Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities identification code: 5930
June 5, 2017

To our shareholders:

Tetsuya Mogi
Chairman of the Board of Directors
Bunka Shutter Co., Ltd.
1-17-3, Nishikata, Bunkyo-ku, Tokyo

NOTICE OF THE 71ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 71st Ordinary General Meeting of Shareholders of Bunka Shutter Co., Ltd. (the "Company"), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or the Internet, etc., Should you wish to do so, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting right no later than 5:30 p.m., Monday, June 26, 2017 (Japan Standard Time).

1. Date and Time: Tuesday, June 27, 2017 at 10:00 a.m. (Japan Standard Time)

2. Venue: 2F Hall, Head Office of the Company
1-17-3, Nishikata, Bunkyo-ku, Tokyo

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 71st Term (from April 1, 2016 to March 31, 2017), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
2. Non-Consolidated Financial Statements for the 71st Term (from April 1, 2016 to March 31, 2017)

Items to be resolved:

Proposal 1: Appropriation of surplus

Proposal 2: Partial amendments to Articles of Incorporation

Proposal 3: Election of nine (9) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

Proposal 4: Election of five (5) Directors who concurrently serve as Audit and Supervisory Committee Members

Proposal 5: Amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

Proposal 6: Amount of remuneration for Directors who concurrently serve as Audit and Supervisory Committee Members

Proposal 7: Renewal of the plan regarding large-scale purchases of the Company's shares (takeover defense measures)

4. Guide to Exercising Voting Rights:

(1) Exercising voting rights in writing

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than 5:30 p.m., Monday, June 26, 2017 (Japan Standard Time).

(2) Exercising voting rights via the Internet, etc.

If you are exercising your voting rights via the Internet, etc., please exercise your voting rights by 5:30 p.m., Monday, June 26, 2017 (Japan Standard Time).

(3) If you exercise your voting rights both in writing and via the Internet, etc., the votes made via the Internet, etc., shall prevail. If you exercise your voting rights multiple times via the Internet, etc., the vote submitted last shall prevail.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Appropriation of surplus

The Company's basic policy on the appropriation of surplus is to ensure stable and continuous dividends of surplus to shareholders by pursuing business development and securing profits underpinned by a solid business base. In accordance with this policy, and taking into account the Company's operating results for the current fiscal year, the Company proposes the following dividends:

1. Matters related to appropriation of surplus
   (1) Item of surplus to be decreased and amount of decrease thereof
   Retained earnings brought forward: 4,000,000,000 yen
   (2) Item of surplus to be increased and amount of increase thereof
   General reserve: 4,000,000,000 yen

2. Matters related to year-end dividends
   (1) Type of dividend property
   Cash
   (2) Allocation of dividend property to shareholders and total amount thereof
   10 yen per common share of the Company
   Total amount of dividends: 717,178,100 yen
   (The Company has already paid 10 yen per share as an interim dividend on December 2, 2016. The total dividend for the fiscal year will therefore amount to 20 yen per share.)
   (3) Effective date of distribution of dividends of surplus
   June 28, 2017

Proposal 2: Partial amendments to Articles of Incorporation

1. Reasons for proposed amendments
   The reasons for the proposed amendments are as follows:

(1) In preparation for future business expansion, the Company proposes to add a new business activity to the existing business activities listed under Article 2 (Objectives) in the most recent version of Articles of Incorporation.

(2) With the enforcement of the Act for the Partial Revision of the Companies Act (Act No. 90 of 2014) in May 1, 2015, every company now has an option to adopt a new organizational structure by becoming a "Company with Audit and Supervisory Committee" (*kansa tō i'in kai setchi-gaisha*). The Company plans, taking this opportunity to transform its organization from a "Company with a Board of Corporate Auditors" (*kansayaku kai setchi-gaisha*) into a "Company with Audit and Supervisory Committee" on the belief that this reorganization will help strengthen the audit function of the Board of Directors and thus further enhance corporate governance. In this connection, the Company proposes to partially amend the Articles of Incorporation by inserting newly establishing provisions to the Articles of Incorporation, in order for the transition to a "Company with Audit and

Supervisory Committee" to be valid, and further by making various additions, deletions, and revisions in terms of consistency of the Articles of Incorporation. In conjunction with these changes, it will also require rewording some of the text, renumbering some of the articles, modifying the paragraphing, and alter some of the required items.

2. Details of amendments

The amendments are as follows:

The proposed amendments to the Articles of Incorporation may only take effect at the conclusion of this General Meeting of Shareholders.

(Changes are underlined)

Current Articles of Incorporation	Proposed amendments
Article 1. (Provision omitted)	Article 1. (Unchanged)
Article 2. Objectives The purpose of the Company shall be to engage in the following business activities: Item 1 through Item 12. (Omitted) 13. Performing general leasing business and mediation services; Item 14 through Item 24. (Omitted)	Article 2. Objectives The purpose of the Company shall be to engage in the following business activities: Item 1 through Item 12. (Unchanged) 13. Performing general leasing business, rental business, and mediation services; 14 through 24. (Unchanged)
Article 3. (Provision omitted)	Article 3. (Unchanged)
Article 4. Organs In addition to the Ordinary General Meeting of Shareholders and Directors, the Company shall have: (1) the Board of Directors; (2) Corporate Auditors; (3) the Board of Corporate Auditors; and (4) Accounting Auditors.	Article 4. Organs In addition to the Ordinary General Meeting of Shareholders and Directors, the Company shall have: (1) the Board of Directors; (2) the Audit and Supervisory Committee; and (deleted) (3) Accounting Auditors.
Article 5 through Article 21. (Provisions omitted)	Article 5 through 21. (Unchanged)
Article 22. Number of Directors The Company shall have no more than eleven (11) Directors.	Article 22. Number of Directors 1. The Company shall have no more than nine (9) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members). 2. The Company shall have no more than five (5) Directors who concurrently serve as Audit and Supervisory Committee Members.

Current Articles of Incorporation	Proposed amendments
Article 23. Election of Directors 1. Directors shall be elected at the General Meeting of Shareholders. 2. Resolutions on the election of Directors shall be adopted by an affirmative vote of a majority of the shareholders present at the meeting who represent no less than one third of the voting rights of the shareholders who are entitled to vote thereon. 3. A resolution on the election of Directors shall not be made by cumulative voting.	Article 23. Election of Directors 1. Directors to concurrently serve as Audit and Supervisory Committee Members and other Directors shall be elected separately from each other at the General Meeting of Shareholders. 2. Resolutions on the election of Directors shall be adopted by an affirmative vote of a majority of the shareholders present at the meeting who represent no less than one third of the voting rights of the shareholders who are entitled to vote thereon. 3. A resolution on the election of Directors shall not be made by cumulative voting.
Article 24. Term of Office of Directors 1. The term of office of Directors shall be until the end of the Ordinary General Meeting of Shareholders held with respect to the last business year that ends within two (2) years from their appointment. 2. The term of office of those elected to act as a complemental or substitute Director shall be the remaining term of the original Director.	Article 24. Term of Office of Directors 1. The term of office of Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) shall be until the end of the Ordinary General Meeting of Shareholders held with respect to the last business year that ends within one (1) year from their appointment. 2. The term of office of Directors who concurrently serve as Audit and Supervisory Committee Members shall be until the end of the Ordinary General Meeting of Shareholders held with respect to the last business year that ends within two (2) years from their appointment. 3. In the case that a Director who concurrently serves as an Audit and Supervisory Committee Member was elected to substitute an equivalent Director who resigned before the expiration of his/her term, that substitute Director's term shall be the remaining term of the original Director.
Article 25. Convocation of the Meetings of the Board of Directors Notice for convening the meeting of the Board of Directors shall be dispatched to each Director and Corporate Auditor no later than three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of urgent necessity.	Article 25. Convocation of the Meetings of the Board of Directors 1. Notice for convening the meeting of the Board of Directors shall be dispatched to each Director no later than three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of urgent necessity. 2. A meeting may be held without going through the convocation procedures by the unanimous consent of the Directors.

Current Articles of Incorporation	Proposed amendments
Article 26. Method of Resolution 1. Resolutions of the Board of Directors shall be adopted by an affirmative vote of the majority of the Directors present at the meeting who represent no less than half of the total number of Directors. 2. If all Directors express their intention to agree to the proposal concerned in writing or by means of electrical record, the Company shall deem that the resolution to approve such proposal at the meeting of the Board of Directors has been made; provided, however, that this shall not apply if any Corporate Auditor objects to the same.	Article 26. Method of Resolution 1. Resolutions of the Board of Directors shall be adopted by an affirmative vote of the majority of the Directors present at the meeting who represent no less than half of the total number of Directors entitled to vote thereon. 2. If all Directors express their intention to agree to the proposal concerned in writing or by means of electrical record, the Company shall deem that the resolution to approve such proposal at the meeting of the Board of Directors has been made.
Article 27. (Provision omitted)	Article 27. (Unchanged)
Article 28. Executive and Representative Directors 1. The Board of Directors may, by its resolution, appoint one (1) Director to the position of Chairman of the Board of Directors, one (1) Director to the position of President, and a small number of Directors, respectively, to the positions of Deputy Chairman of the Board of Directors, Deputy President, Managing Operating Officer, Senior Operating Officer, and Senior Adviser. 2. The Director(s) to represent the Company shall be elected by resolution of the Board of Directors.	Article 28. Executive and Representative Directors 1. The Board of Directors may, by its resolution, appoint one (1) Director to the position of Chairman of the Board of Directors, one (1) Director to the position of President, and a small number of Directors, respectively, to the positions of Deputy Chairman of the Board of Directors and Senior Adviser. 2. The Director(s) to represent the Company shall be elected from among Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) by resolution of the Board of Directors.
Article 29. Remuneration of Directors The remuneration, bonuses, and other financial benefits that the Company pays to Directors in exchange for the execution of their duties (collectively referred to hereinafter as "Remuneration, etc.") shall be determined by resolution of the General Meeting of Shareholders.	Article 29. Remuneration of Directors The remuneration, bonuses, and other financial benefits that the Company pays to Directors in exchange for the execution of their duties (collectively referred to hereinafter as "Remuneration, etc.") shall be determined by resolution of the General Meeting of Shareholders; provided, however, that the Remuneration to be paid to Directors who concurrently serve as Audit and Supervisory Committee Members shall be determined by resolution of the General Meeting of Shareholders separately from that paid to other Directors.

Current Articles of Incorporation	Proposed amendments
Article 30. Exemption of Directors' Liability 1. The Company may, by resolution of the Board of Directors, exempt its Directors (including those who used to be Directors) from liability provided for in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws or regulations in the case where such Directors performed their duties in good faith and without gross negligence. 2. The Company may enter into an agreement with its Outside Directors to limit their liability provided for in Article 423, Paragraph 1 of the Companies Act in the case where such Outside Directors performed their duties in good faith and without gross negligence; provided, however, that the limit of such liability shall be the amount equal to the liability limit stipulated in applicable laws or regulations.	Article 30. Exemption of Directors' Liability 1. The Company may, by resolution of the Board of Directors, exempt its Directors (including those who used to be Directors) from liability provided for in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws or regulations in the case where such Directors performed their duties in good faith and without gross negligence. 2. The Company may enter into an agreement with its Directors (excluding those who are executive Directors, etc.) to limit their liability provided for in Article 423, Paragraph 1 of the Companies Act in the case where such Directors performed their duties in good faith and without gross negligence; provided, however, that the limit of such liability shall be the amount equal to the liability limit stipulated in applicable laws or regulations.
(Newly established)	Article 31. Delegation of Decision-making Authority concerning Major Business Operations In accordance with the provisions of Article 399-13 Paragraph 6 of the Companies Act, the Company may, by resolution of the Board of Directors, delegate to Directors all or part of the decision-making authority concerning the execution of major business operations (excluding those listed in paragraph 5 of this Article).
Chapter 5: Corporate Auditors and the Board of Corporate Auditors Article 31. Number of Corporate Auditors The Company shall have no more than four (4) Corporate Auditors.	**Chapter 5: Audit and Supervisory Committee Members and the Audit and Supervisory Committee** (Deleted)

Current Articles of Incorporation	Proposed amendments
Article 32. Election of Corporate Auditors 1. Corporate Auditors shall be elected at the General Meeting of Shareholders. 2. Resolutions on the election of Corporate Auditors shall be adopted by an affirmative vote of a majority of the shareholders present at the meeting who represent no less than one third of the voting rights of the shareholders who are entitled to vote thereon.	(Deleted)
Article 33. Term of Office of Corporate Auditors 1. The term of office of Corporate Auditors shall be until the end of the Ordinary General Meeting of Shareholders held with respect to the last business year that ends within four (4) years from their appointment. 2. The term of office of those elected to act as a substitute Corporate Auditor shall be the remaining term of the original Corporate Auditor.	(Deleted)
Article 34. Convocation of the Meetings of the Board of Corporate Auditors Notice for convening the Meeting of the Board of Corporate Auditors shall be dispatched to each Corporate Auditor no later than three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of urgent necessity.	Article 32. Convocation of the Meetings of the Audit and Supervisory Committee 1. Notice for convening the Meeting of the Audit and Supervisory Committee shall be dispatched to each Audit and Supervisory Committee Member no later than three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of urgent necessity. 2. A meeting may be held without going through the convocation procedures by the unanimous consent of the Audit and Supervisory Committee Members.
Article 35. Method of Resolution of the Board of Corporate Auditors Unless otherwise provided for in applicable laws or regulations, resolutions of the Board of Corporate Auditors shall be adopted by an affirmative vote of the majority of the Corporate Auditors present at the meeting.	Article 33. Method of Resolution of the Audit and Supervisory Committee Resolutions of the Audit and Supervisory Committee shall be adopted by an affirmative vote of the majority of the Audit and Supervisory Committee Members present at the meeting who represent no less than half of the total number of members entitled to vote thereon.

