Note: This document is a translation of a part of the Japanese original. The translation is prepared and provided for the purpose of the readers' convenience only. All readers are strongly recommended to refer to the original Japanese version for complete and accurate information.

(Stock Exchange Code 4980)
June 1, 2016

To Shareholders with Voting Rights:

Takashi Ichinose
Representative Director and President
Dexerials Corporation
1-11-2, Osaki, Shinagawa-ku, Tokyo

NOTICE OF
THE 4TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are cordially invited to attend the 4th Annual General Meeting of Shareholders of Dexerials Corporation (the "Company") as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing (by submitting the enclosed Voting Rights Exercise Form) or by electromagnetic means (via the Internet etc.).

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Wednesday, June 22, 2016, Japan standard time.

1. **Date and Time:** Thursday, June 23, 2016 at 10:00 a.m. Japan standard time
(The reception desk opens at 9:00 a.m.)

2. **Place:** Osaki Bright Core Hall
3rd floor of Osaki Bright Core
5-5-15, Kitashinagawa, Shinagawa-ku, Tokyo, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 4th 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 4th Fiscal Year (April 1, 2015 - March 31, 2016)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of Seven (7) Directors
Proposal 3: Determination of the Calculation Method of the Amount and Details of Performance-based Stock Compensation for Directors

- The Notes to the Consolidated Financial Statements, which are part of the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements, which are part of the Non-consolidated Financial Statements, have been posted on the Company's website in accordance with laws and regulations and Article 14 of the Articles of Incorporation of the Company.
- Should matters to be described in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website.

- The results of resolutions at this Annual General Meeting of Shareholders will be posted on the Company's website.

  Company's website: http://www.dexerials.jp/

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We believe that sustainable growth of business and strategic investment to achieve profitability, with our aim for enhancing corporate value contribute to the common interests of our shareholders. We have thus established a basic policy that we should first secure the funds for the strategic investments to enhance the corporate value and then pursue the stable and consistent distribution of profit.

Based on this policy, for the year-end dividend for the current fiscal year, it is proposed to pay 32.50 yen per share consisting of a common dividend of 27.50 yen per share and a commemorative dividend of 5 yen per share to mark the listing of the Company's shares on the First Section of the Tokyo Stock Exchange.

1. Type of dividend assets
   Cash
2. Allotment of dividend assets to shareholders and the total amount
   32.50 yen per share of common stock of the Company
   (Common dividend: 27.50 yen, Commemorative dividend: 5 yen)
   Total amount: 2,047,500,000 yen
3. Effective date of distribution of surplus
   June 24, 2016

Reference
Annual dividend
60 yen per share (interim dividend: 27.50 yen, year-end dividend: 32.50 yen)
Consolidated payout ratio: 58.9%
*Total shareholder return ratio for consolidated profit before amortization of goodwill

Proposal 2: Election of Seven (7) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to elect seven (7) Directors.

The candidates for Director are as follows.

No.	Name		Age		Current positions and responsibilities at the Company	No. of years served as Director	Attendance at Board of Directors' meetings
1	Reappointment	Takashi Ichinose	59		Representative Director and President President and Executive Officer Officer in charge of Management and Internal Audit	3 years and 8 months	100% (15/15)
2	Reappointment	Hisashi Ando	61		Director and Managing Executive Officer Officer in charge of Manufacturing & Technology Corporate R&D Division Head	3 years and 8 months	100% (15/15)
3	New appointment	Satoshi Nagase	61		-	-	-
4	Reappointment	Masao Hirano	60	Independent Officer Outside Director	Outside Director	1 year	91.7% * (11/12)
5	Reappointment	Koji Fujita	54	Independent Officer Outside Director	Outside Director	1 year	100%* (12/12)
6	Reappointment	Takashi Yokokura	67	Independent Officer Outside Director	Outside Director	1 year	83.3% * (10/12)
7	Reappointment	Kazuko Takamatsu	64	Independent Officer Outside Director	Outside Director	1 year	100%* (12/12)

Notes:

1. Mr. Masao Hirano, Mr. Koji Fujita, Mr. Takashi Yokokura, and Ms. Kazuko Takamatsu are candidates for Outside Directors.
   If their election is approved as proposed, the Company intends to continue their designation as Independent Officers as prescribed by the Tokyo Stock Exchange.
2. The age of a Director is the age at the conclusion of this Annual General Meeting of Shareholders.
3. * indicates the percentage of attendance at meetings of the Board of Directors held after the person assumed office as Director.

