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(Stock Exchange Code 2412)
June 13, 2016

To Shareholders with Voting Rights:

Norio Shiraishi
President & COO
Benefit One Inc.
3-7-1 Nishi-Shinjuku, Shinjuku-ku
Tokyo, Japan

NOTICE OF CONVOCATION OF THE 21ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our deepest condolences to those who were affected by the 2016 Kumamoto Earthquake.

You are cordially invited to attend the 21st Annual General Meeting of Shareholders of Benefit One Inc. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter), indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 6:00 p.m. on Tuesday, June 28, 2016, Japan time.

1. **Date and Time:** Wednesday, June 29, 2016 at 10:00 a.m. Japan time (reception will open at 9:30 a.m.)

2. **Place:** Hall on the eighth floor of Pasona Group Headquarter located at 2-6-4 Otemachi, Chiyoda-ku, Tokyo

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 21st Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 21st Fiscal Year (April 1, 2015 - March 31, 2016)

Proposals to be resolved:

Proposal 1: Election of Ten (10) Directors
Proposal 2: Election of One (1) Audit & Supervisory Board Member
Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member
Proposal 4: Determination of the Performance-Linked Stock Compensation, etc. for Directors

4. **Other matters regarding the General Meeting of Shareholders**

If a shareholder desires to exercise his/her voting rights by proxy, the shareholder may do so by designating a proxy who is also a shareholder of the Company entitled to exercise voting rights. When attending the General Meeting of Shareholders by proxy, please submit a document certifying the authority of proxy and the Voting Rights Exercise Form at the reception.

1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
2. In accordance with laws and regulations as well as Article 14 of the Articles of Incorporation of the Company, Notes to the Consolidated Financial Statements, the Consolidated Statement of Changes in Shareholders' Equity, the Non-consolidated Statement of Changes in Shareholders' Equity, and Notes to the Non-consolidated Financial Statements are posted on the Company's website (http://www.benefit-one.co.jp/) and are therefore not included with this Notice of Convocation. The Consolidated Financial Statements and Non-consolidated Financial Statements included in the Appendix of this Notice of the General Meeting of Shareholders are part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor in the preparation of the Auditor's Report.
3. Should the Appendix and Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (httpe://www.benefit-one.co.jp/).
4. On the day of the meeting, employees will be wearing casual attire ("Cool Biz"). We ask that shareholders attend in casual attire as well.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of Ten (10) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders,