Current Articles of Incorporation	Proposed amendments
Article 36. Rules of the Board of Corporate Auditors Matters related to the operation of the Board of Corporate Auditors shall be governed by the Rules of the Board of Corporate Auditors determined by the Board of Corporate Auditors, in addition to applicable laws, regulations, or these Articles of Incorporation.	Article 34. Rules of the Audit and Supervisory Committee Matters related to the operation of the Audit and Supervisory Committee shall be governed by the Rules of the Audit and Supervisory Committee determined by the Audit and Supervisory Committee, in addition to applicable laws, regulations, or these Articles of Incorporation.
Article 37. Full-time Corporate Auditors The Board of Corporate Auditors, by its resolution, elects full-time Corporate Auditor (s).	Article 35. Full-time Audit and Supervisory Committee Members The Audit and Supervisory Committee may, by its resolution, elect full-time Audit and Supervisory Committee Member(s).
Article 38. Remuneration of Corporate Auditors The remuneration of Corporate Auditors shall be determined by resolution of the General Meeting of Shareholders.	(Deleted)
Article 39. Exemption of Corporate Auditors' Liability 1. The Company may, by resolution of the Board of Directors, exempt its Corporate Auditors (including those who used to be Corporate Auditors) from liability provided for in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws or regulations in the case where such Corporate Auditors performed their duties in good faith and without gross negligence. 2. The Company may enter into an agreement with its Outside Corporate Auditors to limit their liability provided for in Article 423, Paragraph 1 of the Companies Act in the case where such Outside Corporate Auditors performed their duties in good faith and without gross negligence; provided, however, that the limit of such liability shall be the amount equal to the liability limit stipulated in applicable laws or regulations.	(Deleted)
Article 40. through Article 42. (Provisions omitted)	Article 36. through Article 38. (Unchanged)

Current Articles of Incorporation	Proposed amendments
(Newly established)	Article 39. Organ that Determines Dividends of Surplus Unless otherwise provided for in applicable laws or regulations, the Company may determine matters concerning dividends of surplus and other matters listed in the items of Article 459, Paragraph 1 of the Companies Act, by resolution of the Board of Directors.
Article 43. through Article 45. (Provisions omitted)	Article 40. through Article 42. (Unchanged)
(Newly established)	Supplementary Provisions Transitional Measures for Exempting Corporate Auditors' Liability 1. The Company may, by resolution of the Board of Directors, exempt its Corporate Auditors (including those who used to be Corporate Auditors) from liability provided for in Article 423, Paragraph 1 of the Companies Act in respect of any act prior to the close of the 71st Ordinary General Meeting of Shareholders, to the extent permitted by laws or regulations in the case where such Corporate Auditors performed their duties in good faith and without gross negligence. 2. The Company may enter into an agreement with its Outside Corporate Auditors (including those who used to be Outside Corporate Auditors) to limit their liability provided for in Article 423, Paragraph 1 of the Companies Act in respect of any act prior to the close of the 71st Ordinary General Meeting of Shareholders, in the case where such Outside Corporate Auditors performed their duties in good faith and without gross negligence; provided, however, that the limit of such liability shall be the amount equal to the liability limit stipulated in applicable laws or regulations.

Proposal 3: Election of nine (9) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

If Proposal 2 (partial amendments to Articles of Incorporation) is approved in its original form, the Company will become a "Company with Audit and Supervisory Committee," and all eleven (11) Directors will retire due to the expiration of their terms of office when the amendments take effect. Therefore, the Company proposes that nine (9) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) be elected subject to the approval of Proposal 2.

The names of the Director candidates (excluding those who concurrently serve as Audit and Supervisory Committee Members) as well as the reasons for their nomination are shown below.

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">1</td><td>Tetsuya Mogi
(December 22, 1942)</td><td>Mar. 1967
Oct. 1975
Oct. 1979
Oct. 1983
June 1991
Apr. 1993
Apr. 1995
Apr. 1999
Apr. 2005
Apr. 2007
Apr. 2009
Apr. 2016</td><td>Joined the Company
Manager of Himeji Factory of the Company
Manager of Tokyo Factory of the Company
President and Representative Director of Hokkaido Bunka Shutter Co., Ltd.
Director and Manager of Hokkaido Business Department of the Company
Director and General Manager of House Construction Division of the Company
Managing Director and General Manager of Production Division of the Company
Senior Director and responsible for sales of the Company
Representative Director and President of the Company
Representative Director and President, and Executive Officer of the Company
Representative Director and President, and Executive President of the Company
Chairman of the Board of Directors of the Company (present position)</td><td>162,700</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1967, Tetsuya Mogi has worked in production, sales, and the Group company management, which has given him wide-ranging operational experience. Since assuming office of Representative Director and President in 2005, he has discharged his directorial duties by powerfully leading efforts to implement the 10-year Long-Term Management Plan and contributing to the expansion of the Group's business operations.
On this basis, the Company believes that Tetsuya Mogi remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, it has nominated him once again for the position of Director.</td></tr>
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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">2</td><td rowspan="11">Toshihiko Shiozaki
(December 13, 1947)</td><td>Mar. 1970</td><td>Joined the Company</td><td rowspan="11">74,100</td></tr>
<tr><td>Apr. 1984</td><td>Manager of Fukuoka Factory of the Company</td></tr>
<tr><td>Apr. 1987</td><td>Manager of Fukuoka Office of the Company</td></tr>
<tr><td>Apr. 1990</td><td>Manager of Chiba Office of the Company</td></tr>
<tr><td>Apr. 1993</td><td>Manager of Systems Department of the Company</td></tr>
<tr><td>Oct. 1998</td><td>Manager of Human Resources Department of the Company</td></tr>
<tr><td>Apr. 2006</td><td>Operating Officer and Manager of Human Resources Department of the Company</td></tr>
<tr><td>Apr. 2007</td><td>Operating Officer and responsible for management operations of the Company</td></tr>
<tr><td>June 2007</td><td>Director-Senior Operating Officer and responsible for management operations of the Company</td></tr>
<tr><td>Apr. 2009</td><td>Director-Senior Operating Officer and General Manager of Planning Administration Division of the Company</td></tr>
<tr><td>Apr. 2011</td><td>Director-Managing Operating Officer and responsible for management operations of the Company</td></tr>
<tr><td></td><td colspan="4">Reason for nomination:
Since joining the Company in 1970, Toshihiko Shiozaki has been responsible for production, sales, and the management of the head office, which has given him wide-ranging operational experience. Since assuming office of Director in 2007, he has been supervising primarily the management department and business execution in Group companies, and contributing to the expansion of the Group's business operations. Moreover, since assuming office of President in 2016, he spearheaded implementation of the new Medium-Term Management Plan as he performs his directorial responsibility.
On this basis, the Company believes that Toshihiko Shiozaki remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
<tr><td rowspan="2">3</td><td rowspan="7">Satoru Fujiyama
(August 18, 1955)</td><td>Apr. 1978</td><td>Joined the Company</td><td rowspan="7">16,400</td></tr>
<tr><td>Apr. 2002</td><td>Manager of Gunma Office of the Company</td></tr>
<tr><td>Apr. 2003</td><td>Manager of Saitama Office of the Company</td></tr>
<tr><td>Apr. 2007</td><td>Manager of Tokyo Office of the Company</td></tr>
<tr><td>Apr. 2009</td><td>Manager of Kansai Branch of the Company</td></tr>
<tr><td>June 2009</td><td>Director-Senior Operating Officer and Manager of Kansai Branch of the Company</td></tr>
<tr><td>Apr. 2011</td><td>Director-Managing Operating Officer and responsible for sales of the Company (present position)</td></tr>
<tr><td></td><td colspan="4">Reason for nomination:
Since joining the Company in 1978, Satoru Fujiyama has gained wide-ranging experience and specialized insight primarily in sales operations. Since assuming office of Director in 2009, he has discharged his directorial duties by contributing to the expansion of the Group's business operations as an officer responsible for sales.
On this basis, the Company believes that Satoru Fujiyama remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">4</td><td rowspan="1">Yoshio Yabuki
(November 22, 1951)</td><td>Apr. 1974
Apr. 1996
Apr. 2000
Apr. 2002
Apr. 2006
Apr. 2008
Apr. 2011
June 2011
Apr. 2013
Apr. 2015</td><td>Joined the Company
Head of Technology Office for House Construction Special Demand Department of the Company
Head of Test Center in New Business Development Department of the Company
Head of Development Technology Office for Product Development Department of the Company
Manager of Product Development Department of the Company
Operating Officer and Manager of Quality Assurance Department of the Company
Operating Officer and responsible for production of the Company
Director-Senior Operating Officer and responsible for production of the Company
Director-Managing Operating Officer and responsible for production of the Company
Director-Managing Operating Officer and responsible for production, design, and engineering of the Company (present position)</td><td>41,800</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1974, Yoshio Yabuki has gained wide-ranging experience and specialized insight primarily in technology-related departments and production-related departments. Since assuming office of Director in 2011, he has discharged his directorial duties by contributing to the expansion of the Group's business operations as an officer responsible for production, design, and engineering.
On this basis, the Company believes that Yoshio Yabuki remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
<tr><td rowspan="2">5</td><td rowspan="1">Kingo Iwabe
(February 26, 1932)</td><td>Nov. 1959
May 1964
Jan. 1969
Mar. 1972
July 1984
May 1988
June 1988
June 1989
May 1995
June 1997
Apr. 2016</td><td>Joined the Company
Director of the Company
Managing Director of the Company
Senior Managing Director of the Company
Resigned as Director of the Company
Adviser of the Company
Senior Managing Director of the Company
Representative Director and President of the Company
Director and Adviser of the Company
Chairman of the Board of Directors of the Company
Director and Adviser of the Company (present position)</td><td>480,800</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1959, Kingo Iwabe has mastered a wide range of the Group's business operations, and gained wide-ranging operational experience and specialized insight. Since assuming office of Director in 1964, he has discharged his directorial duties. For example, as Representative Director and later Chairman of the Board of Directors, he acted as the driving force of the Group, demonstrating ever-impressive foresight and leadership abilities, and thus contributed to the expansion of the Group's business.
On this basis, the Company believes that Kingo Iwabe remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, it has nominated him once again for the position of Director.</td></tr>
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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">6</td><td>Yoshinori Shimamura
(March 1, 1955)</td><td>Apr. 1978
Apr. 2003
Apr. 2008
Apr. 2010
Apr. 2011
June 2011
Apr. 2013
Apr. 2014</td><td>Joined the Company
Head of Technology Section in House Construction Branch of the Company
Manager of Product Development Department of the Company
Operating Officer and Manager of Product Development Department of the Company
Operating Officer, responsible for product development and Manager of Product Development Department of the Company
Director and Senior Operating Officer, responsible for product development and Manager of Product Development Department of the Company
Director and Senior Operating Officer, responsible for new business and new products and Manager of Product Development Department of the Company
Director and Senior Operating Officer and responsible for new business and new products of Company (present position)</td><td>31,800</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1978, Yoshinori Shimamura has gained wide-ranging experience and specialized insight primarily in technical operations. Since assuming office of Director in 2011, he has discharged his directorial duties by contributing to the expansion of the Group's business operations as an officer responsible for technology, new business, and new product development.
On this basis, the Company believes that Yoshinori Shimamura remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
<tr><td rowspan="2">7</td><td>Hiroyuki Ogura
(March 24, 1955)</td><td>July 1980
Apr. 2002
Mar. 2005
Apr. 2008
Apr. 2010
Apr. 2011
June 2011
Apr. 2016</td><td>Joined the Company
Manager of Minami Kyushu Office of the Company
Manager of Kyushu Special Sales Office of the Company
Manager of Chugoku-Shikoku Office of the Company
Operating Officer and Manager of Kyushu Branch of the Company
Operating Officer and General Manager of West Japan Business Division of the Company
Director and Senior Operating Officer and General Manager of West Japan Business Division of the Company
Director and Senior Operating Officer and General Manager of Building Materials Business Division of the Company (present position)</td><td>19,300</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1980, Hiroyuki Ogura has gained wide-ranging experience and specialized insight primarily in sales operations. Since assuming office of Director in 2011, he has discharged his directorial duties by contributing to the expansion of the Group's business operations as a supervisor of sales in West Japan and major general contractors.
On this basis, the Company believes that Hiroyuki Ogura remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">8</td><td rowspan="2">Toru Oshima
(December 22, 1957)</td><td>Apr. 1980</td><td>Joined Hokkaido Bunka Shutter Co., Ltd.</td><td rowspan="2">5,300</td></tr>
<tr><td>Apr. 2004
Apr. 2005
Apr. 2007
Apr. 2011
Apr. 2013
Apr. 2015
June 2015
Apr. 2017</td><td>Manager of Market Development Department in Hokkaido Branch of the Company
Manager of Hokkaido Special Sales Office of the Company
Manager of Saitama Office of the Company
Manager of Metropolitan Area Office of the Company
Operating Officer and Manager of Metropolitan Area Office of the Company
Operating Officer and General Manager of House Construction Materials Business Division of the Company
Director-Senior Operating Officer and General Manager of House Construction Materials Business Division of the Company
Director-Senior Operating Officer and General Manager of East Japan Business Division of the Company (present position)</td></tr>
<tr><td></td><td colspan="4">Reason for nomination:
Since joining the Company in 1980, Toru Oshima has gained wide-ranging experience and specialized insight primarily in sales operations. Since assuming office of Director in 2015, he has discharged his directorial duties by contributing to the expansion of the Group's business operations primarily as a supervisor for housing materials and sales in East Japan.
On this basis, the Company believes that Toru Oshima remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</td></tr>
<tr><td rowspan="2">*9</td><td rowspan="2">Yoshinori Fujita
(October 5, 1955)</td><td>Apr. 1983
Apr. 2003
Apr. 2007
Apr. 2010
Apr. 2011
Apr. 2014
Apr. 2015
Apr. 2016</td><td>Joined the Company
Manager of Fukuoka Office of the Company
Manager of Hiroshima Office of the Company
Manager of Door/Partition Business Dept. III
Manager of Kyushu Office of the Company
Operating Officer and Manager of Kyushu Office of the Company
Operating Officer and Manager of Kyushu Office and Manager of Chugoku-Shikoku Branch of the Company
Managing Operating Officer and General Manager of West Japan Business Division of the Company (present position)</td><td>0</td></tr>
<tr><td></td><td colspan="4">Reason for nomination:
Since joining the Company in 1955, Yoshinori Fujita has gained wide-ranging operational experience and specialized insight in West Japan sales operations, door and partition sales, and other operations. Since 2016, he has contributed to the expansion of the Group's business operations primarily as a supervisor of sales in West Japan.
On this basis, the Company believes that Yoshinori Fujita is well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has newly nominated him for the position of Director.</td></tr>
</table>

