Company's Board of Directors less the total number of shares of the Company's common stocks outstanding (excluding the shares of Company's common stocks held by the Company). The Board of Directors may allot share options more than once.

4. Issue price of share options
   It shall be free of charge.

5. Amount to be paid upon exercise of each share option
   Assets to be invested in exercising each share option shall be in cash, and the amount shall be one yen or more, to be determined by the Board of Directors of the Company.

6. Restrictions on the transfer of share options
   Any transfer of share options shall require approval of the Board of Directors of the Company.

7. Conditions, etc. for exercising share options
   Conditions for exercising share options shall be specified, such as that a person does not affiliate with a Specified Group of Shareholders with a Holding Ratio of Voting Rights of 20% or higher; provided, however, that persons to whom the Board of Directors has given prior consent shall be excluded. Details shall be determined separately by the Board of Directors of the Company.
   The Company may also stipulate provisions to enable the Company to acquire share options held by persons other than those whose share options are not permitted to be exercised due to the above conditions and to issue one share for each share option. If the Company acquires share options held by a person who is not permitted to exercise share options, no cash shall

be paid in exchange. Details shall be determined separately by the Board of Directors of the Company.

8. Exercise period, etc. of share options

The exercise period of share options and other necessary matters shall be determined separately by the Board of Directors.

Exhibit 2

Names and background of the Third Party Committee members

Akira Watanabe

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| Profile: | April 1973 | Attorney registration (present position) |
| | April 1989 | Representative of Seiwa Kyodo Law Office |
| | November 2006 | External Statutory Auditor of FAST RETAILING Corporation |
| | June 2007 | Outside Director of MAEDA CORPORATION (present position) |
| | June 2007 | Outside Auditor of Kadokawa Group Holdings, Inc. (currently Kadokawa Corporation) (present position) |
| | April 2010 | Outside Director, MS & AD Insurance Group Holdings, Inc. |
| | March 2013 | Outside Director, Dunlop Sports Corporation |
| | September 2018 | Partner, Comm & Path Law Office (present position) |

Note: Mr. Watanabe has no special interest in the Company.

Akio Dobashi

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| Profile: | December 2003 | President and CEO of Nichimen Corporation |
| | April 2004 | President and Representative Director of Sojitz Corporation |
| | April 2007 | Representative Director and Chairman of Sojitz Corporation |
| | June 2015 | Outside Director of OSJB Holdings, Inc. |
| | March 2016 | Outside Director of Canon Marketing Japan Inc. (present position) |
| | June 2017 | Outside Director of MAEDA CORPORATION (present position) |

Note: Mr. Akio Dobashi is an Outside Director of the Company as defined in Article 2, Item 15 of the Companies Act, and is a candidate for Outside Director as proposed in agenda item 2 for re-election at this General Meeting of Shareholders. The person has no special interest in the Company. In addition, the Company reports to the Tokyo Stock Exchange that the person is an independent officer of the Company.

Hideo Makuta

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| Profile: | April 1978 | Appointment to public prosecutor |
| | September 2011 | Director of Criminal Affairs Department, Supreme Public Prosecutor's Office |
| | July 2012 | Member of the Fair Trade Commission |
| | September 2017 | Attorney registration (present position)<br>Advisor to Nagashima Ohno & Tsunematsu (present position) |

Note: Mr. Hideo Makuta is a candidate for the Company's Outside Director, whose election is proposed in the second agenda item of this General Meeting of Shareholders, and upon approval of this agenda item, Mr. Makuta is scheduled to become an Outside Director as defined in Article 2, Item 15 of the Companies Act. The person has no special interest in the Company. In addition, the Company plans to report to the Tokyo Stock Exchange that the person is an independent officer of the Company.