Accordingly, the election of ten (10) Directors is proposed.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Yasuyuki Nambu (Jan. 5, 1952)	Feb. 1976 Established Man Power Center Inc. (currently Nambu Enterprise Inc.) Senior Managing Director Apr. 1991 Representative Director, Man Power Center Inc. Mar. 1992 Representative Director, Temporary Sunrise Inc. (currently Pasona Inc.) Mar. 1996 Director, the Company Apr. 1999 President & COO, Pasona Inc. (currently Nambu Enterprise Inc.) Jun. 2000 Group CEO, Pasona Inc. Chairman & Representative Director, the Company Jun. 2001 Chairman & Director, the Company Aug. 2001 Director, the Company Aug. 2004 President & Group CEO, General Manager, Sales and Marketing Headquarters, Pasona Inc. Dec. 2007 Representative Director, Pasona Inc. President & Group CEO, Pasona Group Inc. (current position) Jun. 2010 Chairman & Director, the Company (current position) Aug. 2011 Chairman & Representative Director, Pasona Inc. (current position) Jun. 2012 Outside Director, Nippon Columbia Co., Ltd. (current position)	0 shares
Reasons for nomination as a candidate for Director Yasuyuki Nambu has been involved in overall management for many years, and has a wealth of experience and achievements as a corporate manager. As the Company has judged that such specialized knowledge and know-how can be leveraged for the Company's management, he has been selected as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Norio Shiraishi (Jan. 23, 1967)	Aug. 1990 Joined Pasona Japan Inc. (currently Randstad K.K.) Mar. 1996 Established Business Coop Inc. (currently Benefit One Inc.) Director Jun. 2000 President & COO, the Company Jan. 2012 Outside Director, J.S.B. Co., Ltd. (current position) Mar. 2012 Director, Benefit one Solutions Inc. (current position) May 2012 Director, Benefit one Health care Inc. (current position) May 2012 Director, Benefit One Shanghai Inc. (current position) Nov. 2012 Director, Chair of the Board, Benefit One USA, Inc. (current position) Jun. 2013 President & COO, responsible for Audit Division, Travel Division and Finance Division and General Manager, Sales and Marketing Headquarters, the Company Aug. 2013 Director, Pasona Group Inc. (current position) Oct. 2013 Director, Benefit One Asia Pte. Ltd. (current position) Jan. 2014 Managing Director, Benefit One (Thailand) Co., Ltd. (current position) May 2014 President Director, PT. BENEFIT ONE INDONESIA (current position) Dec. 2014 Geschäftsführer, Benefit One Deutschland GmbH (current position) Aug. 2015 President & COO, responsible for Audit Division, Business Promotion Department, Finance Division, BTM Division, Inbound Division, System Development Division, Service Development Division and Tabe-Time Division, the Company Apr. 2016 President & COO, responsible for Audit Division, Business Promotion Department, Finance Division, Inbound Division, System Development Division and Tabe-Time Division, the Company (current position)	1,050,400 shares
Reasons for nomination as a candidate for Director Norio Shiraishi founded the Company's business, has served as President & COO of the Company since 2000, and has a wealth of experience and achievements as a corporate manager. As the Company has judged that he is suitable to lead overall business of the Company, he has been selected as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Masako Suzuki (Feb. 4, 1954)	Jul. 1983 Joined Temporary Center Inc. Apr. 1999 Executive Officer, General Manager, Central Japan Sales and Marketing Headquarters, Pasona Inc. (previously Temporary Center Inc.) Sep. 2004 Senior Managing Director, responsible for Staffing Division of Sales and Marketing Division, IT Solution Division and IT System Division, Pasona Inc. Jul. 2006 Senior Managing Director, General Manager, Sales and Marketing Headquarters, Pasona Inc. Dec. 2007 Senior Managing Director, responsible for Administration Division, Compliance Department, Legal Affairs Department and Internal Control Department, Pasona Group Inc. Jun. 2010 Vice President & Director, the Company Aug. 2010 Director, Pasona Group, Inc. Oct. 2010 Vice President & Director, responsible for Human Resources Division, Administration Division, Legal Affairs & Compliance Department and System Development Division, the Company Mar. 2012 Director, Benefit one Solutions Inc. (current position) May 2012 Audit & Supervisory Board Member, Benefit one Health care Inc. Jun. 2012 Director, Benefit One Shanghai Inc. (current position) Nov. 2012 Director Secretary, Benefit One USA, Inc. (current position) Oct. 2013 Director, Benefit One Asia Pte. Ltd. (current position) Jun. 2015 Geschäftsführer, Benefit One Deutschland GmbH (current position) Jan. 2016 Vice President & Director, responsible for Human Resources Division, Administration Division and Legal Affairs & Compliance Department, the Company (current position) Jan. 2016 President & COO, Benefit one Health care Inc. (current position)	2,400 shares
Reasons for nomination as a candidate for Director Aside from the sales section, Masako Suzuki has been involved in the IT section and the administration section, and has a wealth of experience and achievements in corporate operations as a manager. As the Company has judged that she is suitable to appropriately execute various management decisions and decision-making based on such knowledge and ability, she has been selected as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Kenji Ozaki (Aug. 31, 1972)	Apr. 1995 Joined Pasona Inc. (currently Nambu Enterprise Inc.) Sep. 2006 Joined Pasona Tech, Inc. General Manager, Corporate Planning Department Jul. 2007 Executive Officer, General Manager, Corporate Planning Department, Pasona Tech, Inc. Mar. 2008 Director, Pasona Tech Consulting (Dalian) Co., Ltd. Apr. 2012 Executive Officer, responsible for Corporate Planning, Administration, Business, IT and CS, General Manager, Corporate Planning Department, Pasona Tech, Inc. Oct. 2012 Director, ARGO Co., Ltd. (currently Pasona Tech Systems, Inc.) Apr. 2013 Executive Officer, responsible for Administration and Business Strategy Headquarters, General Manager, Business Strategy Headquarters, Pasona Tech, Inc. Jun. 2015 Director, responsible for Finance and Accounting Division, General Manager, Corporate Planning Department, the Company (current position) Jan. 2016 Audit & Supervisory Board Member, Benefit one Health care Inc. (current position)	0 shares
Reasons for nomination as a candidate for Director Kenji Ozaki has been responsible for corporate planning operations in the administration section for many years, and is well-versed in corporate finance and accounting strategy. Currently, he supervises finance and accounting strategy of the overall Group by utilizing this wealth of experience and achievements. As the Company has judged that he is suitable to appropriately execute various management decisions and decision-making based on such knowledge and ability, he has been selected as a candidate for Director.			
