August 7, 2014

To all parties concerned:

Company	Fujitec Co., Ltd. (Stock Code 6406)
Representative	Takakazu Uchiyama President and CEO
Contact	Yoshiichi Kato Executive Operating Officer, General Manager of Finance HQ (TEL 0749-30-7111)

Notice Concerning Allocation of Stock-Compensation-Type Stock Options for Directors

Fujitec Co., Ltd. (the "Company") hereby announces that it has determined, at the meeting of its Board of Directors held on August 7, 2014, the subscription requirements for issuing the stock acquisition rights as stock options for its Directors (excluding Outside Directors) and the solicitation of subscribers of the said stock acquisition rights. The details are as follows:
(Please note that this English translation is only for reference purpose. When there are any discrepancies between Japanese version and English translation version, the original Japanese version always prevails.)

Ⅰ. Reason for Issuing Stock Acquisition Rights as Stock Options

The Company intends to have Directors (excluding Outside Directors) of the Company share the merits and risks of stock price movements with its shareholders and further strengthen their incentive to contribute to an increase in share value and an improvement in corporate value.

Ⅱ. Procedure for Issuing Stock Acquisition Rights

1. Name of Stock Acquisition Rights: 2nd Stock Acquisition Rights of Fujitec Co., Ltd.

2. Total Number of Stock Acquisition Rights: 24 units
The aforementioned total number represents the planned number to be allotted. In the case where there is a decrease in the total number of the stock acquisition rights to be allotted, due to lack of applicants, etc., the total number of the stock acquisition rights to be allotted shall be the total number of the stock acquisition rights to be issued.

3. Type and Number of Shares to be Issued for Stock Acquisition Rights

The type of shares to be issued for the stock acquisition rights shall be common shares of the Company. The number of shares to be issued for a stock acquisition right (hereinafter referred to as "the number of granted shares") shall be one thousand (1,000) shares. Provided, however, that in the event the Company conducts a share split (including gratis allotments of common shares of the Company) or a consolidation of common shares, on or after the date of allotment of stock acquisition rights stipulated in Paragraph 13 below (hereinafter referred to as "the allotment date"), the number of granted shares shall be adjusted according to the formula below. Any fractional shares of less than one (1) share as a result of the adjustment shall be disregarded.

Number of Granted Shares after Adjustment = Number of Granted Shares before Adjustment × Ratio of Share Split or Consolidation of Shares

The number of granted shares after adjustment shall apply on or after the day following the record date of the applicable share split (or its effective date if the record date has not been specified) in the event of a share split, or on or after its effective date in the event of a consolidation of shares. Provided, however, that in the event the Company conducts a share split conditional on approval at a general meeting of shareholders of the Company of a proposal to decrease the amount of surplus and to increase the amount of capital or reserves, and the record date for the share split is set on the day prior to the date of the conclusion of the applicable general meeting of shareholders, the number of granted shares after adjustment shall apply retroactive to the day following the said record date on or after the day following the date of the conclusion of the applicable general meeting of shareholders.

In addition, in the event that the Company is subject to a merger, company split or any other similar cases on or after the allotment date, in which it is necessary to adjust the number of granted shares, the Company may appropriately adjust the number of granted shares within a reasonable range.

When adjusting the number of granted shares, the Company will notify or give public notice of necessary matters to the holders of stock acquisition rights listed in the register of stock acquisition rights (hereinafter referred to as "stock acquisition rights holders") no later than the day before the date on which the number of granted shares after adjustment is applied. Provided, however, that in the case where the Company cannot notify or give public notice no later than the day before the date of the said application date, it will do so immediately thereafter.

4. Amount of Assets to be Contributed upon Exercise of Stock Acquisition Rights

The amount of assets to be contributed upon exercise of each stock acquisition right shall be the amount obtained by multiplying the exercise price per share to be issued upon exercise of such stock acquisition rights (which shall be one (1) yen), by the number of granted shares.

5. Period during which Stock Acquisition Rights may be Exercised

From August 26, 2014 to August 25, 2044, both inclusive

6. Matters Regarding Capital and Capital Reserves to be Increased in the event that Shares are Issued upon Exercise of Stock Acquisition Rights

(1) The amount of capital to be increased when shares are issued upon exercise of the stock acquisition rights shall be one-half (1/2) of the maximum limit of increased capital, which is calculated in accordance with Paragraph 1 of Article 17 of the Corporate Accounting Regulations. Any of the resulting fractions of less than one (1) yen shall be rounded up.

(2) The amount of capital reserves to be increased when shares are issued upon exercise of the stock acquisition rights shall be the amount obtained by deducting the increased amount of capital which is set forth in Item (1) above, from the maximum limit of increased capital stated in Item (1) above.

7. Restriction on Acquisition of Stock Acquisition Rights by Way of Transfer

Approval by a resolution of the Board of Directors shall be required for the acquisition of stock acquisition rights by way of transfer.

