

Disclaimer

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(Securities code: 2678)
July 17, 2018

To Shareholders with Voting Rights:

Shoichiro Iwata
Representative Director, President and
Chief Executive Officer
ASKUL Corporation
3-2-3 Toyosu, Koto-ku, Tokyo 135-0061
JAPAN

**NOTICE OF
THE 55TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

You are cordially invited to attend the 55th Annual General Meeting of Shareholders of ASKUL Corporation (the "Company"). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc. In that case, please review the attached Reference Documents for the General Meeting of Shareholders, follow the "Instruction for exercise of voting rights" (page 3), indicate your approval or disapproval for each of the proposals on the enclosed Voting Right Exercise Form, and return the form to the Company so that it is received by 5:30 p.m. on Wednesday, August 1, 2018, or enter your vote using the Internet, etc. by the above deadline.

- 1. Date and Time:** Thursday, August 2, 2018 at 10:00 a.m. Japan time
- 2. Place:** 2F Diamond room, Hotel Grand Palace
1-1-1, Iidabashi, Chiyoda-ku, Tokyo, Japan
We have stopped distributing souvenirs which were previously given to shareholders in attendance on the day of the General Meeting of Shareholders. Your kind understanding on this would be appreciated.
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 55th Fiscal Year (May 21, 2017 – May 20, 2018)
 2. Results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of 10 Directors
 - Proposal 3:** Election of 1 Audit & Supervisory Board Member
 - Proposal 4:** Determination of Remuneration for Granting Restricted Stock to Directors

Notice

- The following matters are posted on the Company's website (<https://www.askul.co.jp/kaisya/ir/>; available only in Japanese) on the Internet in accordance with laws and regulations, as well as the provision in Article 17 of the Articles of Incorporation of the Company. Therefore, they are not included in this Notice. Accordingly, the documents provided in this Notice are part of the Business Report and the Consolidated and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members in the preparation of their Audit Report and also by the Accounting Auditor in the preparation of the Accounting Auditor's Report.
 - "Structure and Policy of the Company" in the Business Report
 - "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- Any amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements will be posted on the Company's website (<https://www.askul.co.jp/notice/>; available only in Japanese).

■ Instruction for exercise of voting rights

If attending the General Meeting of Shareholders

Please submit the enclosed Voting Right Exercise Form at the reception desk.

In case of voting by proxy at the meeting, you may delegate your voting rights to one other shareholder who has voting rights. Please have the proxy present the power of attorney.

Please bring this Notice with you to the meeting in order to conserve resources.

Date and time of the meeting:	Thursday, August 2, 2018 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m.)
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Please note that Directors and employees of the Company will be dressed in cool biz style (light business attire) at the meeting as measures for conserving energy in view of the prevention of global warming. Thank you for your understanding.

If you are unable to attend the General Meeting of Shareholders

Mail

Please indicate your approval or disapproval for each of the proposals on the enclosed Voting Right Exercise Form and send it back to the Company.

If there is no indication regarding your approval or disapproval for respective proposals on the Voting Right Exercise Form, it shall be deemed as an approval.

Voting right exercise deadline:	Must be delivered by 5:30 p.m. on Wednesday, August 1, 2018
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Internet Please see the next page for details.

Please enter your approval or disapproval for each of the proposals on the website for exercising voting rights (<https://soukai.mizuho-tb.co.jp/>).

Voting right exercise deadline:	Must be exercised by 5:30 p.m. on Wednesday, August 1, 2018
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[Guide] Questions and comments online

From 12:00 p.m. (noon) on July 17, 2018 (Tuesday) to 12:00 p.m. on July 27, 2018 (Friday), comments and questions from shareholders will be accepted online. Such questions and comments which are relevant to the meeting agenda of the General Meeting of Shareholders will be organized and answered at the meeting. Please understand that questions and comments not related to the meeting agenda may not be answered. For information about how to submit questions and comments, please see the Company's website (<https://www.askul.co.jp/holders/>).