5	Yoichi Miyagawa (Oct. 21, 1968) *	Apr. 1992 Joined Temporary Center Inc. (currently Nambu Enterprise Inc.) Apr. 2002 General Manager, Cafeteria Plan Division, the Company Aug. 2005 Executive Officer, General Manager, Customer Center Division, the Company Jun. 2006 Director, General Manager, Customer Center Division, the Company Apr. 2007 Director, General Manager, Finance Division, the Company Jun. 2010 Managing Executive Officer, General Manager, Healthcare Division, the Company Apr. 2011 Managing Executive Officer, General Manager, Human Resources Division, the Company Apr. 2014 Senior General Manager, Chunghwa Benefit One Co., Ltd. Jan. 2016 Managing Executive Officer, General Manager, BTM Division, the Company (current position)	200,000 shares
Reasons for nomination as a candidate for Director Yoichi Miyagawa has been engaged in business as a founding member of the Company, and aside from the sales section, also has long involvement in various business operations of the Company, and in recent years, has been producing results in responsibility for overseas businesses through utilizing this experience and knowledge. As the Company has judged that he is suitable to appropriately execute various management decisions and decision-making based on such knowledge and ability, he has been selected as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Hirotaka Wakamoto (Nov. 2, 1960)	Apr. 1984 Joined Saitama Bank, Limited (currently Resona Bank, Limited, Saitama Resona Bank, Limited) Jun. 1989 Joined Temporary Center Inc. (currently Nambu Enterprise Inc.) Sep. 2006 Managing Director, responsible for Legal Department, Affiliated Company Department and International Business Department, General Manager, Corporate Planning Department, Pasona Inc. Dec. 2007 Managing Director, responsible for CMO Department and International Business Department, General Manager, Corporate Planning Division, Pasona Group Inc. Jun. 2010 Director, the Company (current position) Jul. 2012 Senior Managing Director, responsible for Corporate Planning Division, Pasona Group Inc. Jun. 2015 Senior Managing Director, General Manager, Corporate Planning & Administration Headquarters, Pasona Group Inc. (current position)	0 shares
Reasons for nomination as a candidate for Director Hirotaka Wakamoto has a wealth of experience and knowledge regarding corporate planning, and as the Company has judged that such specialized knowledge and know-how fostered from experience as a corporate officer can be leveraged for the Company's management, he has been selected as a candidate for Director.			
7	Yuko Nakase (Oct. 31, 1969)	Apr. 1992 Joined Temporary Center Inc. (currently Nambu Enterprise Inc.) Aug. 2002 General Manager, Public Relations Division, Pasona Inc. Sep. 2005 Executive Officer, General Manager, Investor Relations Department, Pasona Inc. Dec. 2007 Executive Officer, General Manager, Investor Relations Department, Pasona Group, Inc. Sep. 2009 Managing Executive Officer, General Manager, Investor Relations Department, Pasona Group, Inc. Jun. 2010 Director, the Company (current position) Aug. 2010 Managing Director, responsible for Finance and Accounting Division and Investor Relations Department, Pasona Group Inc. Managing Director, General Manager, Finance and Accounting Headquarters, Pasona Inc. Aug. 2011 Managing Director & CFO, Pasona Inc. (current position) Jun. 2015 Managing Director & CFO, General Manager, Finance and Accounting Headquarters, Pasona Group Inc. (current position)	100 shares
Reasons for nomination as a candidate for Director Yuko Nakase has a wealth of experience and knowledge regarding finance and public relations strategy, and as the Company has judged that such specialized knowledge and know-how fostered from experience as a corporate officer can be leveraged for the Company's management, she has been selected as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	Akira Kamitomai (Dec. 19, 1959)	Apr. 1983 Joined The Ministry of Finance Jul. 1995 Head, Budget Bureau, The Ministry of Finance Jul. 1997 Went on loan to The World Bank Jul. 2009 General Manager, Co-ordination Division, Commissioner's Secretariat, National Tax Agency Feb. 2010 Executive Officer, responsible for Special missions, Pasona Group Inc. Jun. 2010 Director, the Company (current position) Aug. 2010 Managing Executive Officer, responsible for Special missions, Pasona Group Inc. Aug. 2013 Managing Director, responsible for Public strategy and Special missions, Pasona Group Inc. Aug. 2014 Managing Director, responsible for Human Incubation Institute and Special missions, Pasona Group Inc. Jun. 2015 Managing Director, General Manager, Corporate Governance Headquarters, Pasona Group Inc. (current position) Outside Director, Kawakin Holdings Co., Ltd. (current position)	0 shares
Reasons for nomination as a candidate for Director Akira Kamitomai has a wealth of experience and knowledge regarding sales strategies targeting the finance front and public markets, and as the Company has judged that such specialized knowledge and know-how fostered from experience as a corporate officer can be leveraged for the Company's management, he has been selected as a candidate for Director.			
9	Nobuyasu Kubo (May. 21, 1952)	Apr. 1975 Joined the Ministry of Home Affairs Dec. 1993 Deputy Governor, Hiroshima Prefecture Jul. 1999 Attached to the Minister's Secretariat, the Ministry of Home Affairs Jan. 2001 Director, Administration Improvement Division, Local Administration Bureau, the Ministry of Internal Affairs and Communications Jul. 2007 Director-General, Local Public Finance Bureau, the Ministry of Internal Affairs and Communications Jul. 2010 Commissioner of the Fire and Disaster Management Agency, the Ministry of Internal Affairs and Communications Apr. 2014 Director, Local Authorities Satellite Communications Organization (current position) Jun. 2014 Director, the Company (current position)	0 shares
Reasons for nomination as a candidate for Outside Director As Nobuyasu Kubo has a wealth of experience and wide-ranging knowledge from achievements in serving in governmental agencies for many years, the Company has judged that he can appropriately execute the duties of Outside Director, and therefore has been selected as a candidate for Outside Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
10	Yuji Momosaki (Dec. 18, 1950)	Mar. 1982 Registered as Certified Public Accountant Jul. 1991 Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Jul. 1998 Representative Partner, Tohmatsu & Co. Feb. 2004 Management Committee Member, Tokyo Office, Tohmatsu & Co. Mar. 2008 General Manager, Operations Management Division, Deloitte Touche Tohmatsu Jan. 2012 CIO, Deloitte Tohmatsu Group Jan. 2015 Representative, Momosaki Yuji CPA Office (current position) Jun. 2015 Director, the Company (current position) Outside Audit & Supervisory Board Member, OBAYASHI ROAD CORPORATION (current position) Outside Audit & Supervisory Board Member, OSJB Holdings Corporation (current position)	0 shares
Reasons for nomination as a candidate for Outside Director As Yuji Momosaki has specialized knowledge and know-how fostered as a certified public accountant for many years, the Company has judged that he can appropriately execute the duties of Outside Director, and therefore has been selected as a candidate for Outside Director.			

