

For immediate release



Name of Listed Company:	Gurunavi, Inc.
Listed Stock Exchanges:	Tokyo Stock Exchange
Stock Code:	2440
Representative:	Seiichiro Kubo, President

Notice regarding introduction of a restricted stock compensation plan

March 30, 2018— The board of directors of Gurunavi, Inc. (“the Company”) today reviewed the executive compensation plan of the Company and resolved to introduce a restricted stock compensation plan (the “Compensation Plan”) and to submit a relevant proposal to the 29th annual general meeting of shareholders scheduled on June 20, 2018 (the “General Meeting of Shareholders”).

1. The purpose and conditions regarding the introduction of the Compensation Plan

(1) Purpose of the introduction of the Compensation Plan

The Compensation Plan is introduced in order to provide an incentive for the Company’s directors including external directors (“Eligible Directors”) to improve medium to long-term business performance and increase the Company’s corporate value, and to further promote value sharing with shareholders.

(2) Conditions for the introduction of the Compensation Plan

Under the Compensation Plan, since compensation for the Eligible Directors for granting restricted stocks shall be monetary compensation receivables, the introduction of the Compensation Plan is subject to approval at the General Meeting of Shareholders.

It was approved at the 22nd annual general meeting of shareholders held on June 17, 2011 that the compensation amount of the Company’s directors (excluding external directors) shall be within 370 million yen per year (provided that the portion of employee’s salary payable to the Company’s directors who concurrently serve as employees is not included), the compensation amount of the Company’s external directors shall be within 30 million yen per year, and the stock acquisition rights as the share remuneration-type stock options shall be issued within the above compensation amount. Also, it was approved at the 23rd annual general meeting of shareholders held on June 22, 2012 that the stock acquisition rights as the incentive-type stock options shall be issued within the above compensation amount. At the General Meeting of Shareholders, the Company plans to propose the introduction of the Compensation Plan as replacement for the above compensations regarding stock acquisition rights as stock options, and the establishment of an amount for the Compensation Plan for Eligible Directors for resolution.

Subject to the approval of the Compensation Plan at the General Meeting of Shareholders, stock options for the Eligible Directors shall be discontinued except for those already granted, and the Company will not issue new stock acquisition rights as stock options for the Eligible Directors.

2. Overviews of the Compensation Plan

The Eligible Directors shall make in-kind contribution of all monetary compensation claims to be provided by the Company according to the Compensation Plan, and shall, in return, receive the Company's common shares that will be issued or disposed of by the Company.

In addition, the total amount of monetary compensation claims to be paid to the Eligible Directors based on the Compensation Plan shall be within 270 million yen per year (of which the amount to be paid to the eligible external directors shall be within 20 million yen per year, provided, however, that the portion of employee's salary payable to the Company's directors who concurrently serve as employees is not included). Specific timing of payment thereof and allotment to each of the Eligible Directors shall be determined by the board of directors.

The total number of common shares to be issued or disposed of by the Company in the Compensation Plan shall be no more than 210,000 shares per year (in the event of a share split including a gratis allotment of the Company's common stock or consolidation of shares of common stock of the Company that is effective after the date the Compensation Plan is approved at the General Meeting of Shareholders, the total number of shares shall be adjusted as necessary within a reasonable range, in accordance with the split ratio or consolidation ratio, etc., from the effective date onward). The amount to be paid-in per share shall be the closing price of the Company's common share on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the board of directors (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day).

In addition, the issuance or disposal of the Company's common shares (the "Shares") shall be subject to the conclusion of a Restricted Stock Allotment Agreement including the following content between the Company and each Eligible Director who is scheduled to be provided with the restricted stock compensation:

- 1) The Eligible Director shall not transfer, create a security interest on, or otherwise dispose of the allotted shares during a certain restriction period, and
- 2) The Company shall acquire the Shares without consideration in the case where certain events happen, etc.

During the transfer restriction period, the Shares shall be managed in a dedicated account opened at Nomura Securities Co., Ltd. by each of the Eligible Directors so that the Shares cannot be transferred, created a security interest on or otherwise disposed of during the transfer restriction period.