■ Guide to exercise of voting rights via the Internet

If you choose to exercise voting rights via the Internet, please first read the following items, access the website for exercising voting rights, enter the “Voting Rights Exercise Code” and “Password” provided on the right section of the Voting Right Exercise Form, and then follow the guide on the screen to exercise your voting rights.

1. Access the website for exercising voting rights

Website for exercising voting rights: <https://soukai.mizuho-tb.co.jp/>; available only in Japanese

Alternatively, use a search engine to search for “Voting Rights Exercise Mizuho.”

Voting Rights Exercise Mizuho	Search
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Please read “Voting Rights Exercise Online,” and then click “Next.”

2. Login

Please enter the “Voting Rights Exercise Code,” and then click “Login.”

* The “Voting Rights Exercise Code” and “Password” are provided on the right section of the “Voting Right Exercise Form” enclosed with this Notice.

3. Enter your Password

A password change page opens. Please **type in your initial Password**, and then **register a new password** that you will use.

Next, please follow the instructions on the screen to enter approval or disapproval for each proposal.

Notes

- Passwords serve as a means of checking that the person voting is actually a legitimate shareholder. Please keep your password safe until the end of the General Meeting of Shareholders. We cannot answer inquiries about your password made by telephone, etc.
- If you enter wrong Password more than a certain number of times, the session will be locked and will become unavailable. If the session is locked, please follow the instructions on the screen.
- We have confirmed that the website for exercising voting rights operates normally with a typical Internet connection environment, but you may not be able to use it depending on the device that you are using.
- If you exercise your voting rights both in writing and via the Internet, the vote via the Internet will be deemed as valid.
- If you exercise your voting rights via the Internet for multiple times, only the last vote will be deemed as valid.

If you have questions about how to use your computer to exercise voting rights via the Internet, please inquire at the phone number below.

Inquiries about use of the website for exercising voting rights
Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.
[Telephone] 0120-768-524 (toll free only from Japan)
Operating hours: 9:00 a.m. to 9:00 p.m. (Except for weekends and public holidays)

Electronic voting platform for institutional investors
Institutional investors may also utilize an electronic voting platform operated by ICJ, Inc., in addition to the options above, if they have applied to use the platform in advance.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

Matters concerning year-end dividend

As for the distribution of profits, the Company's policy is to pay dividends by comprehensively considering the balance of "securing internal reserves as funds for capital investment aiming at enhancing corporate value over medium to long term" and "dividend policies as return to shareholders to respond to the shareholders' requirements," while maintaining sound cash flows and a stable financial structure.

Currently, the Company is at a new growth stage involving greater revenue and greater profit for the whole company, in which the Company has been working to expand the business of LOHACO with an aim for maximizing future revenue, and to expand the business field of the B-to-B business into every possible workplace.

Going forward, the Company will continue to expand businesses while improving its revenue, and for returning profit to shareholders, the Company will take the basic policy of linking the dividend to the business performance. The Company will also strive to maintain continuous and stable dividend payouts, although we are spending cost strategically with the goal of expanding revenue in the medium term.

Under such circumstances, the Company would like to propose the following as dividend for the fiscal year under review.

- (1) Type of property for dividend
Cash
- (2) Matters concerning allotment of dividend property to shareholders and the total amount of dividend
18 yen per share of common stock of the Company
Total amount: 917,505,738 yen
- (3) Effective date of distribution of surplus
August 3, 2018

Total dividend for the fiscal year under review will be 36 yen per share, with an interim dividend of 18 yen per share, which has already been paid.

Proposal 2: Election of 10 Directors

The terms of office of all 10 current Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 10 Directors, including 5 Outside Directors, is proposed.