(Notes)

1. * indicates a new candidate for Director.
2. There are no conflicts of interest between each candidate and the Company
3. The "Past experience, positions, responsibilities, and significant concurrent positions" of Yasuyuki Nambu, Masako Suzuki, Kenji Ozaki, Hirotaka Wakamoto, Yuko Nakase, and Akira Kamitomai include positions and responsibilities as business executors either at present or within the past five years at the Company's parent company, Pasona Group Inc. and at its subsidiaries Pasona Inc., Pasona Tech, Inc., and Pasona Tech Systems, Inc.
4. Nobuyasu Kubo and Yuji Momosaki are candidates for Outside Director.
5. The Company has registered Nobuyasu Kubo and Yuji Momosaki as Independent Directors with the Tokyo Stock Exchange, Inc. Upon approval of their reappointment, the Company plans to retain them as Independent Directors.
6. The term of office of Nobuyasu Kubo as an Outside Director of the Company will be two years as of the conclusion of this Annual General Meeting of Shareholders.
7. The term of office of Yuji Momosaki as an Outside Director of the Company will be one year as of the conclusion of this Annual General Meeting of Shareholders.
8. Liability limitation agreement with Directors
   The Company has entered into a liability limitation agreement with Yasuyuki Nambu, Hirotaka Wakamoto, Yuko Nakase, Akira Kamitomai, Nobuyasu Kubo and Yuji Momosaki to limit the amount of their liability as stipulated in Article 427, Paragraph 1 of the Companies Act, in accordance with laws and regulations. Upon approval of their reappointment, the Company will maintain the above liability limitation agreements with them. The overview of the agreement is as follows:
   ・If a Director (excluding Executive Directors, etc.) is held liable for damages caused to the Company due to negligence of duties, the Director will be responsible for such liability within the limit of the higher of 3.60 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
   ・The aforementioned liability limitation shall be applied only in cases where the Director (excluding Executive Directors, etc.) performed his/her duties, which caused the liability, in good faith and without gross negligence.

Proposal 2: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Member Tomonori Fujiike will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of one (1) Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidate for Audit & Supervisory Member is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
Tomonori Fujiike (Sep. 18, 1967)	Oct. 1997 Passed the bar examination Apr. 2000 Joined Yutaka Hori Law Office (currently Hori & Partners) (registered with the Dai-Ichi Tokyo Bar Association) Oct. 2005 Joined Ashurst London Feb. 2006 Returned to Yutaka Hori Law Office (currently Hori & Partners) (current position) May 2012 Outside Audit & Supervisory Board Member, Edia Co., Ltd. (current position) Jun. 2012 Audit & Supervisory Board Member, the Company (current position)	0 shares
Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member As the Company expects Tomonori Fujiike to utilize his experiences, etc., fostered as an attorney in strengthening the audit system of the Company, and audit the management of the Company from an objective standpoint, he has been selected as a candidate for Outside Audit & Supervisory Board Member.		