Notes:
1. An asterisk (*) indicates a new candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members).
2. The candidates have no special interests with the Company.

Proposal 4: Election of five (5) Directors who concurrently serve as Audit and Supervisory Committee Members

If Proposal 2 (partial amendments to Articles of Incorporation) is approved duly in its original form, the Company will become a "Company with Audit and Supervisory Committee," and all four (4) Corporate Auditors will retire due to the expiration of their terms of office when the amendments take effect. Therefore, the Company proposes that five (5) Directors who concurrently serve as Audit and Supervisory Committee Members be elected subject to the approval of Proposal 2.
The Board of Corporate Auditors has consented to this proposal.

The names of the Director candidates who concurrently serve as Audit and Supervisory Committee Members as well as the reasons for their nomination are shown below.

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">1</td><td rowspan="1">Hideyuki Nishikawa
(September 29, 1955)</td><td>Apr. 1978
June 1999
June 2008
Apr. 2010
June 2012</td><td>Joined the Company
Manager of Accounting Department of the Company
Manager of Management Planning Department of the Company
Executive Officer and Manager of Management Planning Department of the Company
Full-time Corporate Auditor of the Company (present position)</td><td>39,852</td></tr>
<tr><td colspan="4">Reason for nomination:
Since joining the Company in 1978, Hideyuki Nishikawa has long been primarily engaged in accounting operations for 30 years, during which he has gained abundant knowledge and experience in accounting. He also has operational experience in monitoring Group companies' business, having served as Manager of Management Planning Department.
Since assuming office of Corporate Auditor in 2012, he has duly fulfilled his duties in auditing the performance of directors, including conducting visits to audit the Company's departments and the Group companies, and stating his opinion during important meetings.
On this basis, the Company believes that Hideyuki Nishikawa will contribute toward the effective monitoring of the Company's business; therefore, the Company has nominated him to serve concurrently as Director and Audit and Supervisory Committee Member.</td></tr>
<tr><td rowspan="2">2</td><td rowspan="1">Akira Uemura
(May 18, 1948)</td><td>Apr. 1967
June 1997
June 2008
July 2008
June 2012</td><td>Joined Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation)
Senior Manager, General Affairs Office, Tokyo Head Office of Mazda Motor Corporation
Resigned from Mazda Motor Corporation
Joined Nihon Unisys, Ltd.
Chief Manager of Manufacturing & Commerce Division
Full-time Corporate Auditor of the Company (present position)</td><td>8,600</td></tr>
<tr><td colspan="4">Reason for nomination:
Since assuming office of Corporate Auditor in 2012, Akira Uemura has duly fulfilled his duties in auditing the performance of directors, including conducting visiting audits of the Company's departments and the Group companies, and stating his opinion during meetings of the Board of Directors and other important meetings.
He has also gained abundant operational experience and wide-ranging insight from his service in other companies. On this basis, the Company believes that Akira Uemura can monitor the Company's business from an objective and independent standpoint; therefore, it has nominated him to serve concurrently as Director and Audit and Supervisory Committee Member.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">3</td><td rowspan="2">Takao Iina
(October 27, 1947)</td><td>Apr. 1970</td><td>Joined Tokyu Construction Co., Ltd.</td><td rowspan="2">2,300</td></tr>
<tr><td colspan="2">June 2002 Director of Tokyu Construction Co., Ltd.
June 2004 Director and Senior Executive Officer of Tokyu Construction Co., Ltd.
June 2005 Representative Director and Senior Managing Executive Officer of Tokyu Construction Co., Ltd.
Apr. 2010 Representative Director and Senior Executive Vice President of Tokyu Construction Co., Ltd.
June 2012 Adviser of Tokyu Construction Co., Ltd.
June 2013 Resigned as Adviser of Tokyu Construction Co., Ltd.
June 2015 Director of the Company (present position)</td></tr>
<tr><td></td><td colspan="4">Reason for nomination:
Since assuming office of Director in 2015, Takao Iina has duly fulfilled his duties in auditing the performance of directors, including stating his opinion during meetings of the Board of Directors and other important meetings.
He has also gained abundant experience and wide-ranging insight as a business administrator in other companies. On this basis, the Company believes that Takao Iina can monitor the Company’s business from an objective and independent standpoint; therefore, the Company has nominated him to serve concurrently as Director and Audit and Supervisory Committee Member.
Number of years in office of the Company as Outside Director: 2 years (as of the conclusion of this General Meeting of Shareholders)</td></tr>
</table>

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Shozo Fujita (August 1, 1948)	Apr. 1976	Appointed Public Prosecutor	400
		Apr. 1986	First Secretary Permanent Mission of Japan to the International Organization in Geneva	
		Apr. 1990	Public Prosecutor of the Tokyo District Public Prosecutor's Office	
		Apr. 1997	Director of the Criminal Affairs Division of the Criminal Affairs Bureau, Ministry of Justice	
		June 1998	Director of the General Affairs Division of the Correction Bureau, Ministry of Justice	
		June 2000	Director of the Public Security Division of Tokyo District Public Prosecutor's Office	
		July 2001	Director General of Administration Department of Tokyo District Public Prosecutor's Office	
		Sept. 2003	Chief Prosecutor of Saga District Public Prosecutor's Office	
		Jan. 2008	Director of the Public Security Division of Supreme Public Prosecutor's Office	
		July 2008	Director of the Lay Judge Trial Department of the Supreme Public Prosecutor's Office	
		June 2010	Superintending Prosecutor of Hiroshima High Public Prosecutor's Office	
		Dec. 2010	Superintending Prosecutor of Nagoya High Public Prosecutor's Office	
		Aug. 2011	Retired at mandatory age	
		Sept. 2011	Joined Tokyo Bar Association	
		Apr. 2012	Director of The Resolution and Collection Corporation	
		June 2012	Representative Director and President of The Resolution and Collection Corporation	
		Oct. 2015	Resigned as Representative Director and President of The Resolution and Collection Corporation	
		Nov. 2015	Joined Okuno & Partner	
		June 2016	Corporate Auditor of the Company (present position)	
	Reason for nomination: Since assuming office of Corporate Auditor in 2016, Shozo Fujita has duly fulfilled his duties in auditing the performance of directors, including stating his opinion during meetings of the Board of Directors and other important meetings. He has also gained abundant knowledge and wide-ranging insight in law having served in important posts in the legal profession. On this basis, the Company believes that Shozo Fujita can monitor the Company's business from an objective and independent standpoint, particularly with respect to legal compliance; therefore, the Company has nominated him to serve concurrently as Director and Audit and Supervisory Committee Member.			

<table>
<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">5</td><td>Kazufumi Abe
(April 3, 1951)</td><td>Apr. 1974
June 2000
Apr. 2006
Apr. 2010
June 2013
Oct. 2013
June 2015
June 2016</td><td>Joined Sumitomo Light Metal Industries, Ltd. (currently UACJ Corporation)
General Manager of the Purchasing Department of Sumitomo Light Metal Industries, Ltd.
Executive Officer, General Manager of Purchasing Department of Sumitomo Light Metal Industries, Ltd.
Managing Executive Officer, Deputy General Manager of Corporate Administration Division of Sumitomo Light Metal Industries, Ltd.
Audit & Supervisory Board Member of Sumitomo Light Metal Industries, Ltd.
Full-time Statutory Auditor of UACJ Corporation
Resigned as Full-time Statutory Auditor of UACJ Corporation (present position)
Corporate Auditor of the Company (present position)</td><td>400</td></tr>
<tr><td colspan="4">Reason for nomination:
Since assuming office of Corporate Auditor in 2016, Kazufumi Abe has duly fulfilled his duties in auditing the performance of directors, including stating his opinion during meetings of the Board of Directors and other important meetings.
He has also gained abundant operational experience from his service in other companies and professional experience as a Corporate Auditor. On this basis, the Company believes that Kazufumi Abe can monitor the Company's business from an objective and independent standpoint; therefore, it has nominated him to serve concurrently as Director and Audit and Supervisory Committee Member.</td></tr>
</table>

Notes:
1. The candidates have no special interests with the Company.
2. Akira Uemura, Takao, Iina, Shozo Fujita and Kazufumi Abe, are Outside Director candidates.
3. Pursuant to the provisions of the Articles of Incorporation of the Company, the Company intends to conclude limited liability agreements with each candidate limiting their liability provided for in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws or regulations in the case that they performed their duties as Outside Director in good faith and without gross negligence.