The names and career summary of the candidates are as follows:

No.		Name	Current positions and responsibilities at the Company
1.	[Reappointment]	Shoichiro Iwata	Representative Director, President and Chief Executive Officer (CEO)
2.	[Reappointment]	Hitoshi Yoshida	Director, Chief Operating Officer (COO), B-to-B Company Director in charge of risk management
3.	[Reappointment]	Akira Yoshioka	Director, Chief Operating Officer (COO), B-to-C Company
4.	[Reappointment]	Hironori Koshimizu	Director, Executive Officer, Executive Officer of EC Marketing Unit, B-to-C Company
5.	[Reappointment]	Miyoko Kimura	Director, Chief Marketing Officer (CMO), Executive Officer, Executive Officer of Life Creation Unit and Value Creation Center Unit, B-to-C Company
6.	[Reappointment]	Kazuo Toda [Outside Director] [Independent Director]	Outside Director
7.	[Reappointment]	Koji Imaizumi [Outside Director]	Outside Director
8.	[Reappointment]	Takao Ozawa [Outside Director]	Outside Director
9.	[Reappointment]	Hideaki Miyata [Outside Director] [Independent Director]	Outside Director
10.	[Reappointment]	Atsushi Saito [Outside Director] [Independent Director]	Outside Director

No.	Name (Date of birth)	Career summary, positions and responsibilities and significant concurrent positions	Number of shares of the Company held
1.	Shoichiro Iwata (August 14, 1950) [Reappointment]	March 1973 Joined Lion Fat and Oil Co., Ltd. (current Lion Corporation) March 1986 Joined PLUS Corporation March 1987 Manager, Product Development Division of PLUS Corporation May 1992 Manager of ASKUL Business Project, Sales Division November 1995 Manager, ASKUL Business Division March 1997 Representative Director, President of the Company (to present) May 2000 Chief Executive Officer (CEO) (to present) November 2002 Director of ASKUL e-Pro Service Corporation (current Soloel Corporation) June 2006 External Director of Shiseido Company, Limited November 2010 Director of AlphaPurchase Co., Ltd. (to present) July 2012 Director and Chairman of Soloel Corporation July 2015 Outside Director of Minnano Wedding Co., Ltd. [Significant concurrent positions] Director of AlphaPurchase Co., Ltd.	903,345 shares
[Reason for nomination as candidate for Director] Since his appointment as Representative Director of the Company in March 1997, Mr. Shoichiro Iwata has led the ASKUL Group to dramatic growth and improved its corporate value with his advanced insight in the field of marketing and his high aspirations for the Company as an e-commerce corporation, as well as his strong leadership. From his track records as President of the Company and his appropriate fulfillment of his duties, the Company has deemed that he is suitable as a candidate for Director, and renominated him as a candidate for Director to achieve further growth of the ASKUL Group.			

(Note) There are no special interests between Mr. Shoichiro Iwata and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2.	Hitoshi Yoshida (January 20, 1958) [Reappointment]	April 1980 Joined Victoria Inc. December 2000 Joined the Company March 2004 Business Leader, Catalogue Planning Operation, Office Life Creation August 2006 Manager, Living Supplies Division, Office Life Creation March 2008 Chief General Manager, Office Life Creation August 2009 Executive Officer in charge of Products August 2011 Executive Officer in charge of ECR of the Company Representative Director and Chairman of Bizex Corporation (current ASKUL LOGIST Corporation) July 2012 Executive Officer, Chief Operating Officer (COO), B-to-B Company of the Company August 2012 Director, Chief Operating Officer (COO), B-to-B Company August 2017 Director, Chief Operating Officer (COO), B-to-B Company, Director in charge of risk management (to present) [Significant concurrent positions] Not applicable	1,288 shares
[Reason for nomination as candidate for Director] Since joining the Company, Mr. Hitoshi Yoshida has served as Chief General Manager and Executive Officer of products division, Executive Officer of logistics division and as Director of ASKUL Group companies. Currently, he contributes to the sustainable growth of ASKUL business as Director and Chief Operating Officer (COO) of B-to-B Company. He possesses extensive business experience and track records in the Company, as well as knowledge on B-to-B business operations. Furthermore, from his efforts to enhance governance as Director in charge of risk management, along with his appropriate fulfillment of his supervisory function over business execution and duties, the Company has deemed that he is suitable as a candidate for Director, and renominated him as a candidate for Director.			