(Notes)

1. There are no conflicts of interest between the candidate for Audit & Supervisory Board Member and the Company.
2. Tomonori Fujiike is a candidate for Outside Audit & Supervisory Board Member.
3. Although Tomonori Fujiike has never been involved in corporate management except as an outside officer, the Company has determined that he is capable of executing his duties as an Outside Audit & Supervisory Board Member as explained above in the "Reasons for nomination as a candidate for Audit & Supervisory Board Member."
4. The term of office of Tomonori Fujiike as an Outside Audit & Supervisory Board Member of the Company will be four years as of the conclusion of this Annual General Meeting of Shareholders.
5. The Company has registered Tomonori Fujiike as an Independent Auditor with the Tokyo Stock Exchange, Inc. Upon approval of his reappointment, the Company plans to retain him as Independent Auditor.
6. Liability limitation agreement with Audit & Supervisory Board Members
   The Company has entered into a liability limitation agreement with Tomonori Fujiike to limit the amount of his liability as stipulated in Article 427, Paragraph 1 of the Companies Act, in accordance with laws and regulations. Upon approval of his reappointment, the Company will maintain the above liability limitation agreement with him. The overview of the agreement is as follows:
   ・If an Audit & Supervisory Board Member is held liable for damages caused to the Company due to negligence of duties, the Audit & Supervisory Board Member will be responsible for such liability within the limit of the higher of a 3.60 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
   ・The aforementioned liability limitation shall be applied only in cases where the Audit & Supervisory Board Member performed his/her duties, which caused the liability, in good faith and without gross negligence.

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

The election of Kazufumi Nomura, a Substitute Audit & Supervisory Board Member, elected at the 20th Annual General Meeting of Shareholders held in June 26, 2015 will lapse at this General Meeting of Shareholders. Accordingly, the Company requests that Kazufumi Nomura be elected as a Substitute Audit & Supervisory Board Member, in order to be prepared in the event that the Company lacks the number of Audit & Supervisory Board Members as required by laws and regulations.

This resolution may be cancelled up until the time the elected Substitute Audit & Supervisory Board Member assumes office, by a resolution of the Board of Directors, subject to the approval of the Audit & Supervisory Board. Further, this resolution will only be effective until the next Annual General Meeting of Shareholders.

The Audit & Supervisory Board has given approval to this Proposal.

The candidate for a Substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
Kazufumi Nomura (Mar. 15, 1955)	Apr. 1977 Joined Manpower center Inc. (currently Nambu Enterprise Inc.) Nov. 1982 General Manager, Otemachi Branch, Manpower center Inc. Jan. 1985 General Manager, Tokyo sales department, Tokyo Main Office, Manpower center Inc. Apr. 1985 Director, Manpower center Inc. Sep. 1999 Managing Director, General Manager of East Japan Sales & Marketing Division, Manpower center Inc. Jun. 2000 Managing Executive Officer, General Manager of Kanto Sales & Marketing Division, Pasona Inc. Jun. 2001 President & COO, NS Personnel Service Co., Ltd. (currently Pasona Inc.) Apr. 2010 Chairman & Representative Director, NS Personnel Service Co., Ltd. May 2013 Senior Adviser, Pasona Inc. Aug. 2013 Audit & Supervisory Board Member, Pasona Inc. (current position)	0 shares
Reasons for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member As the Company expects Kazufumi Nomura to utilize his wealth of experience, etc., in strengthening the audit system of the Company, and audit the management of the Company from an objective standpoint, he has been selected as a candidate for Substitute Outside Audit & Supervisory Board Member.		

(Notes)

1. There are no conflicts of interest between the candidate for Audit & Supervisory Board Member and the Company.
2. The "Past experience, positions, responsibilities, and significant concurrent positions" of Kazufumi Nomura includes positions and responsibilities as a business executor either at present or within the past five years at Pasona Inc., a subsidiary of the parent company of the Company.
3. Kazufumi Nomura is a candidate for Substitute Outside Audit & Supervisory Board Member.
4. Liability limitation agreement with Audit & Supervisory Board Members
   If Kazufumi Nomura assumes office as an Outside Audit & Supervisory Board Member, the Company will enter into a liability limitation agreement with him to limit the amount of his liability as stipulated in Article 427, Paragraph 1 of the Companies Act, in accordance with laws and regulations. The overview of the agreement is as follows:
   ・If an Audit & Supervisory Board Member is held liable for damages caused to the Company due to negligence of duties, the Audit & Supervisory Board Member will be responsible for such liability within the limit of the higher of 3.60 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
   ・The aforementioned liability limitation shall be applied only in cases where the Audit & Supervisory Board Member performed his/her duties, which caused the liability, in good faith and without gross negligence.