Proposal 5: Amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

Currently, the amount of remuneration for Directors of the Company is 600 million yen per year, this being the amount determined by a resolution of the 67th Ordinary General Meeting of Shareholders held on June 27, 2013. Subject to the approval of Proposal 2 (partial amendments to Articles of Incorporation), the Company will transform to a "Company with Audit/Supervisory Committee." Therefore, the Company proposes to replace the existing stipulation on the amount of remuneration for Directors with a new stipulation to the effect that the maximum amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Board Members) is 600 million yen per year. The proposed amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Board Members) does not include the employee portion of remuneration for Directors who concurrently serve as employees.

If Proposals 2 and 3 are approved in their original form, the number of Directors (excluding those who concurrently serve as Audit and Supervisory Board Members) will be nine (9).

A resolution on this Proposal will take effect on condition that the amendments of the Articles of Incorporation under Proposal 2 takes effect.

Proposal 6: Amount of remuneration for Directors who concurrently serve as Audit and Supervisory Committee Members

Subject to the approval of Proposal 2 (partial amendments to Articles of Incorporation), the Company will transform to a "Company with Audit and Supervisory Committee." Therefore, the Company proposes to establish the stipulation that the maximum amount of remuneration for Directors who concurrently serve as Audit and Supervisory Board Members is 100 million yen per year considering the duties and responsibilities of Audit and Supervisory Board Members.

If Proposals 2 and 4 are approved in their original form, the number of Directors who concurrently serve as Audit and Supervisory Board Members will be five (5).

A resolution on this Proposal will take effect on condition that the amendments of the Articles of Incorporation under Proposal 2 take effect.

Proposal 7: Renewal of the plan regarding large-scale purchases of the Company's shares (takeover defense measures)

The Company's "Plan regarding Large-scale Purchases of the Company's Shares (Takeover Defense Measures)" (the "Existing Plan") was first approved by the shareholders of the Company at the 62nd Ordinary General Meeting of Shareholders of the Company held on June 27, 2008. It was successively re-approved at the 65th and 68th Ordinary General Meetings of Shareholders of the Company held on June 29, 2011, and June 26, 2014, respectively. The effective term of the Existing Plan will expire upon the close of the 71st Ordinary General Meeting of Shareholders of the Company to be held on June 27, 2017 (the "General Meeting of Shareholders"). As on previous occasions, the Company carefully reviewed the Existing Plan, giving consideration to whether it should be continued. In undertaking this review, the Company considered whether continuing the Existing Plan would protect and enhance the Company's corporate value and the common interests of shareholders in light of social and economic changes, trends related to Takeover Defense Measures, and developments in the discourse on such.

As a result of its review, the Board of Directors decided to continue the Plan regarding Large-scale Purchases of the Company's Shares (Takeover Defense Measures) ("the Plan"), subject to the approval of the Company's shareholders at this General Meeting of Shareholders. The Plan is intended to prevent inappropriate persons from controlling decisions concerning financial and business policies of the Company as stipulated in the Basic Policy on the persons who control decisions concerning financial and business policies of the Company (the "Basic Policy on Control of the Company"), in accordance with Article 118, Item 3 of the Ordinance for Enforcement of the Companies Act.

The Plan features some minor changes, including new wording and various other modifications, but its basic contents remain the same as before.

All four (4) of the Company's Corporate Auditors expressed their support toward continuing the Plan on the condition that specific operation of this Plan is implemented properly.

The circumstances of the Company's shares as of March 31, 2017 are as stated in Attachment 4; as of today, the Company has received no inquiries or proposals concerning large-scale purchase of the Company's shares.

Particulars

I. Basic Policy on the persons who control decisions concerning financial and business policies of the Company

As an open company, the Company recognizes the right of shareholders and investors to purchase its shares freely. The Company believes that whether or not to accept a proposal for a large-scale purchase of shares should be based on the will of the shareholders, who hold shares of the Company.

However, many large-scale purchases are potentially detrimental to both corporate value and the common interests of shareholders in light of the purpose or manner thereof. Examples of abusive purchases include cases where the shares are purchased without the consent of the company concerned or in coercive manner that effectively nullifies consent. There are also cases where shareholders are effectively coerced into

selling their shares. Furthermore, some large-scale purchases do not provide sufficient information or time for the company's board of directors and shareholders to review the terms of the purchase proposal or for the board of directors to make an alternative proposal.

The Company believes that those who control the decisions concerning financial and business policies of the Company should fully understand the sources of the Company's corporate value, establish a solid relationship of trust with the stakeholders who support the Company, and sustainably maintain and improve Company's corporate value and the common interests of shareholders in the long-term.

Accordingly, the Company believes that those who intend to conduct an inappropriate large-scale purchase or similar action that would potentially harm the Company's corporate value and the common interests of shareholders should not control the decisions concerning financial and business policies of the Company.

II. Special measures to help achieve the Basic Policy

Since its foundation in 1955, the Group has manufactured, sold, and installed shutters, doors, and other building materials for homes and other buildings in accordance with its corporate motto and management philosophy which are stated below, with the aim of delivering to its customers "safety," "security," and "comfortable environments." In addition to delivering "safety," "security," and "comfortable environments," we also aim to contribute to the development of society through diverse manufacturing and service provision that is people-friendly, society-friendly, and eco-friendly. Moreover, we consider itself duty-bound to contribute to people's happiness and wellbeing, and it provides customers with products and services in such a way as to achieve this objective. In this way, we endeavor to make sustainable and long-term improvements in its corporate value and the common interests of shareholders.

1) Corporate motto
   Honesty:
   Honesty refers to heart-to-heart connections. Earnest, heartfelt connections generate trust.
   Hard work:
   Hard work is the ability to sustain acts of creation.
   Service:
   Service means acting and behaving in a way that is useful to others. Those who embody a spirit of service care about the interests of others and act considerately.

2) Management philosophy
   We will always act in the interests of our customers.
   We will contribute to the development of society by providing outstanding products.
   We will strive ever forward enterprisingly and harmoniously

Since its foundation, the Group has drawn on its creative idea and product development expertise to release a succession of industry-leading products and services, leading to the formation of an artisanal culture. This artisanal culture is a source of our corporate value alongside its other tangible and intangible corporate resources, which include human resources. Our corporate value is also grounded in the Company's relationship with its many stakeholders, including shareholders, customers, business partners, employees,

and members of local communities.

To enhance its corporate value and ensure the common interests of its shareholders, and thus attract long-term and continuous investments from shareholders and investors, the Company has formulated the following special measures to help achieve its Basic Policy set forth in above I.

These measures are aimed at further strengthening the relationship of trust with shareholders and other stakeholders, and sustainably improving the corporate value.

The Company has formulated these measures with a full understanding of the sources of its corporate value as described above, and it has fully reviewed them to ensure that they lead to sustainable and long-term improvements in the Company's corporate value and the common interests of shareholders. As such, these measures are in accordance with the Basic Policy set forth in I. above, are not detrimental to the common interests of shareholders, and are not to perpetuate the position of the Company's executive officers.

1. The Company's medium-to-long term business strategy

From FY2006 to FY2015, the Group pursued a long-term management plan consisting of three (3) medium-term management plans, with the long-term vision of becoming a "Comfortable Environment Solutions Group" that can provide customers with safety and security.

For the first medium-term management plans, which ran from FY2006 to FY2008, the Company adopted the basic theme "return to our origins as a manufacturer." This theme involved three (3) pillars: reduce corporate costs by eliminating all wastefulness and streamlining operation processes, provide newly proposed products and high-value-added products by streamlining product development and enhancing quality, and expand sales through timely and pertinent proposals that will deliver comfortable environments to customers. In relation to all these pillars, the Company pursued quality-enhancement, streamlining, and cost-reduction.

For the second medium-term management plan, which ran from FY2009 to FY2011, the Company adopted the basic theme "expanding our business domain." In line with this theme, the Company endeavored to enhance corporate value through proactive business investments having formulated basic policies for increasing sales quality and profit margins, reducing corporate costs, and reinforcing the corporate infrastructure.

Following these years, the Company led a group-wide effort to improve profitability in FY2012 under the basic theme "increasing our corporate strength," considering FY2012 as the period to streamline the system in preparation for the third medium-term management plan, which was to be the final phase of the long-term management plan.

For the third medium-term management plan, which ran from FY2013 to FY2015, the Company adopted the basic theme "Comfortable Environment Solutions Group." Under this theme, we endeavored to accomplish its long-term management plan with five (5) pillars: "Reform of Sales Strengths" to strengthen sales ability, design/construction ability, and collaborative ability; "Reform of Productivity Strengths" to advance innovative cost reductions and reconstruction of production platforms; "Reform of Product Generating Capability" to seek to develop high value-added products under the key words "eco" and "disaster response," and to plan and develop new products and businesses not bound by existing domains; "Reform of Organizational Strengths" to achieve the maximization of synergy within the Group consisted of 17 companies (including two (2) new companies); and "Reform of the Management Foundation" to seek to train the human resources required to carry forward these reforms and to expand our compliance

structure.

FY2016 marked the start of a new five-year medium-term management plan following on from the ten-year long-term management plan, which came to an end in FY2015.

For the new medium-term management plan, the Company has adopted a management vision titled "Evolving Comfortable Environment Solutions Group." Under this theme, we are channeling the Group's collective energy, which it has accumulated through pursuing the management plans to date, and leading the Group in a united effort to expand our business domain and thus improve corporate value.

Specifically, the Company aims to sustainably evolve by positioning the businesses the Group has engaged in, such as manufacturing, selling and construction of shutters, doors and other materials for homes and other buildings, as our Core Businesses, and forming a consultant group consists of employees who have advanced expertise and broad insight and experience respectively and who can propose solutions to customers for their more high-level problems.

On the other hand, with an eye on the Group's future beyond FY2020, we will position the following businesses as Businesses of Focus and make efforts to develop them into new core businesses: Eco and Disaster Response Business offering various goods and solutions under the key themes of "eco" and "disaster response"; Long-life Business specializing in building renovations and home refurbishments so as to accommodate the demand for remodeling and replacement in a situation where domestic market for new construction showed a tendency to shrink; Overseas Business actively advancing the operations to the ASEAN market especially, by leveraging the knowhow that has been accumulated from the domestic business operations; the Maintenance Business for accommodating the need for periodic inspections of fire-prevention shutters and other fixtures, that are designated as legally mandatory with the enforcement of the revised Building Standards Act; and Special Building Materials Business for appropriately providing products with special specifications, by leveraging the technical capabilities that has been accumulated.

We will also reinforce a structure that enables the Group's sustainable growth by proactively developing new products and services and creating new businesses without being bound by existing business areas, while continuing to pursue opportunities for M&As.

2. Advancing corporate governance

The Company believes that swift and appropriate business decisions are essential to enhance the competitiveness amid the harsh business climate. The Company also considers it essential in the interests of management transparency to ensure that its oversight functions are rigorous and fair. Accordingly, the Company undertakes the improvement of the system and disclosure of information in a precise and detailed manner to ensure thoroughgoing corporate governance.

With regard to management system, on condition that the proposal to amend the Articles of Incorporation is approved at this General Meeting of Shareholders, the Company will transition from a "Company with a Board of Corporate Auditors" (*kansayaku kai setchi-gaisha*) into a "Company with Audit and Supervisory Committee" (*kansa tō i'in kai setchi-gaisha*), and establish an Audit and Supervisory Committee consisting of five (5) members who are Directors with voting rights in the Board of Directors. The Company will ensure further compliance and transparency by establishing the system that allows the Audit and Supervisory Committee to audit and supervise the execution of duties of Directors.

With regard to the internal control system, in line with the Basic Policy on the Internal Control System, the

Company is making efforts to ensure that all executives and employees throughout the Group are able to carry out all their duties efficiently and fairly, in compliance with laws and regulations, and in a manner that preserves assets.

The Group believes that fulfilling corporate social responsibility (CSR) is an essential part of sustainably improving corporate value and has established the CSR Committee chaired by an executive officer to further strengthen company-wide systems of compliance, tackle environmental issues and contribute to local communities, in order to further increase trust among stakeholders by encouraging all executives and employees to pursue customer satisfaction, show concern for safety and the environment, manage business in an honest manner and contribute to society based on the CSR Charter and CSR Conduct Guidelines.