[Basic Policy and Procedures for Nomination of Candidates for Director]

In nominating candidates for Director, the Company's criteria for selecting candidates for Director include that persons are capable of making decisions and executing in accordance with the Company's corporate philosophy, are of good character, have effective communication skills, and have leadership qualities. For Outside Directors, the Company seeks persons from outside the Company who have experience as corporate managers of global enterprises, knowledge of technological development, and specialized knowledge in the fields of legal affairs, finance and accounting, etc., and moreover, are highly independent.

In selecting Outside Directors, the Company determines candidates, taking into consideration the balance of knowledge, experience, specialized fields, etc. of the Board of Directors as a whole.

As independent Outside Directors are the majority of the Company's Board of Directors, candidates for Director are selected from a neutral perspective. Nomination of candidates for Director requires review in advance at a meeting of independent Outside Directors to reflect their opinions.

Name	Career summary, positions and responsibilities
Reappointment 1 Takashi Ichinose Date of birth: February 23, 1957 Age: 59 No. of years served as Director: 3 years and 8 months Number of shares of the Company held: 20,000 shares	Apr. 1981 Joined Sony Corporation Apr. 2006 Managing Director, Sony Chemical Corporation Jul. 2006 Director, Sony Chemical & Information Device Corporation Jan. 2008 Director, Executive Vice President, Sony Chemical & Information Device Corporation Aug. 2008 Representative Director and President, Sony Chemical & Information Device Corporation Sep. 2012 Representative Director and President, the Company (to present) [Significant concurrent positions] -
[Special interest relationship with the Company] -	
[Reasons for nomination as a candidate for Director] Since being appointed Representative Director and President of Sony Chemical & Information Device Corporation, the predecessor of the Company, Mr. Takashi Ichinose has been leading the Company as the head of the Company. The Company nominates him as a candidate for Director because he has a wealth of experience in the Company's management and has deep insight about management.	

Name	Career summary, positions and responsibilities
Reappointment 2 Hisashi Ando Date of birth: February 7, 1955 Age: 61 No. of years served as Director: 3 years and 8 months Number of shares of the Company held: 10,000 shares	Apr. 1979 Joined Sony Chemical Corporation Jul. 2000 General Manager ,i.e.-D Development Department, Sony Chemical Corporation Oct. 2006 Corporate Executive, Kanuma Plant Manager, Sony Chemical & Information Device Corporation Dec. 2007 Executive Officer, Kanuma Plant Manager, Sony Chemical & Information Device Corporation Apr. 2010 Director,Plant Manager, Sony Chemical & Information Device Corporation Sep. 2012 Director and Executive Officer, Senior General Manager, Research & Development Division (current Corporate R&D Division), Kanuma Plant Manager, the Company Apr. 2014 Director and Senior Executive Officer, Senior General Manager,Research & Development Division,Procurement,New business Planning & Promotion,the Company, Apr. 2016 Director and Managing Executive Officer, Officer in charge of Manufacturing & Technology, Corporate R&D Division Head, the Company (to present) [Significant concurrent positions] -
[Special interest relationship with the Company] -	
[Reasons for nomination as a candidate for Director] Since being appointed Director of Sony Chemical & Information Device Corporation, the predecessor of the Company, Mr. Hisashi Ando has been leading the Company's development of mainstay products. The Company nominates him as a candidate for Director because he has a wealth of experience in product development and business operations of the Company and has deep insight about management.	