Proposal 4: Determination of the Performance-Linked Stock Compensation, etc. for Directors

1. Reasons for proposal and appropriateness of compensation, etc.

In this Proposal 4, the Company seeks to introduce a Performance-Linked Stock Compensation Plan "Board Benefit Trust" (hereinafter referred to as the "Plan") that purports to clearly link Directors' compensation to the Company's results of operations and its share value, and thereby increase the Directors' motivation to make contributions to increase the Company's mid-term and long-term performance and corporate value. The Company deems that the introduction of this Plan is appropriate.

Regarding the amount and details of compensation, etc., for Directors under the Plan, the Company would like to provide new stock compensation to the Company's Directors (only those who are Executive Directors; hereinafter the same shall apply in this Proposal 4) apart from the amount of compensation etc., for Directors (not more than 200 million yen per year. This does not include portions payable corresponding to the roles of employees) that was approved at the Annual General Meeting of Shareholders on June 29, 2010. The Company proposes that details of the Plan be determined by the Board of Directors within the framework outlined in 2. below.

Currently, there are three Directors who are subject to the Plan, and if Proposal 1 is approved, there will be four Directors who will be subject to the Plan.

2. Amount and details of compensation, etc. under the Plan

(1) Outline of the Plan

The Plan is a performance-linked stock compensation plan under which the Company's shares will be acquired through a trust using money contributed by the Company as the source and the Company's shares and the money equivalent to the market value of the Company's shares (the "Company Stock, etc.") will be delivered to Directors through a trust in accordance with the Officer Stock Benefit Regulations established by the Company's Board of Directors. Directors will receive the Company Stock, etc., in principle, upon their retirement from office.

In September 2004, the Company discontinued the system of retirement benefits for Directors without undertaking related termination payments. Therefore, we have no compensation systems for Directors' retirement at present. With the introduction of the Plan, the compensation structure for Directors will shift to performance-linked compensation which is comprised of fixed compensation and variable compensation, and also partly consists of stock compensation.

(2) Maximum amount of money the Company will contribute to the Trust and method of acquisition of the Company's shares

The Company introduces the Plan to cover the three fiscal years from the fiscal year ending March 31, 2017 to that ending March 31, 2019 (hereinafter, the covered three-fiscal-year period and the subsequent three-fiscal-year period that starts following the aforementioned three-fiscal-year period each shall be referred to as the "Applicable Period"), and for each following Applicable Period. The Company will contribute 200 million yen as the upper limit for the source of funds to acquire the Company's shares with regard to the initial Applicable Period to ensure the delivery of such shares to the Directors under the Plan and establish a money trust (hereinafter referred to as the "Trust") in which Directors who meet the beneficiary requirements shall be beneficiaries.

Further, after the initial Applicable Period, the Company will make additional contributions to the Trust every Applicable Period, with 200 million yen as the upper limit for each Applicable Period, until the Plan ends. Provided, however, that in cases where such additional contribution is made and the Company's shares (excluding any undelivered portion of the Company's shares corresponding to the number of points granted to Directors, etc.) and moneys (hereinafter referred to as the "Remaining Share") remain within the trust assets on the last day of the Applicable Period immediately preceding the Applicable Period in which the relevant additional contributions will be made, the total amounts of the Remaining Shares (for the Company's shares, the amount of the Remaining Shares shall be the book value thereof as of the last day of the preceding Applicable Period) and the additional contribution to the Trust should be in the range of the maximum amount which is approved at this General Meeting of Shareholders.

For reference, the Trust will acquire 68,728 shares using funds (up to 200 million yen) contributed by the Company to deliver shares to Directors for the initial Applicable Period, assuming the closing price of 2,910 yen as of May 23, 2016.

The Trust will acquire the Company's shares through the stock markets or disposal of treasury stock.

(3) Details of the Company's shares to be delivered to Directors

In each fiscal year, the Company will award points to each Director, which will be calculated based on base points awarded according to his/her duties, responsibilities, etc., and in consideration of the degree of achievement of the consolidated earnings target.

One point awarded to Directors, as described in (4) below, equates to one share of the Company's common stock on the granting of Company Stock, etc. (Note that when the number of shares changes after this proposal is approved due to stock split, gratis allotment or reserve stock split, the Company shall reasonably adjust the exchange ratio, reflecting the change.)