8. Clauses of Acquisition of Stock Acquisition Rights

In the event any of the following proposals (1), (2), (3), (4) or (5) has been approved at a general meeting of shareholders of the Company (or a resolution by the Board of Directors of the Company when such a resolution at a general meeting of shareholders is not required), the Company may acquire stock acquisition rights free of charge on a date separately designated by the Board of Directors of the Company.

(1) Proposal for approval of a merger agreement under which the Company will become an extinct company;

(2) Proposal for approval of a company split agreement or a company split plan under which the Company will become a split company;

(3) Proposal for approval of a share exchange agreement or a share transfer plan under which the Company will become a wholly-owned subsidiary of another company;

(4) Proposal for approval of an amendment to the Articles of Incorporation in order to establish a provision to the effect that, as a feature of all shares issued by the Company, approval of the Company is required to acquire such shares by way of transfer; and

(5) Proposal for approval of an amendment to the Articles of Incorporation in order to establish a provision to the effect, as a feature of a type of shares to be issued upon exercise of stock acquisition rights, approval of the Company is required to acquire such type of shares by way of transfer or the Company will acquire all shares of the said type by resolution at a general meeting of shareholders.

9. Decision-Making Policy on Grant of Stock Acquisition Rights of a Reorganized Company in the Event of Reorganization

In the event the Company conducts a merger (limited to the case where the Company is to be extinct as a result of the merger); an absorption-type company split or an incorporation-type company split (limited to the case where the Company is to become a split company in each case); a share exchange or share transfer (limited to the case where the Company is to become a wholly-owned company) (hereinafter collectively referred to as the "Reorganization"), the Company shall grant stock acquisition rights of the company listed in sub-items (a) through (e) of Item 8, Paragraph 1 of Article 236 of the Companies Act (hereinafter the "Reorganized Company") to those holders of stock acquisition rights that remain unexercised (hereinafter the "Remaining Stock Acquisition Rights") at the time immediately prior to the day on which the Reorganization takes effect (in the case of absorption-type merger, the day on which the absorption-type merger takes effect; in the case of incorporation-type merger, the day on which the new company is incorporated by the incorporation-type merger; in the case of absorption-type company split, the day on which the absorption-type company split takes effect; in the case of incorporation-type company split, the day on which the new company is incorporated by the incorporation-type company split; in the case of share exchange, the day on which the share exchange takes effect; and in the case of share transfer, the day on which the wholly owning parent company is incorporated by the share transfer. The same shall apply hereunder.). Provided, however, that the foregoing shall be limited to cases where the grant of stock acquisition rights of the Reorganized Company is stipulated in an applicable absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split agreement, share exchange agreement or share transfer plan.

(1) Number of Stock Acquisition Rights of Reorganized Company to be Granted

The number of stock acquisition rights of the Reorganized Company to be granted shall be determined by referring to the same number as the Remaining Stock Acquisition Rights held by the Stock Acquisition Rights Holders, and also by taking into account of terms and conditions of the Reorganization.

(2) Type of Shares of Reorganized Company to be Issued upon Exercise of Stock Acquisition Rights

The type of shares to be issued upon exercise of the stock acquisition rights shall be common shares of the Reorganized Company.

(3) Number of Shares of Reorganized Company to be Issued upon Exercise of Stock Acquisition Rights

The number of shares of Reorganized Company to be issued upon exercise of stock acquisition rights shall be determined in accordance with Paragraph 3 taking into account of terms and conditions of the Reorganization.

(4) Amount of Assets to be Contributed upon Exercise of Stock Acquisition Rights

The amount of assets to be contributed upon exercise of each stock acquisition right to be granted shall be the amount obtained by multiplying the exercise price after Reorganization stipulated below by the number of shares of Reorganized Company to be issued for the applicable stock acquisition rights as determined in accordance with Item (3) above. The exercise price after Reorganization shall be one (1) yen per share of the Reorganized Company that can be issued upon exercise of each stock acquisition right to be granted.

(5) Period during which Stock Acquisition Rights may be Exercised

The period shall be from the first day of the "Period during which Stock Acquisition Rights may be Exercised" stipulated in Paragraph 5 or the effective date of the Reorganization, whichever is later, to the last day of the "Period during which Stock Acquisition Rights may be Exercised" stipulated in Paragraph 5 above.

(6) Matters Regarding Capital and Capital Reserves to be Increased in the Event that Shares are Issued upon Exercise of Stock Acquisition Rights

The matters shall be determined in accordance with Paragraph 6 above.

(7) Restriction on the Acquisition of Stock Acquisition Rights by Way of Transfer

Approval by a resolution of the Board of Directors of the Reorganized Company shall be required for the acquisition of stock acquisition rights by way of transfer.