Name	Career summary, positions and responsibilities
New appointment 3 Satoshi Nagase Date of birth: January 12, 1955 Age: 61 No. of years served as Director: - Number of shares of the Company held: -	Apr. 1979 Joined Suntory Co., Ltd. Apr. 1985 Joined Morgan Bank (current JPMorgan Chase Bank N.A.) Feb. 1995 Managing Director and Head of Fixed Income Division, Tokyo Branch of JPMorgan Securities (current JP Morgan Securities Japan Co., Ltd.) Apr. 1999 General Manager of Tokyo Branch and Head of Equity Derivatives Division, JP Morgan Securities Oct. 1999 General Manager of Tokyo Branch, Head of Equity Derivatives Division, Japan Representative, JP Morgan Securities May 2000 Japan Representative (General Manager of Tokyo Branch) and Head of Equity Division, JP Morgan Securities Apr. 2016 Joined the Company, Advisor (to present) [Significant concurrent positions] -
[Special interest relationship with the Company] -	
[Reasons for nomination as a candidate for Director] Mr. Satoshi Nagase has a wealth of experience and deep insight gained through his involvement in management of a financial institution. The Company judges that he can play a central role in formulation of the Company’s financial strategy and therefore nominates him as a candidate for Director.	

Name	Career summary, positions and responsibilities
Reappointment Outside Director Independent Officer 4 Masao Hirano Date of birth: August 3, 1955 Age: 60 No. of years served as Director: 1 year Number of shares of the Company held: -	Apr. 1980 Joined JGC Corporation Nov. 1987 Joined McKinsey & Company, Inc. Jul. 1993 Partner, McKinsey & Company, Inc. Jul. 1998 Managing Director of McKinsey Japan Nov. 2007 Managing Director and Co-Head of Japan Buyout, Carlisle Japan, LLC Jan. 2012 President & Representative Director, m&i Co., Ltd. (to present) Sep. 2012 Professor, Faculty of Commerce, Waseda University (to present) Mar. 2014 Outside Director, Broadleaf Co., Ltd. May 2015 Outside Director, the Company (to present) [Significant concurrent positions] Professor, Faculty of Commerce, Waseda University
[Special interest relationship with the Company] -	
[Reasons for nomination as a candidate for Director] Mr. Masao Hirano has deep insight about corporate management as a university professor and management consultant. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and therefore nominates him as a candidate for Outside Director. In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Hirano. Thus, if his election is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.	
[Limited liability agreement] In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors. If reelection of Mr. Masao Hirano is approved as proposed, the Company intends to continue the said contract with him.	

Name	Career summary, positions and responsibilities
Reappointment Outside Director Independent Officer 5 Koji Fujita Date of birth: June 9, 1962 Age: 54 No. of years served as Director: 1 year Number of shares of the Company held: -	Apr. 1989 Registered as attorney-at-law Joined Okuno Law Office (current Okuno & Partners) Mar. 2002 Outside Corporate Auditor, Trend Micro Inc. (to present) Feb. 2014 Vice Chairman, Okuno & Partners (to present) Jun. 2014 Outside Auditor, Nichireki Co., Ltd. May 2015 Outside Director, the Company (to present) Jun. 2015 Outside Director, Nichireki Co., Ltd. (to present) [Significant concurrent positions] Attorney-at-law (Okuno & Partners) Outside Corporate Auditor, Trend Micro Inc. Outside Director, Nichireki Co., Ltd.

[Special interest relationship with the Company]
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[Reasons for nomination as a candidate for Director]
Mr. Koji Fujita has deep insight about corporate legal affairs as an attorney-at-law. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and contribute to strengthening of the corporate governance system, and therefore nominates him as a candidate for Outside Director.
Although Mr. Fujita has no experience of involvement in corporate management other than serving as an outside officer, the Company believes that he is capable of performing duties as an Outside Director for the reasons stated above.
In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Fujita. Thus, if his election is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.

[Limited liability agreement]
In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.
If reelection of Mr. Koji Fujita is approved as proposed, the Company intends to continue the said contract with him.

