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For Immediate Release:

Company name: Fullcast Holdings Co., Ltd.
Representative: Kazuki Sakamaki,
President, Representative Director and CEO
(Stock code: 4848; Stock Exchange listing:
First Section of the Tokyo Stock Exchange)
(ADR information: Symbol: FULCY, CUSIP: 35968P100)
Contact: Yasuomi Tomotake,
General Manager of the Accounting and
Finance Department
Telephone: +81-3-4530-4830

Announcement Regarding the Issuance of Stock Compensation-type Stock Options (Stock Acquisition Rights) to Directors, other

Fullcast Holdings Co., Ltd. announced today the following with regard to the resolution passed at the meeting of the Board of Directors held on March 24, 2017, regarding the issuance of stock acquisition rights as stock compensation-type stock options pursuant to Article 236, Article 238, and Article 240 of the Companies Act.

1. Reason for Issuance of Stock Acquisition Rights as Stock Options

Stock acquisition rights will be issued to the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members) as well as Directors and Corporate Auditors of the Company's wholly-owned subsidiaries according to the guidelines below as stock compensation-type stock options, in order to further heighten linkages between director compensation and the Company's business performance as well as shareholder interests.

2. Outline of Issuance of Stock Acquisition Rights

(1) Name of Stock Acquisition Rights

Fullcast Holdings Co., Ltd. Series 1-1 Stock Compensation-type Stock Acquisition Rights

(2) Eligible Persons for the Allotment of Stock Acquisition Rights, the Number of Eligible Persons and the Number of Stock Acquisition Rights to be Alloted

The Company's Directors (excluding Directors who are Audit & Supervisory Committee Members)	4 persons	960 rights

Directors of the Company's wholly-owned subsidiaries	9 persons	888 rights
Corporate Auditors of the Company's wholly-owned subsidiaries	2 persons	168 rights

The numbers above represent the planned allocation number, and if the applied allotment number falls below the planned allocation number, the applied allotment number shall be the allotment number.

(3) Type and Number of Shares available under Stock Acquisition Rights

The maximum number of shares available shall be 201,600 shares of the Company's ordinary shares (common stock). However, in cases where adjustments to the number of shares granted are made as prescribed below, the number shall be adjusted by multiplying the number of shares granted after adjustment by the total number of stock acquisition rights.

The type of shares for the stock acquisition rights shall be ordinary shares (common stock) and the number of shares per one stock acquisition right (hereinafter, number of shares granted) shall be 100 shares.

The number of shares granted shall be adjusted according to the following formula when the Company executes a share split (including the gratis allotment of the Company's common stock; hereinafter the same shall apply) or share consolidation after the allotment date of the stock acquisition rights. However, such adjustments shall be made for the number of granted shares not exercised at that time, and quantities of less than one share resulting from the adjustment shall be rounded down.

Number of shares granted after adjustment = Number of shares granted before adjustment x Ratio of stock split or stock consolidation

The number of shares granted after adjustment shall apply on after the day after the Record Date of share splits when the Company executes a share split and on and after the effective when the Company executes share consolidations. However, when a share split is executed under the condition that the proposal to increase paid-in capital or reserves due to a decline in surplus is approved at the general meeting of shareholders of the Company, and when a date prior to the end of this meeting of shareholders is set as the Record Date for the share split, the number of shares granted after adjustment shall apply retroactively to the day after the Record Date, which is on the day after the end of this meeting of shareholders.

In addition to the above, when an adjustment of the number of shares granted is required, the number of granted shares shall be adjusted within a reasonable scope.

(4) Total Number of Stock Acquisition Rights

The total number of stock acquisition rights shall be 2,016.

The above total number of stock acquisition rights represents the planned allocation number, and if the total number of allocated stock acquisition rights declines, such as if the applied allotment number falls below

the planned allocation number, the total number of allocated stock acquisition rights shall be the total number of stock acquisition rights to be issued.