(8) Clauses of Acquisition of Stock Acquisition Rights

The clauses shall be determined in accordance with Paragraph 8 above.

(9) Other Conditions for Exercise of Stock Acquisition Rights

The other conditions shall be determined in accordance with Paragraph 11 below.

10. Arrangement of Fractions of Less Than One (1) Share Resulting from the Exercise of Stock Acquisition Rights

In the event the shares to be issued to a stock acquisition rights holder who has exercised the stock acquisition rights include any fractions less than one (1) share, such fractions shall be disregarded.

11. Other Conditions for Exercise of Stock Acquisition Rights

(1) Stock acquisition rights holders may exercise their stock acquisition rights during the period of Paragraph 5 above, and within seven (7) years of the day following the date on which they lose their positions as Director of the Company (hereinafter referred to as "the date of position loss").

(2) Notwithstanding the provisions in Item (1) above, stock acquisition rights holders may exercise, in the event of A or B stipulated below during the period of Paragraph 5 above (however, with regard to B below, excluding cases where a related merger agreement, share exchange agreement or share transfer plan stipulates that stock acquisition rights of the Reorganized Company will be granted to stock acquisition rights holders in accordance with

Paragraph 9 above), the stock acquisition rights within each of the specified periods.

A. In the event a stock acquisition rights holder has not reached the date of position loss before August 25, 2043.

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B. In the event a proposal for approval of a merger agreement under which the Company will become an extinct company or a proposal for approval of a share exchange agreement or a share transfer plan under which the Company will become a wholly-owned subsidiary has been approved at a general meeting of shareholders (or a resolution by the Board of Directors when a resolution at the general meeting of shareholders is not required).

For 15 (fifteen) days from the day following the applicable date of approval (provided, however, that in cases where the Company acquires stock acquisition rights in accordance with Paragraph 8 above within the said 15 (fifteen)-day period, the exercisable period will be limited to the previous day of the acquisition of stock acquisition rights by the Company.)

(3) Items (1) and (2) A above shall not be applied to successors who have inherited the stock acquisition rights.

(4) In the event a stock acquisition rights holder dies, his or her heirs who meet conditions set by the Company are eligible to exercise the stock acquisition rights according to the procedure established by the Company.

(5) Stock acquisition rights holders including those heirs who are eligible to exercise the stock acquisition rights in accordance with the preceding Item shall exercise all of their stock acquisition rights to be allotted collectively and shall not exercise their stock acquisition rights in part.

(6) In the event a stock acquisition rights holder abandons his or her rights, such rights shall not be exercised.

(7) Other terms and conditions concerning the exercise of stock acquisition rights shall be provided by the contracts regarding allotment of stock acquisition rights to be entered into between the Company and persons to be allotted stock acquisition rights.

12. Calculation Method of the Amount to be Paid in for the Stock Acquisition Rights

The amount to be paid in for each stock acquisition right shall be the amount obtained by multiplying the optional price per share (any fractions less than one (1) yen shall be rounded off) calculated by the following formula: *Black-Scholes model* on the basis of the basic values given in ② to ⑦ below, by the number of granted shares.

$$C = Se^{-qT}N(d) - Xe^{-rT}N\left(d - \sigma\sqrt{T}\right)$$

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

① Optional price per share (C);

② Share price (S): the closing price of the common shares of the Company in regular transactions on the Tokyo Stock Exchange on August 25, 2014 (In the event no closing price is available on the said date, the standard price on the following trading day shall apply.);

③ Exercise price (X): One (1) yen;

④ Expected remaining period (T): fifteen (15) year(s);

⑤ Share price volatility (σ): share price volatility calculated on the basis of the closing price of the common shares of the Company in regular transactions on each of the trading days for fifteen (15) years (from August 25, 1999 to August 25, 2014, both inclusive);

⑥ Risk-free interest rate (r): interest rate of the Japanese government bonds for the remaining years to maturity corresponding to the expected remaining period;

⑦ Dividend yield (q): dividend per share (actual dividend during the fiscal year ended March 2014) ÷ share price defined in Item ② above.

⑧ Cumulative distribution function of standard normal distribution ($N(\cdot)$)

※1. The amount calculated by the above formula is the fair price of the stock acquisition rights, and does not fall under discounted share issues.

※2. Persons to be allotted stock acquisition rights shall offset fee receivables against the Company with obligations for payment of the stock acquisition rights, without paying the applicable amount to be paid for the stock acquisition rights.

13. Allotment Date of Stock Acquisition Rights

August 25, 2014

14. Deadline for Cash Payment in Exchange for Stock Acquisition Rights

August 25, 2014

15. Persons to be Allotted Stock Acquisition Rights, and their Number, and the Number of Stock Acquisition Rights to be allotted

Twenty-four (24) units shall be allotted to four (4) Directors (excluding Outside Directors) of the Company.