Name	Career summary, positions and responsibilities
Reappointment Outside Director Independent Officer 6 Takashi Yokokura Date of birth: March 9, 1949 Age: 67 No. of years served as Director: 1 year Number of shares of the Company held: -	Apr. 1971 Joined Tokyo Optical Co., Ltd. (current TOPCON Corporation) Oct. 1993 General Manager of Electronic Beam Engineering Department, Electronic Beam Division, TOPCON Corporation Apr. 1997 Technology Executive, Industrial Equipment Division, TOPCON Corporation Jun. 2002 Executive Officer, TOPCON Corporation Jun. 2003 Director, TOPCON Corporation Jun. 2006 President and Representative Director, TOPCON Corporation Jun. 2011 Advisor, TOPCON Corporation Dec. 2012 Governor, Tokyo University of Science May 2015 Outside Director, the Company (to present) Oct. 2015 Director, Tokyo University of Science (to present) [Significant concurrent positions] Director, Tokyo University of Science

[Special interest relationship with the Company]
Tokyo University of Science where Mr. Takashi Yokokura serves as a director and the Company have transactions concerning payment of research fees pertaining to joint research and development. However, such research fees are less than 1 million yen and thus the relationship is insignificant.

[Reasons for nomination as a candidate for Director]
Having held important posts at a listed company, Mr. Takashi Yokokura has deep insight into corporate management. The Company judges that he can provide useful advice for the Company's management from an objective and professional perspective and contribute to strengthening of the Company's technology development and business development, and therefore nominates him as a candidate for Outside Director.
In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Mr. Yokokura. Thus, if his election is approved as proposed, the Company intends to continue his designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.

[Limited liability agreement]
In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.
If reelection of Mr. Takashi Yokokura is approved as proposed, the Company intends to continue the said contract with him.

Name	Career summary, positions and responsibilities
Reappointment Outside Director Independent Officer 7 Kazuko Takamatsu Date of birth: August 27, 1951 Age: 64 No. of years served as Director: 1 year Number of shares of the Company held: -	Apr. 1974 Joined Sony Corporation Sep. 1999 General Manager of VAIO Platform Technology Division, Sony Corporation Aug. 2000 Director, Sony Digital Network Applications, Inc. Apr. 2003 Representative Director, Sony Digital Network Applications, Inc. Oct. 2008 VP in charge of Environment, Sony Corporation Mar. 2012 Retired from Sony Corporation Apr. 2013 Executive Director and Secretariat, Japan Institute for Women's Empowerment & Diversity Management (to present) Sep. 2013 Member, Cabinet Office Liaison Conference for the Promotion of Gender Equality (to present) May 2015 Outside Director, the Company (to present) Jun. 2015 Outside Director, Hitachi Zosen Corporation (to present) [Significant concurrent positions] Executive Director and Secretariat, Japan Institute for Women's Empowerment & Diversity Management Outside Director, Hitachi Zosen Corporation

[Special interest relationship with the Company]
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[Reasons for nomination as a candidate for Director]
Based on her experience as a leader of environmental protection and diversity promotion initiatives at a listed company, the Company judges that Ms. Kazuko Takamatsu can provide useful advice for the Company's management from an objective and professional perspective and contribute to promotion of the Company's CSR activities and diversity management, and therefore nominates her as a candidate for Outside Director.
In light of the independence standards stipulated by the Tokyo Stock Exchange and the Company's independence standards, none of the attributes that may cause conflict of interest with general shareholders applies to Ms. Takamatsu. Thus, if her election is approved as proposed, the Company intends to continue her designation as an Independent Officer as prescribed by the Tokyo Stock Exchange.

[Limited liability agreement]
In order to enable Outside Directors to fully fulfill their expected roles, the Company's Articles of Incorporation allow the Company to enter into agreements (limited liability agreement) with Outside Directors that limit their liabilities for damages stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated by laws and regulations. The Company has entered into a limited liability agreement with each of the incumbent Outside Directors.
If reelection of Ms. Kazuko Takamatsu is approved as proposed, the Company intends to continue the said contract with her.

(Reference)

Independence Standards for Outside Directors

If none of the following attributes applies to an Outside Director or a candidate for Outside Director, the Company judges that such Outside Director or candidate for Outside Director is independent from the Company.