III. Measures to prevent decisions concerning financial and business policies of the Company from being controlled by persons deemed as inappropriate under the Basic Policy

1. Improving corporate value and ensuring the common interests of shareholders

(1) Large-scale purchases of shares that would threaten efforts to improve corporate value and ensure the common interests of shareholders

As mentioned above, the Company commits all its energies to the task of improving corporate value and ensuring the common interests of shareholders. In relation to this task, the Company has noted a recent trend in the capital markets whereby purchasers make sudden and coercive large-scale purchases that do not provide the shareholders sufficient time to consider the proposal and do not allow the target company's management to review or consent to the proposal.

Suffice to say, if a large-scale purchase will contribute toward efficient utilization of the company's assets, improve corporate value, and ensure the common interests of shareholders, it should not be opposed regardless of whether or not it in the wishes of the company's board of directors.

However, there are cases where the large-scale purchase clearly amounts to an abusive purchase in that it severely harms corporate value and the common interests of the shareholders. For example, the large-scale purchaser might have no intention to participate in the company's management but every intention to inflate the share price and resell the shares to affiliates.

As mentioned above, the Company believes that the key to improving corporate value in the medium-to-long term and ensuring the interests of shareholders lies in maintaining and improving its long-standing trust with customers and continuing amicable relations with various stakeholders. A large-scale purchase would harm the Company's corporate value and the common interests of shareholders if the large-scale purchaser (as defined in 2. (2) 1) below) does not fully understand these points and will not uphold and improve them over the medium-to-long term.

(2) The necessity of introducing the Plan

In principle, the Company allows investors to freely trade in its shares on the stock market. Therefore, it is the shareholders who should have the final say on whether or not to accept a proposal for a large purchase of shares.

In the case that there is a proposal for a large-scale purchase under the conditions described in (1) above, the Company believes that both the large-scale purchaser and the Company's Board of Directors must provide the shareholders sufficient information and time so that they can appropriately review whether the large-scale purchase would contribute to the Company's corporate value and the common interests of shareholders and then decide whether or not to accept the proposal. If the Company determines that the terms or method of the large-scale purchase should be amended in view of protecting and enhancing corporate value and the common interests of shareholders, the Company will negotiate with the large-scale purchaser and, if necessary, make an alternative proposal. Therefore, the large-scale purchase proposal must also allow sufficient time for processes.

Based on the above perspective, the Company has formulated countermeasures for cases where the large-scale purchase does not comply with the rules of the Plan or where it is otherwise deemed that the large-scale purchase would harm the Company's corporate value and the common interests of shareholders.

Please note that information on the Company's major shareholders is provided in the attachments. Please also note that the Company has not at this time received any large-scale purchase proposals.

2. Details of the Plan

(1) Overview of the Plan

Under the Plan, a large-scale purchaser will be required to follow the stipulated procedures, and when the large-scale purchaser does not comply with the established procedures or it is otherwise deemed that the large-scale purchase would harm the Company's corporate value and the common interests of shareholders, the Company will invoke the countermeasures; namely, it will, in principle, allot share options for subscription without consideration to shareholders as a defense measure against the large-scale purchase. Furthermore, if it deems it appropriate to do so, the Company may invoke such other countermeasures as are recognized in the Companies Act, other laws, and the Articles of Incorporation.

In allocating the share options for subscription ("Share Options") pursuant to the Plan, the Company will: 1) prescribe exercise conditions disallowing the large-scale purchaser or its affiliate thereof to exercise the Share Options, and 2) prescribe a term of acquisition to the effect that the Company can allocate its shares to shareholders other than the large-scale purchaser or its affiliate thereof in exchange for the Share Options.

In the event of the allotment of Share Options without consideration, these exercise conditions and acquisition terms have the potential to significantly dilute the share of the voting rights in the Company that the large-scale acquirer or its affiliate thereof would acquire.

(2) Procedures for invoking the Plan

1) The large-scale purchases targeted by the Plan

The Plan will be applied in cases where a purchase or other for-value transfer of the Company's shares or a proposal for such is made by a person ("Specified Holder") whose purchase or for-value transfer of the Company's shares falls under i. or ii. below (excluding such actions approved by the Company's Board of Directors in advance; such purchases or other acquisitions are hereinafter referred to as "Large-scale Purchases," and persons who conduct or intend to conduct such are hereinafter referred to as "Large-scale Purchasers"):

(i) A purchase or other acquisition in which a share certificate[1] holder[2] holds[3] a ratio of share certificates[4] totaling at least 20% of the share certificates issued by the Company; or

(ii) A tender offer in which the ratio of share certificates[5] that the tender offeror[6] owns[7] or will own, and those that a person having a special relationship with the tender offeror[8] owns, total at least 20% of the share certificates[9] issued by the Company.

2) Public announcement of the Plan and request for the Large-scale Purchaser to provide information

The Company will disclose the details of the Plan in a timely manner in accordance with the Timely Disclosure Rules set by the Tokyo Stock Exchange, and it will publish the details on its website (http://www.bunka-s.co.jp/).

The Company will request Large-scale Purchasers to submit to the Company's Board of Directors a Large-scale Purchase proposal that contains information necessary for reviewing the Large-scale Purchase as set forth below (the "Necessary Information") and a pledge that the Large-scale Purchaser will comply with the procedures set out in the Plan. The Necessary Information and the pledge must be written in Japanese. The Large-scale Purchaser will also be required to submit together with this documentation a certificate of registered matters (*tōki jikō shōmei*), a copy of the articles of incorporation, and any other particulars that certify the identity of the Large-scale Purchaser.

If the Company receives a proposal for a Large-scale Purchase described above, it will promptly submit the proposal to the Independent Committee. If the Board of Directors reasonably decides that, in light of the contents and format of the Large-scale Purchase described therein, the information submitted by the Large-scale Purchaser is insufficient for the shareholders to form a judgment on the proposal or for the Board of Directors to review and evaluate it, the Board will issue a separate request to the Large-scale Purchaser for further information. Such a request will be issued within ten (10) days from the date when proposal or additional information was received.

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[1] Refers to "Share Certificates, etc." (*kabuken tō*) as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies hereinafter except where otherwise stated.
[2] Refers to "holder" (*hoyūsha*) as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. "Holders" includes persons who are deemed such under the provisions of Article 27-23, Paragraph 3. The same applies hereinafter.
[3] Refers to "hold" (*hoyū*) as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same applies hereinafter.
[4] Refers to "Holding Ratio of Share Certificates" (*kabuken tō hoyū wariai*) as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same applies hereinafter.
[5] Refers to "Share Certificates" (*kabuken tō*) as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies in ii. hereinafter.
[6] Refers to "Tender Offeror" (*kōkai kaitsuke-sha*) as defined in Article 27-3, Paragraph 2 of the Financial Instruments and Exchange Act. The same applies hereinafter.
[7] Refers to "own" (*shoyū*) as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies hereinafter.
[8] Refers to "Person in a Special Relationship" (*tokubetsu kankei-sha*) as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, persons provided for in Article 3, Paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer are excluded from the persons described in Article 27-2, Paragraph 7, item 1 of the Financial Instruments and Exchange Act. The same applies hereinafter.
[9] Refers to "Holding Ratio of Share Certificates" (*kabuken tō shoyū wariai*) as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same applies hereinafter.

i. Details (includes full name, capital composition, details of business operations, financial position, and experience in business fields similar to those of the Company) of the Large-scale Purchaser and its group (includes joint holders, persons in a special relationship, or (in the case of foundations) members of the foundation or other constituent members).

ii. The number of shares of the Company that the Large-scale Purchaser and its group hold, and the transactions in the Company's shares that they have conducted in the 60-day period leading up to the date of the submission of the Large-scale Purchase proposal.

iii. The purpose of the Large-scale Purchase (acquisition of control or participation in management; pure investment or strategic investment; any transfer or similar transaction of shares of the Company to a third party after the completion of the Large-scale Purchase; making a material proposal (refers to an "Act of Making Important Suggestion, etc." (juyō teian kōi tō) as defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, Paragraph 1 of the Ordinance for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Ordinance on Disclosure of the Status of Large Volume Holdings of Shares Certificates, etc.; the same applies hereinafter except where otherwise stated); or other purposes, including fact and specific description of them; if there are more than one purposes, all of them are required to be stated), and the method and the details of the Large-scale Purchase (type and number of shares of the Company that the Large-scale Purchaser intends to acquire; amount and type of consideration, timeframe, scheme of any related transactions, propriety of the method, and feasibility of the Large-scale Purchase).

iv. The basis for calculating the purchase price of the Large-scale Purchase (including the facts and assumptions underlying the calculation, the calculation method, the numerical information used in the calculation, and the amount and basis for calculating any synergies that are expected to arise from the series of transactions related to the Large-scale Purchase).

v. Financial support for the Large-scale Purchase (including the full names of the funders (and that of the effective funders), financing methods, and the details of any related transactions).

vi. The management policy and executive staffing policy for the Group following the Large-scale Purchase (including information on experience in business fields similar to those of the Company and its Group).

vii. Policies for the treatment of the employees, business partners, customers, and other stakeholders of the Group following the Large-scale Purchase.

viii. Policy for the return of capital invested in connection with the Large-scale Purchase.

ix. Any other information that the Board of Directors reasonably deems to be necessary.

The Board of Directors will promptly inform the shareholders if any Large-scale Purchase occurs or if it receives a proposal for a Large-scale Purchase or any additional information for a proposal. When the Board of Directors identifies among the information provided by the Large-scale Purchaser any information that it deems necessary for the shareholders to make a decision, it will disclose all or some of this information to the shareholders in timely and appropriate manner.

3) Review procedure of the Company's Board of Directors

If the Company's Board of Directors determines that the proposal submitted by the Large-scale Purchaser contains the Necessary Information (or, in the case that the Board of Directors has requested the Large-scale Purchaser to provide additional information citing the insufficiency of the original information, if it determines that the additionally provided information together with the original information constitutes Necessary Information), it will promptly issue notice to this effect to the Large-scale Purchaser and the Independent Committee. It will also inform the Large-scale Purchaser and the Independent Committee of the beginning and ending date for the Board of Director's review period as specified below, and disclose the information to the shareholders in a timely and appropriate manner pursuant to laws, ordinances, and the Tokyo Stock Exchange's Timely Disclosure Rules. The Board of Directors will then carefully review and evaluate the information for a period of up to 60 days beginning from the day after the notice was dispatched ("Board of Directors' Review Period"), enlisting the advice of outside experts as necessary. During this period, the Board of Directors will carefully form its collective opinion on the Large-scale Purchase while giving all due weight and consideration to any recommendation of the Independent Committee set forth in 4) below. In undertaking its review, the Board of Directors may in some cases negotiate with the Large-scale Purchaser over the terms and method of the Large-scale Purchase or present an alternative proposal to the shareholders.

Except for cases prescribed under 7) below, the Large-scale Purchaser may only commence the Large-scale Purchase once the Board of Directors' Review Period is complete.

4) Establishing the Independent Committee

The Company's Board of Directors will have the final say on whether the procedures comply with the rules set forth in the Plan or, in the case that the rules of the Plan are met, whether to invoke countermeasures as deemed reasonable and necessary for protecting and enhancing the Company's corporate value and the common interests of shareholders. However, to ensure that said decision is reasonable and fair, the Company will establish an Independent Committee which will be independent from the Board of Directors. The Independent Committee will have three (3) to five (5) members. Those eligible for membership will be Outside Directors, attorneys, tax accountants, certified public accountants, academics, individuals with experience in investment banking, and other individuals outside the Company who have experience as directors or executives of other companies. Total three (3) members, Akihiko Kobayashi, Shozo Fujita and Kazufumi Abe, are expected to be the members of the Independent Committee upon the renewal of the Plan. The career summaries of each committee member are shown in Attachment 1 "Names and Career Summaries of the Members of the Independent Committee," and an outline of the Independent Committee is provided in Attachment 2 "Outline of the Regulations of the Independent Committee." The Company will disclose to shareholders a summary of any decision made by the Independent Committee in as appropriate.