(4) Time of delivery to Directors

If a Director who has retired from office meets the beneficiary requirements prescribed in the Officer Stock Benefit Regulations, he/she will be able to receive the Company's shares from the Trust after his/her retirement in proportion to the number of accumulated points awarded until his/her retirement as Director, by taking the prescribed procedures to confirm the beneficiary. Provided, however, that if a Director meets certain requirements set under the Officer Stock Benefit Regulations, as for a certain percentage of the Company's shares which are supposed to be delivered, the Company may pay him/her money equivalent to the market value of such shares, instead of delivering them.

Please note that the Trust may sell the Company's shares to pay such money.

(Reference) For the details of the Plan, please refer to the following "Notice Regarding the Introduction of Performance-linked Stock Compensation Plan" disclosed on May 24, 2016.

[Reference] Disclosed by the Company on May 24, 2016

Notice Regarding the Introduction of Performance-linked Stock Compensation Plan

1. Background and Objective of Introduction of the Plan

The Board of Directors of the Company resolved to introduce the Plan provided that the Proposal is approved by shareholders at the General Meeting of Shareholders, and to propose the Plan at the General Meeting of Shareholders. The Plan aims to clearly link Directors' compensation to the Company's results of operations and its share value, and thereby increase the Directors' motivation to make contributions to increase the Company's mid- and long-term performance and corporate value.

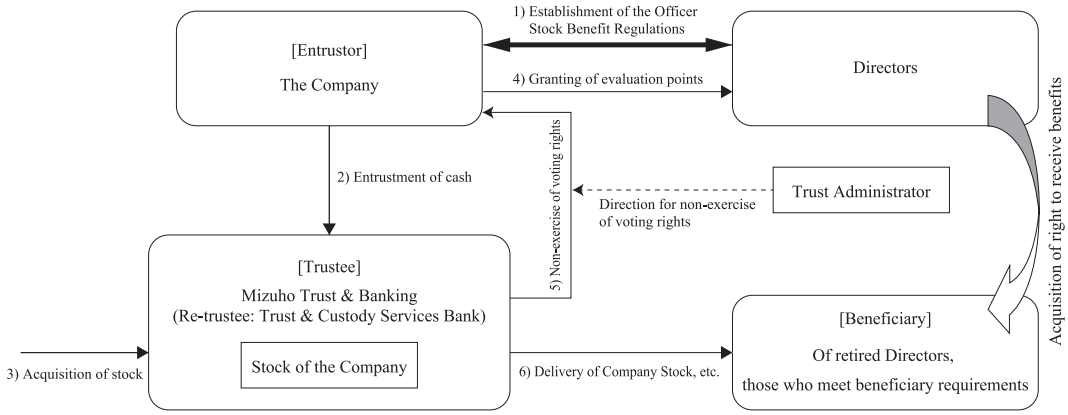
2. Overview of the Plan

(1) Outline of the Plan

The Plan is a performance-linked stock compensation plan under which the Company's shares will be acquired through a trust using money contributed by the Company as the source and the Company's shares and the money equivalent to the market value of the Company's shares (the "Company Stock, etc.") will be delivered to Directors (only those who are Executive Directors; the same applies hereinafter) through a trust in accordance with the Officer Stock Benefit Regulations established by the Company's Board of Directors. Directors will receive the Company Stock, etc., in principle, upon their retirement from office.

In September 2004, the Company discontinued the system of retirement benefits for Directors without undertaking related termination payments. Therefore, we have no compensation systems for Directors' retirement at present. With the introduction of the Plan, compensation structure for Directors will shift to performance-linked compensation which is comprised of fixed compensation and variable compensation, and also partly consists of stock compensation.

<Structure of the Plan>



1) The Company obtains approval for the Plan at this General Meeting of Shareholders. The Officer Stock Benefit Regulations shall be established within the framework of the approval at the Meeting.
2) The Company entrusts funds in the range of the amount approved at this General Meeting of Shareholders as outlined in 1) above. (The trust established under the monetary trust is hereinafter referred to as the "Trust").
3) The Trust uses the funded amount as outlined in 2) above to acquire the Company's shares through the stock markets or disposals of treasury stock.
4) The Company awards points to Directors based on the Officer Stock Benefit Regulations.
5) Voting rights for the Company's shares held by the Trust account will not be exercised based on direction from the trust administrator, who is independent from the Company.
6) The Trust grants the Company's shares to retired Directors who also meet the beneficiary requirements set under the Officer Stock Benefit Regulations (the "Beneficiaries") based on the number of points they have been granted. If a Director meets certain requirements set under the Officer Stock Benefit Regulations, the Company will pay, to a certain percentage of the points awarded, him/her money equivalent to the market value of such shares.