1. A person who currently serves as Director (excluding Outside Director. The same applies hereinafter.), Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member, with the same applying hereinafter), Executive Officer or employee of the Company or subsidiaries of the Company (hereinafter referred to as the "Dexerials Group") (hereinafter referred to collectively as "Director etc.") or served as such in the 10 years prior to his/her appointment.
2. A second-degree or closer relative of a Director etc. of the Dexerials Group
3. A major shareholder of the Company (or if the shareholder is an organization, such as a corporation, a person who belongs to it) (*1)
4. A person who belongs to an organization of which the Company is a major shareholder (*1)
5. A major business partner of the Dexerials Group (or if the business partner is a corporation etc., a person who belongs to it)
6. A major lender to or creditor of the Dexerials Group (or if the lender or creditor is an organization, such as a corporation, a person who belongs to it) (*3)
7. A person who has received a donation amounting to 10 million yen or more in the current fiscal year from the Dexerials Group (or if the person receiving such donation is an organization, such as a corporation or an association, a person who belongs to such organization or belonged to such organization in the most recent five years)
8. A person who has received remuneration amounting to 10 million yen or more in the current fiscal year for providing professional services concerning law, finance, tax affairs, etc. or consulting services to the Dexerials Group (or if such person is an organization, such as a corporation, a person who belongs to it)
9. The company where a person serves as a Director etc. and the Dexerials Group have a relationship of interlocking outside officers. (*4)
10. A person who has served as the Company's Outside Director for more than 5 years

Notes:

1. "Major shareholder" means a person who directly or indirectly holds 10% or more of the total voting rights.
2. "Major business partner" means a person who received from the Dexerials Group or paid to the Dexerials Group an amount equal to 2% or more of annual consolidated sales of the said business partner or the Dexerials Group.
3. "Major lender" means a lender from which the Dexerials Group borrows an amount equivalent to 2% or more of consolidated total assets.
4. "Relationship of interlocking outside officers" means receiving an outside officer from a company where a Director etc. of the Dexerials Group serves as an outside officer.

Proposal 3: Determination of the Calculation Method of the Amount and Details of Performance-based Stock Compensation for Directors

1. Reasons for the proposal and for its appropriateness

Compensation for the Company's Directors (excluding Outside Directors, hereinafter the same applies) consists of "basic remuneration," "bonuses," and "stock options." It is proposed to introduce a new performance-linked stock compensation plan for Directors (Board Benefit Trust, or BBT, hereinafter referred to as the "Plan"). Following the introduction of the Plan, no new stock options will be issued.

The purpose of the introduction of the Plan is to further clarify the linkage between remuneration of Directors, financial results of the Company and the value of the Company's shares to ensure that not only the benefit of the increase in the share price, but also the risk of the decrease in the share price is shared among the Directors and the shareholders, thereby strengthening the Directors' awareness of their contribution to the medium- to long-term improvement in financial results and corporate value. The Company believes that the introduction of the Plan is appropriate.

Regarding the amount of compensation for Directors under the Plan and its details, it is proposed to grant new stock compensation to the Company's Directors, separately from the compensation for Directors (within 300 million yen a year, excluding salaries as employees), which is based on the resolution by the General Meeting of Shareholders held on February 27, 2013. The Company proposes that the details of the Plan within the framework of 2. below be entrusted to its Board of Directors.

If the "Election of Seven (7) Directors" in Proposal 2 is approved as proposed, the number of the Company's Directors eligible for the Scheme will be three (3).

2. The calculation method for compensation etc. under the Plan and its details

(1) Overview of the Plan

The Plan is a stock-based compensation plan whereby the Company's shares are acquired through a trust using funds contributed by the Company (hereinafter, such trust established pursuant to the Plan is referred to as the "Trust"), and the Company's shares and cash equivalents of such shares at their market value (hereinafter collectively referred to as "Company's Shares etc.") are granted through the Trust to the Company's Directors pursuant to the Officer Stock Distribution Rules established by the Company's Board of Directors. The Company's Directors shall receive the Company's Shares etc. upon their retirement, in principle.

(2) Amount contributed by the Company to the Trust

Provided that this proposal is approved, the Company will establish the Trust by contributing the funds necessary for the Trust to preliminarily acquire the number of shares, which is reasonably estimated as required for granting of the Company's Shares etc., for a certain period pursuant to (4) and (5) below. The Trust, as mentioned in (3) below, shall acquire the Company's shares using funds contributed by the Company.