5) Procedures for invoking countermeasures

In making a decision to invoke the countermeasures, the Company's Board of Directors will follow the procedures set forth below, which are designed to ensure that the decision is reasonable and fair. Before making this decision, the Board of Directors will consult the Independent Committee on whether or not to invoke the countermeasures. In response to inquiries, the Independent Committee will make its recommendation to the Board of Directors on whether or not to invoke the countermeasures, enlisting the advice of outside experts as necessary (at the expense of the Company). The Board of Directors will then

decide whether to invoke countermeasures, giving all due weight and consideration to the Independent Committee's recommendation.

In addition, a resolution to invoke countermeasures will require the consent of the Company's Audit and Supervisory Committee, including Audit and Supervisory Committee Members who concurrently serves as Outside Directors, and the unanimous approval of all the Company's Directors. If the Board of Directors makes such a resolution, it will promptly provide to the shareholders an outline of its resolution and any other information that it deems necessary to provide.

In forming its decision on whether or not to invoke countermeasures, the Board of Directors, in addition to seeking the opinion of the Independent Committee as described above, may review and evaluate the specific details of the Large-scale Purchaser and the proposed Large-scale Purchase, the impact that the Large-scale Purchase would have on the Company's corporate value and common interests of shareholders, and other relevant matters, by referring to the Necessary Information provided by the Large-scale Purchaser and enlisting the advice of outside experts as necessary.

6) Requirements for invoking countermeasures

i. The Large-scale Purchaser conducts the Large-scale Purchase without adhering to the Plan

If the Large-scale Purchaser does not adhere to the procedures stipulated in the Plan, the Board of Directors will assume that the Large-scale Purchase would be detrimental to the Company's corporate value and the common interests of shareholders regardless of its specific terms and manner, and undertake such countermeasures as are necessary and appropriate for protecting and enhancing the Company's corporate value and the common interests of shareholders, having given all due weight and consideration to the Independent Committee's recommendation.

ii. The Large-scale Purchaser conducts the Large-scale Purchase in accordance with to the Plan

If the Large-scale Purchaser conducts or intends to conduct the Large-scale Purchase in accordance with the Plan, the Board of Directors will not in principle undertake countermeasures against the Large-scale Purchase even though it may oppose the Large-scale Purchase and express its opposition, present an alternative proposal, or put a case to the shareholders. In such case, the shareholders will decide whether to accept the proposal for the Large-scale Purchase while referring to the Necessary Information on the Large-scale Purchase, the opinion of the Board of Directors concerning such, and the alternative proposal.

However, after reviewing the details of the proposed Large-scale Purchase and discussing and negotiating with the Large-scale Purchaser, the Board of Directors may determine that the proposed Large-scale Purchase would harm the Company's corporate values and significantly damage the common interests of shareholders even though the Large-scale Purchaser conducts or intends to conduct the Large-scale Purchase in accordance with the Plan. In such case, the Board of Directors, notwithstanding the start and end date of the Board of Directors' review period, may undertake such countermeasures as are necessary and appropriate for protecting and enhancing the Company's corporate value and the common interests of shareholders, having given all due weight and consideration to the Independent Committee's recommendation. Specifically, the Company considers that the proposed Large-scale Purchase would harm the Company's corporate values and significantly damage the common interests of shareholders if the Company judges that it falls under any of the followings:

(a) Takeovers whose aim is to compel the purchase of the acquired shares at a high price.

(b) Takeovers whose aim is to achieve an advantage for the Large-scale Purchaser to the detriment of the Company, such as a low-cost acquisition of the Company's material assets or technical information.

(c) Takeovers that divert the Company's assets to secure the liabilities or repay the debts of the Large-scale Purchaser.

(d) Takeovers whose aim is to bring about a disposal of the Company's large-amount assets and then either make the Company pay temporary high dividends from the profits of such disposal or sell the shares on at a high price by taking advantage of the sudden temporary rise in share prices created by the temporary high dividends.

(e) Takeovers whose terms are markedly inadequate or inappropriate in light of the Company's corporate values.

(f) Takeovers that have the potential to coerce shareholders into selling shares, such as two-tiered tender offers (no solicitation for purchasing all the shares is made in the initial purchase, and the purchase terms in the second stage are disadvantageous or ambiguous).

(g) Takeovers that result in the Company's future corporate value in the medium-to-long term being markedly worse than it would have been in the case that the takeover had not occurred.

(h) Takeovers in which the Large-scale Purchaser is markedly unfit to be the controlling shareholder of the Company in view of standards of public decency.

(i) Takeovers other than those listed above that fall under any of the following items:

a. It can be objectively and reasonably assumed that the takeover threatens to harm the corporate value of the Company, the common interests of shareholders, as well as the interests of the Company's customers, employees, and other stakeholders.

b. It is deemed that, unless countermeasures are invoked at that time, harm to the corporate value of the Company and the common interests of shareholders would be unavoidable or potentially unavoidable.

7) The Board of Directors' decision on whether or not to implement countermeasures

The Board of Directors will decide whether or not to implement countermeasures giving all due weight and consideration to the recommendation of the Independent Committee.

When the Board of Directors makes a decision on whether or not to implement countermeasures, it will promptly notify the Large-scale Purchaser regarding its decision (notice of a decision not to implement countermeasures is hereinafter referred to as "Notice of Non-implementation Decision") and any matters it may deem appropriate, and disclose this information to the shareholders. The Large-scale Purchaser may conduct the Large-scale Purchase from the business day immediately after the date when the Notice of Non-implementation Decision from the Board of Directors is received.

8) Re-examination by the Board of Directors

If after the Board of Directors has decided whether or not to implement countermeasures, the Large-scale Purchaser alters the terms of or suspends the Large-scale purchase or there are any other changes in the

circumstances that formed the basis for the Board of Directors' decision, the Board of Directors may again consult the Independent Committee and re-examine the Large-scale Purchase, and then decide whether to implement or suspend countermeasures giving all due weight and consideration to the recommendation of the Independent Committee.

When the Board of Directors makes the said decision, it will promptly notify the Large-scale Purchaser regarding its decision and any matters it may deem appropriate, and disclose this information to the shareholders.

(3) Overview of countermeasures

As a countermeasure, the Plan stipulates that the Board of Directors will, in principle, allot the Share Options without consideration as set forth in Attachment 3 "Outline of Share Options."

On a certain date (the "Allotment Date") determined at the meeting of the Board of Directors in which the allotment of Share Options without consideration is resolved, the Share Options will be allotted at an amount determined by the Board of Directors and at a rate of at least one (1) Share Option per share held in the Company to the shareholders (other than the Company) who are recorded in the most recent register of shareholders.

The amount of assets (in cash) to be contributed upon exercise of a Share Option (exercise price) will be one (1) yen, and the holders of the Share Options (the "Share Option Holders") will be issued with one (1) share of the Company's common share upon exercising each Share Option.

However, Specified Holders and their affiliates may not exercise the Share Options.

Aside from contributions upon the exercise of the Share Options, the Company may, pursuant to the terms of acquisition and under certain conditions, acquire Share Options from Share Option Holders other than Specified Holders and their affiliates in exchange for shares in the Company's common share. The Company may under certain conditions acquire all Share Options without consideration.

Acquisitions involving the transfer of Share Options will require the approval of the Board of Directors.

As mentioned in (1) above, aside from the allotment of Share Options without consideration, the Company may, if it deems it appropriate to do so, invoke such other countermeasures as are recognized in the Companies Act, other laws, and the Articles of Incorporation.

If the Board of Directors implements the countermeasure pursuant to the Plan, it will disclose to the shareholders any matters it may deem appropriate in a timely manner.

In invoking countermeasures, the Company may not issue to the Large-scale Purchaser any cash or other economic remuneration regardless of whether it is under the pretext of consideration for the acquisition or transfer of Share Options or any other pretext.

(4) The effective term, abolition, and revision of the Plan

If the Plan is approved by the shareholders at this Ordinary General Meeting of Shareholders, the Plan's effective term will commence upon the close of this Ordinary General Meeting of Shareholders and expire upon the close of Ordinary General Meeting of Shareholders scheduled for June 2020, which pertains to the year ending March 2020. However, the Plan will be abolished even if its effective term has not yet expired if: 1) it is resolved at a General Meeting of Shareholders of the Company to abolish the Plan; or 2) it is

resolved by the Board of Directors to abolish the Plan.

In addition, during the effective term of the Plan, the Board of Directors may, within the scope of its mandate as determined at this Ordinary General Meeting of Shareholders, amend or revise the technicalities of the Plan, enlisting the opinions of the Independent Committee as necessary.

The Plan is predicated on laws and ordinances in force as of May 11, 2017. If after this date it becomes necessary to amend the provisions of the Plan as a result of any enactment, amendment, or abolition of a law or ordinance, the Company will reword to Plan to reflect the relevant legislative change and do so in such a way that does not contradict the underlying principles of the Plan.

If the Plan is to be abolished, amended, or revised, the Company will publically announce the matter promptly together with any other matter deemed necessary by the Board of Directors.

Regarding the future of the Plan beyond the close of the Ordinary General Meeting of Shareholders pertaining to the year ending March 2020, the Company intends to clarify the opinion of the shareholders on whether the Plan should be continued after making any necessary revisions or whether a new plan should be introduced.

3. Impact on shareholders and investors

(1) Impact on shareholders and investors upon the introduction of the Plan

Introducing the Plan will have no direct and particular impact on the legal or economic interests of shareholders or investors as it will not entail any countermeasures per se.

(2) Impact of the allotment of share options without consideration on shareholders and investors

The Share Options will be allotted to the shareholders on the Allotment Date at an amount determined by the Board of Directors, a rate of at least one (1) Share Option per share held in the Company, and without consideration. As such, insofar the Share Options are exercised, the allotment will not entail a dilution of the aggregate value of the shares held by the shareholders.

If on the other hand, shareholders do not exercise their Share Options during the exercise period, the value of the shares they hold will dilute when other shareholders exercise their Share Options. However, by resolution of the Board of Directors and in accordance with the procedures set forth in (4) 2), the Company may acquire Share Options from shareholders who are not prohibited from exercising their rights under the outline of the Share Options and, in exchange for such, issue shares of the Company's common share. If the Company undertakes procedures for such acquisition, the shareholders who are not prohibited from exercising their rights under the outline of the Share Options will receive the Company's shares without exercising Share Options or paying a cash sum equivalent to the exercise price. While this situation will result in a dilution of the per-share value of the shares in the Company held by the shareholders, it will not result in a dilution of the aggregate value of said shares.

After it has determined the shareholders who are to receive the Share Options without consideration, the Company may cancel the allotment of Share Options without consideration or acquire Share Options that it already allotted without consideration. Such an event would not result in a dilution of the per-share value of the shares. Therefore, in such an event, any investor who trades in the Company's shares on the assumption that a dilution of the per-share value of the shares will ensue may suffer a loss commensurate with the

fluctuation in share price.

(3) Impact on shareholders and investors of the exercise or acquisition of share options following the allotment of share options without consideration

Since the exercise and acquisition of Share Options is expected to be subject to discriminatory conditions, a Large-scale Purchaser's legal or economic interests may be diluted upon the exercise or acquisition, but it is not anticipated to be any direct and particular impact on the legal and economic interests connected with shares in the Company that are held by shareholders and investors other than Large-scale Purchasers. Please note, however, that since the transfer of Share Options is itself limited, if shares are issued to shareholders as a result of the exercise or the acquisition of Share Options by the Company after the Allotment Date, the recovery of invested capital the through the transfer of those shares held in the Company that pertain to the Share Options may be restricted accordingly.

(4) Procedures that shareholders must undertake upon the allotment of Share Options without consideration

1) Procedures for exercising Share Options

The Company will send a written Share Options exercise request (in the form specified by the Company, stating the necessary matters for exercising Share Options including the contents and number of the Share Options to be exercised and the exercise date as well as a representation and warranty clause regarding the shareholder's satisfying the exercise conditions of Share Options, an indemnity clause, and other covenants) and other documents necessary for exercising Share Options to the shareholders recorded in the most recent register of shareholders as of the Allotment Date, in principle. After the allotment of Share Options without consideration, the shareholders will be issued one (1) share of the Company's common share per Share Option (or the Applicable Number of Shares after adjustment if such adjustment occurs) upon submitting the necessary documentation during the exercise period of Share Options and paying one (1) yen per Share Option into a payment-handling institution.