Masanori Ito

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| Profile: | April 1982 | Joined the National Tax Agency |
| | July 1989 | Director of Hikari Tax Office |
| | July 2011 | Assistant Regional Commissioner (Planning and Administration), Kanto Shinetsu Regional Taxation Bureau |
| | July 2012 | Director, Office of Management Supervision, Commissioner's Secretariat, National Tax Agency |
| | June 2013 | Regional Commissioner, Okinawa Regional Taxation Office |
| | July 2014 | Regional Commissioner, Kanazawa Regional Taxation Bureau |
| | September 2016 | Secretary General, Japan Tax Association |
| | May 2017 | Senior Managing Director, Japan Tax Association |

Note: Mr. Masashi Ito is a candidate for the Company's Outside Audit & Supervisory Board Member, whose election is proposed in the third agenda item of this General Meeting of Shareholders, and upon approval of this agenda item, Mr. Ito is scheduled to become an Outside Audit & Supervisory Board Member as defined in Article 2, Item 16 of the Companies Act. The person has no special interest in the Company. In addition, the Company plans to report to the Tokyo Stock Exchange that the person is an independent officer of the Company.

Motohiro Sato

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| Profile: | October 1974 | Joined Chiyoda Audit Corporation |
| | January 1987 | Partner of Shinko Audit Corporation |
| | September 1993 | Representative Partner of Chuo Shinko Audit Corporation |
| | May 1997 | Councillor of Chuo Audit Corporation |
| | September 2005 | Acting Chairman of Chuo-Aoyama Audit Corporation |
| | September 2008 | Executive Managing Director, ShinNihon LLC (Currently, Ernst & Young ShinNihon LLC) |
| | June 2011 | Outside Audit & Supervisory Board Member of MAEDA CORPORATION (part-time) (present position) |
| | July 2011 | President of Motohiro Sato Accounting Office (present position) |
| | March 2015 | Outside Audit & Supervisory Board Member of FUJIYA Co., LTD. (present position) |
| | September 2016 | Outside Audit & Supervisory Board Member of WELLNET CORPORATION |
| | September 2017 | Outside Director of WELLNET CORPORATION (present position) |

Note: Mr. Motohiro Sato is an Outside Audit & supervisory Board Member of the Company as defined in Article 2, Item 16 of the Companies Act, and is a candidate for Outside Corporate Auditor as proposed in agenda item 3 for the re-election at this General Meeting of Shareholders. The person has no special interest in the Company. In addition, the Company plans to report to the Tokyo Stock Exchange that the person is an independent officer of the Company.

Ren Shino

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|---|---|---|
| Profile: | April 1989 | Attorney registration (present position) |
| | January 1990 | Participated in establishment of Kohwa Sohgoh Law Offices |
| | | Partner Attorney of Kohwa Sohgoh Law Offices (present position) |
| | June 2016 | Outside Director (Audit and Supervisory Committee Members) of Sinanen Holdings, Inc. (present position) |
| | June 2018 | Outside Director, Takashima & Co., Ltd. (Audit and Supervisory Committee Members) (present position) |

Note: Ms. Ren Shino is a candidate for the Company's Outside Audit& Supervisory Board Member, whose election is proposed in the third agenda item of this General Meeting of Shareholders, and upon approval of this agenda item, Ms. Shino is scheduled to become an Outside Audit & Supervisory Board Member as defined in Article 2, Item 16 of the Companies Act. The person has no special interest in the Company. In addition, the Company plans to report to the Tokyo Stock Exchange that the person is an independent officer of the Company.

(Exhibit 3)

Status of the Company's Shares (as of March 31, 2019)

1. Total number of authorized shares 635,500,000
2. Total number of shares outstanding (including treasury stocks) 197,955,682 shares
3. Number of shareholders 7,743
4. Major shareholders (top 10)

| Name of shareholder | No. of Shares Held (1,000 shares) | Shareholding Ratio (%) |
|---|---|---|
| Hikarigaoka Corporation | 24,311 | 12.4 |
| Japan Trustee Services Bank, Ltd. (Trust account) | 11,902 | 6.1 |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 10,740 | 5.5 |
| Maeda Road Construction Co., Ltd. | 7,900 | 4.0 |
| Mizuho Bank, Ltd. | 5,100 | 2.6 |
| Sumitomo Mitsui Banking Corporation | 4,150 | 2.1 |
| Sumitomo Realty & Development Co., Ltd. | 3,885 | 2.0 |
| Japan Trustee Services Bank, Ltd. (9 trust accounts) | 3,862 | 2.0 |
| STATE STREET BANK AND TRUST COMPANY 505001 | 3,738 | 1.9 |
| Japan Trustee Services Bank, Ltd. (5 trust accounts) | 3,134 | 1.6 |

Note: Shareholding ratio is calculated by subtracting treasury stocks (1,598,728 shares).