Specifically, if this proposal is approved, the Company will establish the Trust by contributing the amount of funds required for the three fiscal years from the fiscal year ending March 31, 2017 to the fiscal year ending March 31, 2019 (hereinafter referred to as the "Initial Applicable Period"). The maximum number of points to be awarded to Directors based on the Plan is a total of 45 thousand points per fiscal year as mentioned in (4) below. Thus, upon establishment of the Trust, the Company will contribute the funds reasonably estimated necessary for acquiring 134 thousand shares of the Company, taking into account the most recent closing price of shares of the Company's common stock for ordinary transactions at the Tokyo Stock Exchange. For reference, if the closing price of 1,058 yen on April 26, 2016 were applied, the amount of necessary funds would be approximately 143 million yen. Once the Trust is established, the Company shall not make any additional contribution during the Initial Applicable Period.

Moreover, after the Initial Applicable Period has passed and until the Plan comes to an end, the Company shall, in principle every three fiscal years, make an additional contribution to the Trust in respect of the following three fiscal years (hereinafter referred to as the "Next Applicable Period") of the funds reasonably estimated necessary for acquiring the number of shares, which will be required for granting to Directors under the Plan, in the same manner as at the time of establishment of the Trust. However, if, at the time of such additional contribution, the Company's shares (excluding the Company's shares corresponding to the points awarded to the Directors but granting of the Company's Shares etc. to Directors has not been completed) or cash (hereinafter collectively referred to as the "Remaining Shares etc.") remain in the Trust assets on the date immediately before the start of the Next Applicable Period, the Remaining Shares etc. shall be allocated to the funds for the granting or for the acquiring of shares in accordance with the Plan during the

Next Applicable Period. Therefore, the amount of the additional contribution that the Company may make in the Next Applicable Period shall be calculated, taking into account the Remaining Shares etc.

When the Company decides to make any additional contribution, it shall disclose the fact appropriately in a timely manner.

(3) The method of acquiring the Company's shares

The Trust shall acquire the Company's shares on the stock market or by underwriting the disposition of the Company's treasury shares, using the funds contributed by (2) above.

During the Initial Applicable Period, the Trust shall acquire shares within the upper limit of 134 thousand shares without delay following the establishment of the Trust (August 2016 (scheduled)).

(4) The calculation method and the upper limit for the number of the Company's Shares etc. to be granted to the Directors

For each fiscal year, the directors shall be awarded points, the number of which is to be decided according to their respective positions and performance, etc. based on the Officer Stock Distribution Rules. The upper limit of the total points to be awarded to the Directors for one (1) fiscal year shall be 45 thousand points. This has been determined, and judged appropriate by the Company, taking into consideration the current level of compensation paid to the Company's officers, the trend of the number of the Directors and future prospects etc. in a comprehensive manner. Each point awarded to the Directors shall be converted into one (1) share of the Company's common stock at the time of the granting of the Company's Shares etc. as described in (5) below (provided, however, that, if, in regard to the Company's shares, a share split, allotment of shares without contribution, or consolidation of shares, etc., is carried out after the resolution for approval of this proposal, the conversion ratio shall be adjusted in a reasonable manner in proportion to the relevant ratio etc.).