(5) Calculation Method of Amount Paid for Stock Acquisition Rights

The Amount Paid for each stock acquisition right shall be the amount whereby the granted number of shares is multiplied by the option price per share calculated according to the Black–Scholes equation pursuant to the underlying values from ii. to vii. below (any fraction of less than one yen rounded up to the nearest yen).

$$C = Se^{-\lambda t}N(d_1) - e^{-rt}XN(d_2)$$

Here:

$$d_1 = \frac{\ln\left(\frac{S}{X}\right) + \left(r - \lambda + \frac{\sigma^2}{2}\right)t}{\sigma\sqrt{t}}, d_2 = d_1 - \sigma\sqrt{t}$$

i. Option price per share (C)

ii. Share price (S): Closing price of the Company's common stock using a market transaction on the Tokyo Stock Exchange on April 10, 2017 (if there is no closing price, the base price on the next business day)

iii. Exercise price: (X): 1 yen

iv. Expected residual period (t): 19 years

v. Volatility (σ): The share price volatility based on the closing price of the Company's common stock using a market transaction on each transaction date for 19 years (April 11, 1998 to April 10, 2017)

vi. Risk free interest rate (r): The interest rate of JGB where the residual period is the expected residual period

vii. Dividend yield (λ): Dividend per share (dividend for the fiscal year ended December 2016) ÷ Stock price defined in ii. above

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

The price calculated using the above equation is the fair price of the stock acquisition rights and is not particularly favorable to the allotted party. In addition, payment of monetary compensation for the total payment amount of the stock acquisition rights shall be received from eligible persons and this compensation claim will be offset with the payment obligation of the payment amount for the stock acquisition rights.

(6) Amount of Assets Required for Exercise of Stock Acquisition Rights

The amount of assets required for exercise of each stock acquisition right shall be the amount realized by multiplying the number of shares granted by the payment amount of 1 yen per share that can be exchanged for shares with the exercise of the stock acquisition rights.

(7) Period for Exercise of Stock Acquisition Rights

From April 11, 2021to April 10, 2051

(8) Conditions for the Exercise of Stock Acquisition Rights

i. For stock acquisition rights allotted to the Company's Directors, in principle, the person receiving the allotment of stock acquisition rights must be a Director of the Company at the time the rights are exercised.

ii. For stock acquisition rights allotted to the directors or corporate auditors of the Company wholly-owned subsidiaries, in principle, the person receiving the allotment of stock acquisition rights (hereinafter, referred to as "stock acquisition right holder" collectively with persons receiving the allotment of stock acquisition rights per i. above), must be a Director or Corporate Auditor of the subsidiary at the time the rights are exercised.

iii. Of those stock acquisition rights allotted, stock acquisition rights can be exercised with the exercisable amount restricted to that determined by the extent to which the operating income target is achieved for the fiscal year ending December 2020, the final year of the Company's medium-term management plan.

(9) Matters Relating to Increments of Capital Reserve and Additional Paid-in Capital that would Increase Stock Issuance by the Exercise of Stock Acquisition Rights

i. The amount of additional paid-in capital resulting from the issuance of shares due to the exercise of stock acquisition rights shall be half of the maximum of an increase in paid-in capital calculated in accordance with Article 17(1) of Corporate Accounting Rules, and any fractions of less than one yen resulting from such calculation shall be rounded up.

ii. The amount of additional capital reserve resulting from the issuance of shares due to the exercise of stock acquisition rights shall be the amount resulting from the amount of the increase in paid-in capital prescribed in i. above subtracted from the maximum of an increase in paid-in capital described in i. above.

(10) Conditions for Acquisition of Stock Acquisition Rights

If the following agenda items i., ii., iii., iv., or v. are approved at the general meeting of shareholders of the Company(if resolution of the meeting of shareholders is not required, when approved by resolution of the Company's Board of Directors or when approved by an executive officer delegated in accordance with the provisions of Article 416 [4] of the Companies Act), the Company can acquire the stock acquisition rights for

gratis on the date separately prescribed by the Board of Directors.

i. Agenda items on approval of merger agreements in which the Company is not the surviving company
ii. Agenda items on approval of a company spin-off agreement or plan based on which the Company will become a spin-off company
iii. Agenda items on a stock swap agreement based upon which the Company will become a wholly-owned subsidiary or a stock transfer plan
iv. Agenda items, as details of all shares issued by the Company, for approval of changes in the Articles of Incorporation with a provision established regarding the need for the Company's approval concerning the acquisition of the shares by assignment
v. Agenda items, as details of the type of shares for the stock acquisition rights, for approval of changes in the Articles of Incorporation with a provision established regarding the need for the Company's approval concerning the acquisition of the shares of the said type by assignment and the acquisition of all the said type of shares by resolution of the general meeting of shareholders of the Company with regard to the shares

(11) Restrictions on the Acquisition of Stock Acquisition Rights by Assignment

The acquisition of stock acquisition rights by assignment requires approval of the Company's Board of Directors.