(Note) There are no special interests between Mr. Hitoshi Yoshida and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3.	Akira Yoshioka (January 12, 1968) [Reappointment]	April 1992 Joined The Seiyo Corporation January 2001 Joined the Company August 2005 Business Leader, Medical & Care August 2006 Chief General Manager, Medical & Care August 2011 Executive Officer in charge of Medical & Care July 2012 Executive Officer, Chief Operating Officer (COO), B-to-C Company August 2012 Director, Chief Operating Officer (COO), B-to-C Company (to present) July 2017 Representative Director and Chairman of charm Inc. (to present) [Significant concurrent positions] Representative Director and Chairman of charm Inc.	731 shares
[Reason for nomination as candidate for Director] Since joining the Company, Mr. Akira Yoshioka has served as Chief General Manager and Executive Officer of the Company's Medical & Care Business division. Currently, he leads the LOHACO business to growth as Director and Chief Operating Officer (COO) of B-to-C Company. From his extensive business experience and track records in the Company, the knowledge he possesses on e-commerce business operations, and his appropriate fulfillment of his duties, the Company has deemed that he is suitable as a candidate for Director, and renominated him as a candidate for Director.			

(Note) There are no special interests between Mr. Akira Yoshioka and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4.	Hironori Koshimizu (October 31, 1977) [Reappointment]	February 2000 Joined e-Group Co., Ltd. September 2001 Joined Yahoo Japan Corporation February 2006 Joined Hatena Co., Ltd. Executive Officer in charge of Advertising Business December 2006 Director August 2009 Joined GREE, Inc. November 2013 General Manager, Platform Division, WebGame Business Unit October 2014 Joined Yahoo Japan Corporation, seconded to the Company November 2014 Executive Officer, Executive Officer of LOHACO Advertising and Sales Promotion Division, B-to-C Company of the Company March 2016 Executive Officer, Executive Officer of LOHACO Publicity and Sales Promotion Unit and Chief General Manager, LOHACO Lifestyle Research Laboratory, B-to-C Company August 2016 Director of the Company March 2017 Director, Executive Officer, Executive Officer of EC Marketing Unit, B-to-C Company (to present) [Significant concurrent positions] Not applicable	389 shares
[Reason for nomination as candidate for Director] Mr. Hironori Koshimizu possesses advanced expertise on the Internet business and e-commerce business, and experience in corporate management. After he was seconded to the Company in October 2014, he led the Company to growth of e-commerce business as Executive Officer of B-to-C Company. Currently as a Director, Executive Officer of the Company, he has been utilizing his advanced expertise in e-commerce business operations, extensive experience and track records, and appropriately fulfilling his duties in the Company. Therefore, the Company has deemed that he is suitable as a candidate for Director, and renominated him as a candidate for Director.			

(Note) There are no special interests between Mr. Hironori Koshimizu and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5.	Miyoko Kimura (current surname: Sakagawa) (June 12, 1964) [Reappointment]	April 1988 Joined PLUS Corporation May 1999 Joined the Company August 2005 Executive Officer, Office Life Creation February 2010 Representative Director and President of ASMARU Corporation September 2012 Executive Officer, Executive Officer of Living Supplies Business Unit, B-to-C Company of the Company May 2017 Chief Marketing Officer (CMO), Executive Officer, Executive Officer of Life Creation Unit and Value Creation Center Unit, B-to-C Company August 2017 Director, Chief Marketing Officer (CMO), Executive Officer, Executive Officer of Life Creation Unit and Value Creation Center Unit, B-to-C Company (to present) [Significant concurrent positions] Not applicable	11,100 shares
[Reason for nomination as candidate for Director] Since joining the Company, Ms. Miyoko Kimura has contributed to the launch of ASKUL business as its founding member. Thereafter she has served as Chief General Manager of products division and Representative Director of ASMARU Corporation, a subsidiary, engaging in Internet mail order sales to consumers (the predecessor company of B-to-C Company of the Company). Currently, she contributes to the significant growth of B-to-B as well as B-to-C (LOHACO) businesses as Director, Chief Marketing Officer (CMO) and Executive Officer of the Company. From her extensive business experience in the Company and the knowledge and track records she possesses in the areas of marketing, along with her performance in the promotion of the diversity-oriented management of the Company and her appropriate fulfillment of her duties, the Company has deemed that she is suitable as a candidate for Director, and renominated her as a candidate for Director.			