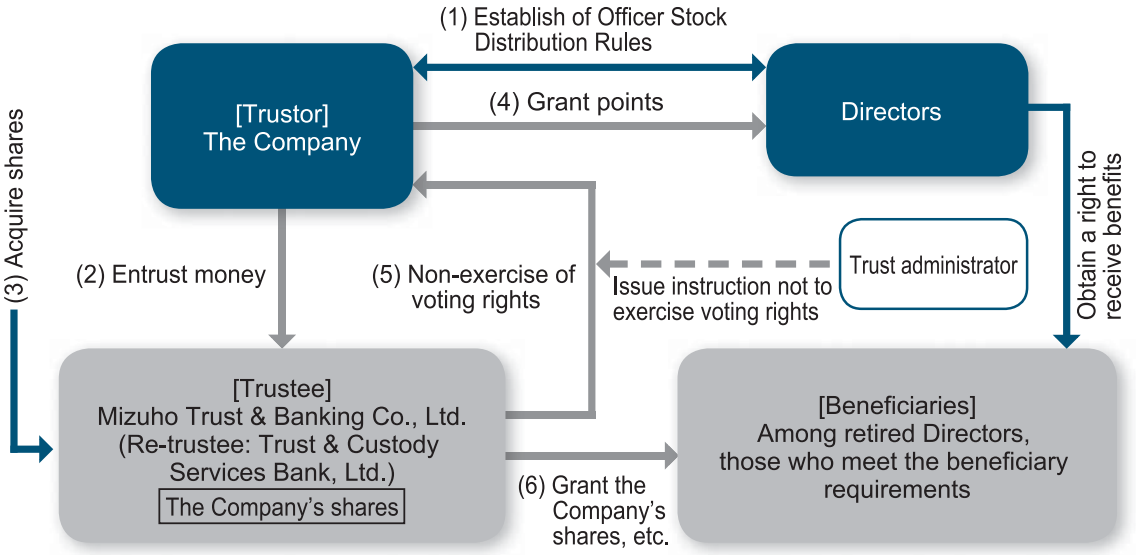
The number of points held by a Director, which will be used as the basis for the granting of the Company's Shares etc., shall be calculated by multiplying the cumulative number of points awarded to the Director by the time of his/her retirement by the coefficient (1 or less), which is predetermined according to reasons for retirement (hereinafter referred to as the "Defined Number of Points").

(5) The calculation method for the granting of the Company's Shares etc. and the amount of compensation etc.

When a Director of the Company retires and he/she meets the requirements for the beneficiary stipulated in the Officer Stock Distribution Rules, the said Director may be granted the number of the Company's shares by the Trust in accordance with the Defined Number of Points pursuant to (4) above after his/her retirement, provided that he/she takes the stipulated procedures to define the beneficiary. However, if the said Director meets the requirements separately stipulated in the Officer Stock Distribution Rules, in respect of a certain percentage of the points awarded to him/her, he/she may receive the amount of cash equivalent to the market value of the Company's shares in lieu of the Company's shares. The Trust may sell the Company's shares in order to make the monetary provisions.

The amount of compensation etc. to be received by the Directors shall be determined based on the amount calculated by multiplying the total number of points awarded to each Director by the carrying value per share of the Company's shares held by the Trust at the time of awarding of points (provided, however, that, if, in regard to the Company's shares, a share split, allotment of shares without contribution, or consolidation of shares, etc., is carried out, the conversion ratio shall be adjusted in a reasonable manner in proportion to the relevant ratio etc.), and in exceptional cases where monetary provisions are to be made in accordance with the provisions of the Officer Stock Distribution Rules, and it is considered reasonable, the amount of such shall be added to the amount of compensation etc. to be received by the Directors.

(Reference) Structure of the Scheme



(i) The Company shall stipulate the Officer Stock Distribution Rules within the framework approved by means of approval of this proposal.

(ii) The Company shall entrust the money within the limit approved by means of approval of this proposal.

(iii) The Trust shall acquire the Company's shares through the stock market or by underwriting the disposition of the Company's treasury shares, using as the funds the money entrusted in the manner set forth in (ii).

(iv) The Company shall award points to the Directors based on the Officer Stock Distribution Rules.

(v) In accordance with the instructions issued by the independent trust administrator, the Trust shall not exercise the voting rights for the Company's shares in the Trust's account.

(vi) The Trust shall grant the Company's shares to retired Directors who meet the requirements for the beneficiary stipulated in the Officer Stock Distribution Rules" (hereinafter referred to as the "Beneficiaries") in proportion to the number of points granted to the said Beneficiaries. However, if the Directors meet the requirements separately stipulated in the Officer Stock Distribution Rules, in respect of a certain percentage of the points awarded to them they may receive the amount of cash equivalent to the market value of the Company's shares in lieu of the Company's shares.