2) Procedures for the acquisition of Share Options by the Company

If the Board of Directors determines that the Company should acquire the Share Options, the Company, in accordance with statutory procedures, will acquire the Share Options upon issuing public notice to the Share Options Holders and, in the case of multiple acquisition terms, having its Board of Directors determine each acquisition term separately. If shares in the Company's common share are to be exchanged for the acquisition of the Share Options, the Company will promptly issue the shares to the shareholders. In such case, the shareholders concerned may be separately required to submit, in a form prescribed by the Company, representations and warranties and other written statements on matters such the shareholder not being a Specified Holder.

After resolving to implement the allotment of Share Options without consideration, the Company will issue a public announcement or notice to the shareholders concerning the details of such allotment other than the matters mentioned above, including the method of allotment, the method for registering the transfer of shares, the method of exercise, and method by which the Company will acquire Share Options.

IV. The Reasonableness of the Plan (the fact that the Plan accords with the Basic Policy, is not detrimental to the common interests of shareholders, is not designed to perpetuate the position of the Company's executive officers, and the basis for such)

For the reasons outlined below, the Plan accords with the Basic Policy set forth in I above, is not detrimental to the common interests of shareholders, and is not designed to perpetuate the position of the Company's executive officers.

1. The Plan satisfies the requirements of the Guidelines for Takeover Defense Measures

The Plan fully satisfies the three (3) principles set forth in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 ("the principal of protecting and enhancing the corporate value and shareholders' common interests", "the principal of prior disclosure and shareholder' will," and "the principal of ensuring necessity and reasonableness"), and it is also in accordance with the purport of the Tokyo Stock Exchange's Guidelines for Introducing Takeover Defense Measures.

Furthermore, the Plan has been developed in line with the report titled "Takeover Defense Measures in Light of Recent Environmental Changes" released on June 30, 2008, by the Corporate Value Study Group established by the Ministry of Economy, Trade and Industry.

2. The Plan is to be introduced for the purpose of protecting and enhancing the Company's corporate value and the common interests of shareholders

As mentioned in III above, the Plan is to be introduced for the purpose of protecting and enhancing the Company's corporate value and the common interests of shareholders by ensuring sufficient information and time for the shareholders to make the ultimate decision on whether to accept a proposal for a Large-scale Purchase of the Company's shares and for the Board of Directors to present the shareholders an alternative proposal or negotiate with the Large-scale Purchaser.

3. The Plan respects the will of shareholders

The continuation of the Plan is contingent on the shareholders' approval at this Ordinary General Meeting of Shareholders; if the proposal to continue the Plan is not so approved, it will be abolished forthwith. If it is resolved at the General Meeting of Shareholders to abolish the Plan before the expiration of the effective period of the Plan, the Plan will be abolished upon the passing of that resolution. In this respect, the Plan's continuance as well as its introduction depends on the will of the shareholders.

4. The Plan respects the decisions of outside parties who have a high degree of independence from the Company

As mentioned in III 2. (2) 4), above, upon the continuation of the Plan, the Company will have established the Independent Committee, an organization independent from the Board of Directors designed to ensure that the decisions taken by the Board of Directors are reasonable and fair.

Insofar as the Board of Directors makes decisions, giving all due weight and consideration to the recommendation of the Independent Committee, there will be no arbitrary invocation of the Takeover Defense Measures. Furthermore, the Company discloses to shareholders the outline of the Independent Committee's decision-making as appropriate. In this way, the Company ensures that the Plan is operated in a manner that is conducive to the Company's corporate value and the common interests of shareholders.

5. The Plan sets forth reasonable and objective requirements

As mentioned in III 2. (2) above, the Plan has a mechanism for preventing the Board of Directors from invoking the Takeover Defense Measures arbitrarily in that it includes provisions to the effect that the Takeover Defense Measures cannot be invoked unless predetermined reasonable and objective requirements are satisfied.

6. The Plan provides for obtaining opinions from third-party experts

As mentioned in III 2. (2) 3) and 5) above, the Plan provides that, when a Large-scale Purchaser presents a proposal, the Board of Directors and the Independent Committee can enlist the advice of independent third-party experts at the Company's expense. In this way, the Plan has a mechanism for further ensuring that the decisions taken by the Board of Directors and the Independent Committee are reasonable and fair.

7. The term of a Director of the Company lasts for one (1) year in principle

If the Company's transition into a "Company with Audit and Supervisory Committee" is approved at this General Meeting of Shareholders, the term of a Director of the Company (other than those who are members of the Audit and Supervisory Committee) will be one (1) year. Therefore, the Plan can additionally reflect the will of shareholders with respect to the Directors provided for therein inasmuch as shareholders determine the said Directors by voting for or against annual proposals for the election of Directors.

8. The Plan will not entail dead-hand or slow-hand Takeover Defense Measures

As mentioned in III 2. 4) above, the Plan may be abolished by the resolution of the Board of Directors being composed of Directors who are elected at the Company's General Meeting of Shareholders. Therefore, the Plan will not entail a so-called dead-hand Takeover Defense measure, whereby the defense measures once invoked could not be stopped even if a majority of the members of the Board of Directors were replaced.

Furthermore, the term of a Director of the Company (other than those who are members of the Audit and Supervisory Committee) will be one (1) year assuming that the Company's transition into a "Company with Audit and Supervisory Committee" is approved, and while the term of a Director who is a member of the Audit and Supervisory Committee will remain two (2) years, the Company has not adopted a system of staggered terms of office for Directors. Therefore, the Plan will not entail a slow-hand Takeover Defense measure, whereby the Takeover Defense Measures once invoked would take more time to stop because the members of the Board of Directors could not be replaced all at once.

(Attachment 1)

Names and career summaries of the members of the Independent Committee

The following three individuals are expected to be the members of the Independent Committee

Akihiko Kobayashi

April 1986	Joined Tokyo Bar Association
April 1986	Joined Yoshihiro Kataoka Law Office (currently KATAOKA & KOBAYASHI)
June 1990	Partner of Yoshihiro Kataoka Law Office
April 2002	Member of Research Group for Corporate Institution, Ministry of Economy, Trade and Industry
April 2003	Director of Movable Property Bond Security Law Subcommittee, Legislative Council
April 2016	Professor, Graduate School of Law, Chuo University (present position)
April 2016	Member, Kanagawa Prefecture Public Fund Management Committee (present position)

Shozo Fujita

April 1976	Appointed Public Prosecutor
April 1986	First Secretary Permanent Mission of Japan to the International Organization in Geneva
April 1990	Public Prosecutor of the Tokyo District Public Prosecutor's Office
April 1997	Director of the Criminal Affairs Division of the Criminal Affairs Bureau, Ministry of Justice
June 2000	Director of the Public Security Division of Tokyo District Public Prosecutor's Office
September 2003	Chief Prosecutor of Saga District Public Prosecutor's Office
January 2008	Director of the Public Security Division of Supreme Public Prosecutor's Office
July 2008	Director of the Lay Judge Trial Department of the Supreme Public Prosecutor's Office
June 2010	Superintending Prosecutor of Hiroshima High Public Prosecutor's Office
December 2010	Superintending Prosecutor of Nagoya High Public Prosecutor's Office
August 2011	Retired at mandatory age
September 2011	Joined Tokyo Bar Association
April 2012	Director of The Resolution and Collection Corporation
June 2012	Representative Director and President of The Resolution and Collection Corporation
October 2015	Resigned as Representative Director and President of The Resolution and Collection Corporation
November 2015	Joined Okuno & Partners
June 2016	Outside Corporate Auditor of the Company (present position)

*If Proposal 2 and Proposal 4 are approved at this Ordinary General Meeting of Shareholders,
Shozo Fujita will assume office of Outside Director who is a member of the Audit and Supervisory Committee.

Kazufumi Abe

April 1974	Joined Sumitomo Light Metal Industries, Ltd. (currently UACJ Corporation)
June 2000	General Manager of Purchasing Department of Sumitomo Light Metal Industries, Ltd.
April 2006	Executive Officer, General Manager of Purchasing Department of Sumitomo Light Metal Industries, Ltd.
April 2010	Managing Executive Officer, Deputy General Manager of Corporate Administration Division of Sumitomo Light Metal Industries, Ltd.
June 2013	Audit & Supervisory Board Member of Sumitomo Light Metal Industries, Ltd.
October 2013	Full-time Statutory Auditor of UACJ Corporation
June 2016	Outside Corporate Auditor of the Company (present position)

*If Proposal 2 and Proposal 4 are approved at this Ordinary General Meeting of Shareholders, Kazufumi Abe will assume office of Outside Director who is a member of the Audit/Supervisory Committee.

(Attachment 2)

Outline of the Regulations of the Independent Committee

Article 1 The Independent Committee shall be established by resolution of the Company's Board of Directors. The purpose of the Independent Committee shall be to provide recommendations on whether or not to implement countermeasures against the Large-scale Purchase based on the Plan regarding Large-scale Purchases of the Company's Shares (Takeover Defense Measures, hereinafter referred to as "the Plan"), in response to the inquiry of the Board of Directors and contribute to ensuring the objectivity and rationality of decisions by the Board of Directors.

Article 2

1. The Independent Committee shall have no less than three (3) and no more than five (5) members, and person who satisfies the conditions below will be elected. Elected members shall, in principle, enter into an agreement with the Company that includes a clause on duty of care of good manager with respect to the Company.

   1) Is not now serving and has not in the past served as a director or corporate auditor (excluding outside director or outside corporate auditor, hereinafter referred to as "Executive Officer") of the Company, a subsidiary or an affiliated company (hereinafter collectively referred to as "the Company, et al.")

   2) Is not a relative within a certain degree of a current or past Executive Officer of the Company, et al.

   3) Has not in the past three (3) years been a director or auditor of a financial institution with which the Company, et al. currently do business

   4) Has not in the past three (3) years been a director or auditor of a business partner with which the Company has done more than a certain amount of business

   5) Is not a business partner of the Company, et al. and has no special interests in the Company, et al.

   6) Has at least a certain degree of experience, expertise and knowledge of corporate management (an experienced corporate manager, a person having detailed knowledge of investment banking, an attorney, a certified public accountant, a scholar whose study focuses on areas such as corporate law or any other person equivalent thereto)

2. Election and dismissal of members shall be by resolution of the Board of Directors. When dismissing a member, the resolution must be by a vote of at least two-thirds of the Directors in attendance.

3. The term of office of the members shall be from their election until the conclusion of the Ordinary General Meeting of Shareholders in March 2020.

Article 3 The Independent Committee shall, in principle, deliberate and then adopt resolutions on the matters indicated in each item below. Furthermore, with reasons attached to the contents of those resolutions, it shall make recommendations to the Company's Board of Directors. The Board of Directors shall give all due weight and consideration to the recommendation of the Independent Committee.

1) Whether or not a Large-scale Purchaser complies with the procedures set forth in the Plan

2) Determination of whether the content of the purchase proposal harms the Company's corporate value and the common interests of the shareholders and whether or not to implement countermeasures

3) Cancellation of countermeasures

4) Matters other than 1) and 3) for which the Independent Committee is granted authority within the Plan

5) Matters relating to the Plan on which the Company's Board of Directors consults with the Independent Committee (including deliberation on alternative proposals prepared by the Board of Directors)

6) Any other matters which the Board of Directors stipulates that the Independent Committee can handle

Article 4 Resolutions by the Independent Committee shall, as a general rule, be adopted by approval of a majority of the Independent Committee members when all of the members are in attendance.

Article 5 The Independent Committee may, at the Company's expense, obtain the advice of an independent third party (including investment banks, securities companies, financial advisers, attorneys, certified public accountants and other experts).

Article 6 The Independent Committee may be convened by resolution of the Board of Directors.

Article 7 If deemed necessary for deliberations by the Independent Committee, the Board of Directors may have a Director attend the meetings of the Independent Committee, and it may then require the Independent Committee to provide an opportunity to explain necessary matters.

Article 8 The Independent Committee must respond to requests from the Board of Directors and provide an explanation of the reasons and basis for its recommendations.

(Attachment 3)

Outline of Share Options

1. Entitled shareholders

   On a certain date (the "Allotment Date") determined at the meeting of the Board of Directors in which the allotment of Share Options without consideration ("Resolution for the Allotment of Share Options without Contribution") set forth in this outline is resolved, the Share Options will be allotted at an amount determined by the Board of Directors and at a rate of at least one (1) Share Option per share held in the Company to the shareholders (other than the Company) who are recorded in the most recent register of shareholders.