(2) Individuals subject to the Plan
Executive Directors of the Company

(3) Period of the Trust
The period from August 2016 (planned) until the end of the Trust. (The Trust shall continue without determining a specific timeline as long as the Plan exists. The Plan shall be terminated when the Company's stock is delisted or the Officer Stock Benefit Regulations are abolished, etc.)

(4) Amount of trust money and number of shares to be acquired
The Company will introduce the Plan, subject to the approval of the shareholders, to cover the three fiscal years from the fiscal year ending March 31, 2017 to that ending March 31, 2019 (hereinafter, the covered three-fiscal-year period and the subsequent three-fiscal year period that starts following the aforementioned three-fiscal-year period each shall be referred to as an "Applicable Period"), and for each following Applicable Period. The Company will contribute 200 million yen as the upper limit for the source of funds to acquire the Company's shares with regard to the initial Applicable Period to ensure the delivery of such shares to the Directors under the Plan.
Further, after the initial Applicable Period, the Company will make additional contributions to the Trust every Applicable Period, with 200 million yen as the upper limit for each Applicable Period, until the Plan ends. Provided, however, that in cases where such additional contribution is made and the Company's shares (excluding any undelivered portion of the Company's shares corresponding to the number of points granted to Directors, etc.) and moneys (hereinafter referred to as the "Remaining Share") remain within the trust assets on the last day of the Applicable Period immediately preceding the Applicable Period in which the relevant additional contributions will be made, the total amounts of the Remaining Shares (For the Company shares, this amount of the Remaining Shares shall be the book value thereof as of the last day of the preceding Applicable Period.) and the additional contribution to the Trust should be within the range of maximum amount which is approved at this Meeting.
For reference, the Trust will acquire 68,728 shares using funds (up to 200 million yen) contributed by the Company to deliver shares to Directors for the initial Applicable Period, assuming the closing price of 2,910 yen as of May 23, 2016.

(5) Method of acquiring the Company's shares by the Trust
The Trust will acquire the Company's shares through the stock markets or disposal of treasury stock.

(6) Calculation method of the Company's shares to be granted to Directors
In each fiscal year, the Company will award points to each Director, which will be calculated based on base points awarded according to his/her duties, responsibilities, etc., and in consideration of the degree of achievement of the consolidated earnings target.
One point awarded to Directors, as described in (7) below, equates to one share of the Company's common stock on the granting of shares. (Note that when the number of shares changes after this proposal is approved due to stock split, gratis allotment or reserve stock split, the Company shall reasonably adjust the exchange ratio, reflecting the change.)

(7) Time of delivery to Directors
If a Director who has retired from office meets the beneficiary requirements prescribed in the Officer Stock Benefit Regulations, he/she may receive the Company's shares from the Trust after his/her retirement in proportion to the number of accumulated points awarded until his/her retirement as Director, by taking the prescribed procedures to confirm the beneficiary. Provided, however, that if a Director meets certain requirements set under the Officer Stock Benefit Regulations, as for a certain percentage of the Company's shares which are supposed to be delivered, the Company may pay him/her money equivalent to the market value of such shares, instead of delivering them.
Please note that the Trust may sell the Company's shares to pay such money.

(8) Exercise of voting rights
Voting rights related to the Company's shares held by the Trust shall not be exercised pursuant to the instructions of the trust administrator. In this way, the Trust will be able to ensure its neutrality in the Company's management.

(9) Dividends
Dividends related to the Company's shares held by the Trust shall be received by the Trust to acquire the

Company's shares or pay for the trustee's compensation, etc. Any remaining dividends upon termination of the Trust will be paid to the then current Directors who meet the beneficiary requirements based on the Officer Stock Benefit Regulations.

(10) Termination of the Trust

The Trust shall be terminated when the Company's stock is delisted or the Officer Stock Benefit Regulations are abolished, etc.

Of the residual assets in the Trust upon its termination, the Company's shares will be entirely acquired by the Company with no charge and be canceled pursuant to the resolution of the Board of Directors; and money excluding the portion paid to Directors as described in (9) above will be received by the Company.

[Overview of the Trust]

(1) Name of trust: Board Benefit Trust (BBT)
(2) Entrustor: The Company
(3) Trustee: Mizuho Trust & Banking Co., Ltd. (Re-trustee: Trust & Custody Services Bank, Ltd.)
(4) Beneficiaries: Retired Directors who meet the beneficiary requirements based on the Officer Stock Benefit Regulations
(5) Trust administrator: A third party having no conflicts of interest with the Company
(6) Type of trust: Trust of money other than money trust (i.e., third-party benefit trust)
(7) Date of trust agreement: August 2016 (planned)
(8) Date of trusting money: August 2016 (planned)
(9) Period of trust: From August 2016 (planned), until the end of the Trust
(The Trust shall continue without determining a specific timeline as long as the Plan exists.)