(12)Handling of Stock Acquisition Rights Upon Organization Restructurings

When undertaking a merger (limited to instances where the company is the non- surviving company in the merger), absorption-type demergers and incorporation-type demergers (limited to instances where each company will become a spin-off company), or stock swaps or stock transfers (limited to instances where each company will become a wholly-owned subsidiary) (hereinafter, "organizational restructuring act" shall be used to collectively refer to these terms), the Company shall issue stock acquisition rights of corporations cited in i. to v. of Item 8, Paragraph I, Article 236 of the Companies Act to stock acquisition rights holders who own the remaining stock acquisition rights (hereinafter, "residual stock acquisition rights") recently prior to the effective date of the organizational restructuring act (the date the absorption-type merger takes effect for absorption-type mergers, the date the new incorporated company is established in the case of incorporation-type mergers, the date the absorption-type demerger takes effect for absorption-type demergers, the date the new incorporated company is established in the case of incorporation-type demergers, the date the share exchange takes effect for share exchanges, and the date of the establishment of the complete parent company after share transfer for share transfers; hereinafter the same shall apply). In such cases, the residual stock acquisition rights will be cancelled and the Company Subject to Restructuring shall newly issue stock acquisition rights. The issuance of stock acquisition rights of the Restructuring Company must be prescribed following each of the following items in the absorption-type merger agreement, incorporation-type merger

agreement, absorption-type demerger agreement, incorporation-type demerger agreement, share exchange agreement or share transfer plan.

i. Number of Stock Acquisition Rights Issued by Restructuring Company
The number of stock acquisition rights held by stock acquisition rights holders and the same number will each be issued, respectively.

ii. Type of Shares of Restructuring Company Required for Stock Acquisition Rights
The ordinary stock (common stock) of the Restructuring Company.

iii. Number of Shares of Restructuring Company Required for Stock Acquisition Rights
Determined following (3) above based on the conditions of the organizational restructuring actions.

iv. Amount of Assets Required for Exercise of Stock Acquisition Rights
The amount of assets required for exercise of each stock acquisition right to be issued shall be the amount realized by multiplying the exercise price after restructuring prescribed below by the number of shares of the Restructuring Company with the purpose of the said stock acquisition rights approved in accordance with iii. above. The exercise price after restructuring shall be 1 yen per share of the Restructuring Company that can be received by exercise of each stock acquisition right to be issued.

v. Period for Exercise of Stock Acquisition Rights
The period for exercise of the stock acquisition rights shall be from the start date of the period for which the stock acquisition rights prescribed in (7) above can be exercised or the effective date of the organizational restructuring action, whichever is later, to the final date of the period for which the stock acquisition rights prescribed in (7) above can be exercised.

vi. Matters Relating to Additional Paid-in Capital and Capital Reserve Resulting from the Issuance of Shares due to the Exercise of Stock Acquisition Rights
Determined following (9) above.

vii. Restrictions on the Acquisition of Stock Acquisition Rights by Assignment
The acquisition of stock acquisition rights by assignment requires approval of the Board of Directors of the Restructuring Company.

viii. Reason and Conditions for Acquisition of Stock Acquisition Rights
Determined following (10) above.

(13) Handling of Fractional Number of Shares for Issuance from the Issuance of Stock Acquisition Rights

Fractional quantities of less than one share resulting from the exercise of stock acquisition rights shall be rounded down.

(14) Allotment Date of Stock Acquisition Rights

April 10, 2017

(15) Payment Date of Monetary Proceeds in Exchange for Stock Acquisition Rights

April 10, 2017

(16) Issuance of Stock Acquisition Right Securities

Stock acquisition right securities will not be issued.