2. Total number of Share Options issued

   The total number will be determined by the Company's Board of Directors and will be at least the final total number of common shares issued (excluding the number of common shares held by the Company) on the Allotment Date.

3. Effective date of allotment of Share Options without contribution

   The effective date shall be the date set forth in the Resolution for the Allotment of Share Options without Contribution.

4. Type and number of shares to be acquired upon exercise of Share Options

   1) Type of shares to be acquired upon exercise of Share Options

      The type of shares to be acquired upon exercise of the Share Options shall be the Company's common share.

   2) Number of shares to be acquired upon exercise of Share Options

      The number of such shares per Share Option ("Applicable Number of Shares") shall be one (1) share.

      However, if the Applicable Number of Shares is to be adjusted in accordance with Paragraph 5, the total number of shares to be acquired upon exercise of Share Options shall be adjusted according to the Applicable Number of Shares after adjustment.

5. Adjustment of number of shares to be acquired upon exercise of Share Options

   1) In the event that the Company is to split or combine shares or engage in a merger or company split after the Allotment Date, the Applicable Number of Shares shall be adjusted as appropriate in consideration of the conditions.

   2) In the event that the Applicable Number of Shares is adjusted, the Company shall provide written notice to each holder of Share Options or official notice via the method set forth in the Articles of Incorporation that includes the intent, the reasons, the Applicable Number of Shares before and after adjustment, the date of application and other necessary matters. This shall be done without delay on or after the date of application.

6. Amount to be paid upon exercise of Share Options

   There shall be no charge.

7. Amount of assets to be contributed upon exercise of Share Options

The amount ("Exercise Price") of assets (cash) to be contributed upon exercise of one (1) Share Option shall be one (1) yen.

8. Exercise period of Share Options

The exercise period shall start on the first day ("Exercise Period Commencement Date") set forth in the Resolution for the Allotment of Share Options without Contribution and shall continue for the period set forth in the Resolution for the Allotment of Share Options without Contribution. However, if the Company is to acquire Share Options in accordance with Paragraph 10, Share Options may not be exercised from the date of written or official notice of the acquisition until the date of the acquisition. If the final day of the Exercise Period is not a bank business day, the final day shall be the next bank business day.

9. Conditions for exercising Share Options

1) In this outline, the phrases below shall have the meanings set forth below unless otherwise specified:

a. "Specified Holder" refers to a holder whose purchase or for-value transfer of the Company's shares falls under:

I A purchase or other acquisition in which a share certificate holder holds a ratio of share certificates totaling at least 20% of the share certificates issued by the Company;

II A tender offer in which the ratio of share certificates that the tender offeror owns or will own, and those that a person having a special relationship with the tender offeror owns, total at least 20% of the share certificates issued by the Company.

b. "Shares" in I refers to "Share Certificates, etc." as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies hereinafter except where otherwise stated. "Shares" in II refers to "Share Certificates, etc." as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act.

c. "Holder" refers to "Holder" as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. "Holders" includes persons who are deemed such under the provisions of Article 27-3, Paragraph 3.

d. "Hold" refers to "Hold" as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act.

e. "Holding Ratio of Shares" refers to "Holding Ratio of Share Certificates, etc." as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act.

f. "Tender Offeror" refers to "Tender Offeror" as defined in Article 27-3, Paragraph 2 of the Financial Instruments and Exchange Act.

g. "Own" refers to "own" as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act.

h. "Persons in a Special Relationship" refers to "Persons in a Special Relationship" as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, persons provided for in Article 3, Paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer are excluded from the persons described in Article 27-2, Paragraph 7, item 1 of the Financial Instruments and Exchange Act.

i. "Share Holding Rate" refers to "Holding Ratio of Share Certificates" as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act.

2) The persons set forth below may not exercise Share Options:

Specified holders, other joint holders (this refers to joint holders as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act and includes those deemed to be joint holders based on Article 27-23, Paragraph 6), persons in special relationship or those with substantial control over them, those with joint control or those that the Company's Board of Directors determines act in unity with these (however, this shall not apply to those whose acquisition or holding of the Company's shares the Board of Directors determines does not harm the Company's corporate value or common interests of shareholders)

3) The Company shall bear no liability for damages or otherwise toward holders of Share Options even if they are unable to exercise their Share Options based on the provisions of 2) above.

4) Partial exercise of Share Options shall not be permitted.

10. Acquisition of Share Options by the Company

1) At any time on or before the date immediately prior to the Exercise Period Commencement Date following the effective date of allotment of Share Options without contribution (however, such date if the Company's Board of Directors stipulates alternative date), if the Company's Board of Directors recognizes that it is appropriate for the Company to acquire the Share Option, the Company may, on the date separately determined by the Company's Board of Directors, acquire all of the Share Options without consideration.

2) On a date separately determined by the Company's Board of Directors within the period up until the end of the exercise period of Share Options set forth in Paragraph 8, the Company may acquire the Share Options of those who can exercise Share Options in accordance with Paragraph 9 by exchanging the applicable number of common shares for each Share Option.

11. Exercise of voting rights at the General Meeting of Shareholders by shareholders who acquire new shares by exercising Share Options or through acquisition by the Company

After the record date established by the Company, shareholders who acquire new shares by exercising Share Options or through acquisition of rights by the Company may exercise voting rights at the General Meeting of Shareholders.

12. Transfer of Share Options

Acquisition by transfer of Share Options must be approved by the Company's Board of Directors.

13. Issuance of Share Options and the conditions thereof in the event of combination, company split, share exchange or share transfer shall be decided by the Company's Board of Directors within the Resolution for the Allotment of Share Options without Contribution.

14. Non-issuance of certificates for Share Options

Certificates for Share Options shall not be issued.

15. Increase in capital stock and legal capital surplus when issuing new shares with exercising of Share Options

When common shares are issued with the exercising of Share Options, the increase in capital stock shall be the total amount of the Exercise Price, and the legal capital surplus shall not be increased.

16. Request for exercise of Share Options and method of payment

Share Options are exercised by filling out the required items on the designated exercise request (in the form specified by the Company, stating the necessary matters for exercising Share Options including the contents and number of the Share Options to be exercised and the exercise date as well as a representation and warranty clause regarding the shareholder's satisfying the exercise conditions of Share Options, an indemnity clause, and other covenants), signing it and, if necessary, submitting the separately specified documents required for exercising Share Options and other documents ("Attached Documents") sometimes required by the Companies Act, the Financial Instruments and Exchange Act and related laws (including rules established by the Japan Securities Dealers Association and Japan's financial instruments exchange) to the payment-handling institution within the period specified in Paragraph 8, and then paying the amount corresponding to the total Exercise Price for exercising the Share Options to the payment-handling institution.

17. Timing of exercise of Share Options coming into effect

Exercise of Share Options shall take effect when the exercise request and Attached Documents described in Paragraph 16 arrive at the place where exercise requests are accepted and the amount corresponding to the Exercise Price of the Share Options associated with the exercise thereof is deposited into the designated account.

18. Amendment of laws and regulations

After the allotment of Share Options without contribution, if it becomes necessary to revise the terms of this outline due to enactment, amendment or abolishment of laws and regulations, the terms of this outline shall be read accordingly as reasonable, taking into consideration the purposes of such enactment, amendment or abolishment.

Attachment 4

I. The circumstances of The Company's shares (as of March 31, 2017)

1. Number of shares authorized to be issued by the Company: 288,000,000 shares

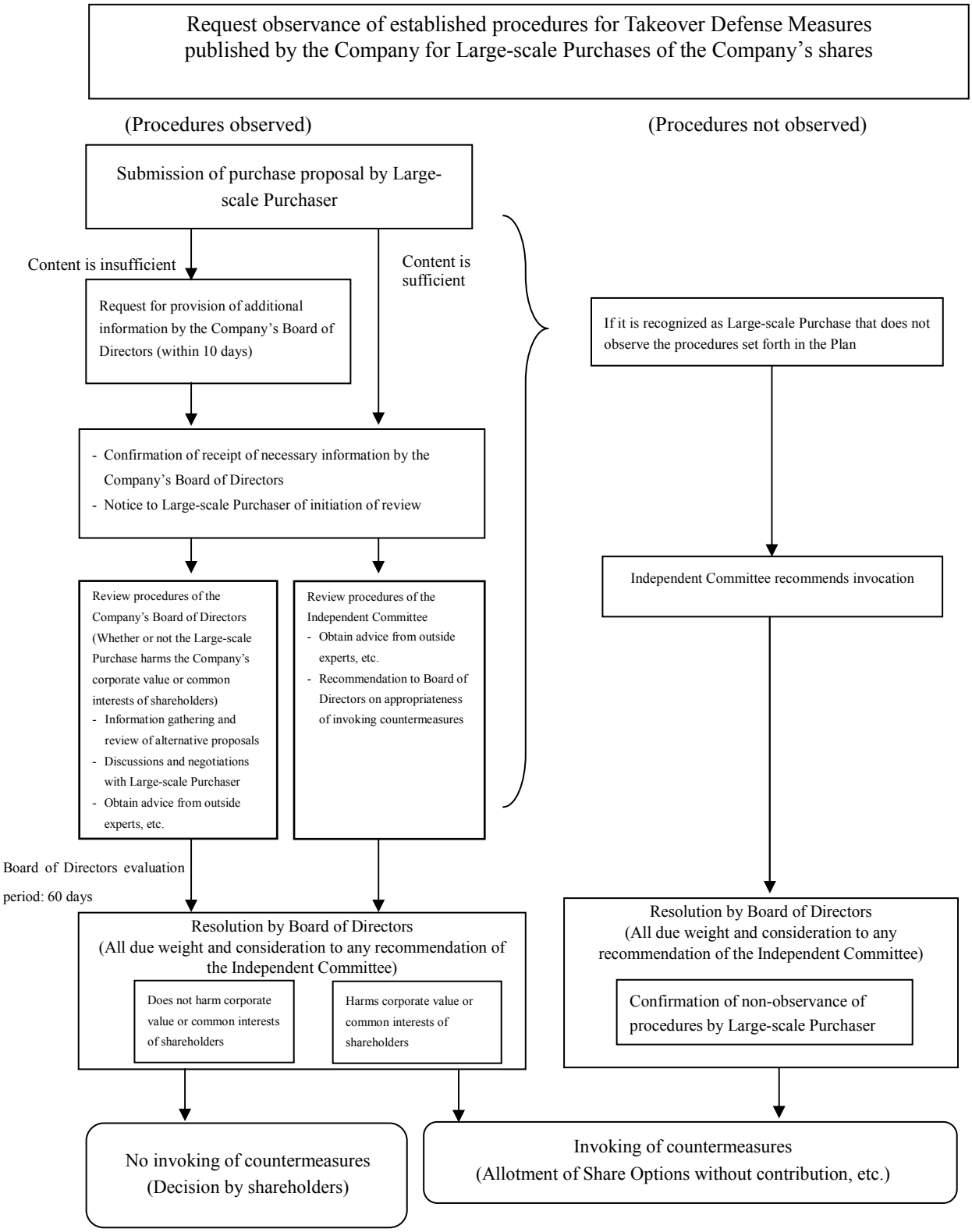
2. Number of outstanding shares: 72,196,487 shares (including 478,677 treasury shares)

3. Number of shareholders: 4,422 persons (excluding treasury shares)

4. Major shareholders (top 10 shareholders)

Name	Ownership of the Company's shares	
	Number of shares held (thousand shares)	Shareholding ratio (%)
Bunka Shutter Affiliate Companies Holdings Association	5,306	7.35
The Dai-ichi Life Insurance Company, Limited	3,260	4.51
Mizuho Bank, Ltd.	2,934	4.06
Bunka Shutter Employee Holdings Association	2,829	3.91
Japan Trustee Services Bank, Ltd. (Trust Account)	2,524	3.49
NIPPON STEEL & SUMITOMO METAL CORPORATION	2,023	2.80
SUMITOMO CORPORATION	1,834	2.54
JP MORGAN CHASE BANK 385632	1,776	2.46
Yodogawa Steel Works, Ltd.	1,669	2.31
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,560	2.16

II. **Flowchart of Initiation of Large-Scale Purchase of the Company's Shares** (Advance Warning)



Note: This flowchart provides an overview of the procedures of the Plan. See the original document for details.