(Exhibit 4)

Overview of the Third Party Committee Rules

- Third Party Committee shall be established by resolution of the Board of Directors of the Company.
- There shall be at least three (3) members of the Third-Party Committee, and in order to enable fair and neutral judgments, they shall be appointed from outside directors and outside corporate auditors of the Company, or outside experts (lawyers, tax accountants, certified public accountants, academic experts, etc.) who are independent of the management team that executes the Company's business. In addition, outside experts must be persons who have concluded an agreement with the Company that includes a duty of care clause separately designated by the Board of Directors of the Company.
- The term of office of the Third Party Committee members shall expire at the end of the meeting of the Board of Directors held immediately after the ordinary general meeting of shareholders relating to the last fiscal year ending within one year after their election, unless the Company or a member of the Board of Directors notifies the other party in writing otherwise at least one (1) month prior to the end of the term of office, in which case the term of office shall be automatically extended for a further one (1) year. This provision shall not apply in the event that the Company's Board of Directors resolves to provide otherwise.
- The Third-Party Committee shall decide on the matters listed below and make a recommendation to the Board of Directors of the Company on the details of its decision, together with the reasons for its decision. The Board of Directors of the Company, in its capacity as a body under the Companies Act, shall pass a resolution regarding the implementation or non-implementation of gratis allocation of share options, fully respecting the recommendations of this Third-party Committee. Each member of the Third-Party Committee and each director of the Company shall make such decisions from the perspective of whether or not the corporate value of the Company and the common interests of its shareholders will be served, and not solely for their own personal benefit or that of the management of the Company.
  (i) Relevance to purchases subject to the Response Policy
  (ii) Implementation or non-implementation of gratis allocation of share options
  (iii) Of the matters for which the Board of Directors of the Company should make a decision, those the Board of Directors has consulted the Third-Party Committee about
- In addition to the above, the Third Party Committee may perform the matters listed in each of the following items.
  (i) Determination of the information to be provided by Acquirer, etc. and the Company's board of directors to the Third Party Committee and the time limit for the answer
  (ii) Examination and review of the details of Acquisition, etc. by Acquirer, etc.
  (iii) Negotiation and discussion with the Acquirer, etc.
  (iv) Request for submission of alternative proposals to the Board of Directors and review of alternative proposals
  (v) Any other matters specified in the Response Policy that the Third Party Committee may perform
  (vi) Matters that the Board of Directors separately determines that the Third Party Committee

may perform

- If the Third Party Committee determines that the intent statement and the information submitted by the Acquirer are insufficient to constitute the Required Information, the Third Party Committee shall request Acquirer to submit additional information. In the event that the Acquirer submits the intent statement and Required Information additionally requested by the Third Party Committee, the Third Party Committee may demand the Board of Directors to present opinions on the contents of Acquisition by the Acquirer, etc. and the materials which indicate reasonable grounds, alternative proposals and any other information that the Third Party Committee deems necessary whenever appropriate within a predetermined and reasonable period of time.
- From the perspective of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Third-Party Committee shall, if necessary to improve the acquisition, etc. by acquirer, directly or indirectly discuss and negotiate with the acquirer, etc. and recommend the submission of alternative proposals to the Board of Directors.
- The Third-Party Committee may, in order to collect the necessary information, request the attendance of the Company's directors, corporate auditors, employees and other persons deemed necessary by the Committee and seek an explanation of any matters required by the Committee.
- The Third Party Committee may seek advice from outside experts, etc. (including financial advisors, certified public accountants, lawyers, consultants and other experts) at the expense of the Company.
- Each member of the Third Party Committee may convene a meeting of the Third Party Committee in the event of acquisition, etc. or at any other time.
- Resolutions of the Third-Party Committee shall, in principle, be passed by a majority of the members of the Third-Party Committee, with all of its members in attendance. Provided, however, that under unavoidable circumstances, resolutions may be made by a majority of the Third Party Committee members present at the meeting and by a majority of their voting rights.