(Notes)

1. There are no special interests between Ms. Miyoko Kimura and the Company.
2. Ms. Miyoko Kimura, a candidate for Director, is executing business under the surname Kimura, although she has changed her surname legally to Sakagawa due to marriage.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6.	Kazuo Toda (February 13, 1941) [Reappointment] [Outside Director] [Independent Director] Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 11 years	April 1964 Joined Matsushita Electric Industrial Co., Ltd. (current Panasonic Corporation) June 1994 Director in charge of Electronics Business June 1996 Managing Director (Representative Director) June 1999 Senior Managing Director (Representative Director) June 2003 Executive Vice President (Representative Director) February 2004 Executive Vice President (Representative Director) of Matsushita Electric Industrial Co., Ltd. and Director of Matsushita Electric Works, Ltd. (current Panasonic Corporation) June 2006 Advisor of Matsushita Electric Industrial Co., Ltd. (current Panasonic Corporation) August 2006 Outside Audit & Supervisory Board Member of the Company April 2007 Specially Appointed Professor of Shiga University Specially Appointed Professor of Kyoto Institute of Technology July 2007 Managing Director and Principal of Bunka Gakuin August 2007 Outside Director of the Company (to present) November 2008 Director and Principal of Bunka Gakuin April 2011 Visiting Professor of Shiga University June 2012 President of Public Interest Incorporated Foundation Ryosui Academic Supporters' Association April 2013 Representative Director and Chairman of Japan Vietnam Business Support Center [Significant concurrent positions] Not applicable	2,931 shares
[Reason for nomination as candidate for Outside Director] Mr. Kazuo Toda has served as an Outside Audit & Supervisory Board Member of the Company for 1 year from August 2006, and appropriately fulfilled his duties. He has been involved for many years in the management of a global home appliance manufacturer, and he possesses extensive experience and track records as well as advanced insight on corporate management and school management. As he has been appropriately fulfilling the supervisory function over business execution as an Outside Director of the Company since August 2007, the Company has deemed that he is suitable as a candidate for Outside Director, and renominated him as a candidate for Director.			

(Notes)

1. There are no special interests between Mr. Kazuo Toda and the Company.
2. Mr. Kazuo Toda is a candidate for Outside Director. The Company has registered him with the Tokyo Stock Exchange as an Independent Director as prescribed by the Exchange.
3. Outline of agreement to limit liability between the Company and a candidate for Outside Director
The Company has entered into an agreement with Mr. Kazuo Toda to limit the amount of his liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If he is reelected as a Director, the Company intends to renew such an agreement with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7.	Koji Imaizumi (April 2, 1948) [Reappointment] [Outside Director] Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 6 years	April 1972 Joined Kajima Corporation August 1980 Joined PLUS Corporation August 1984 Director August 1985 Managing Director August 1988 Senior Managing Director June 1990 Representative Director and Vice President March 1997 Director of the Company June 2004 Outside Audit & Supervisory Board Member of NAGATANIEN CO., LTD. August 2008 President & Chief Operating Officer of PLUS Corporation (to present) August 2012 Outside Director of the Company (to present) [Significant concurrent positions] President & Chief Operating Officer of PLUS Corporation	101,800 shares
[Reason for nomination as candidate for Outside Director] Mr. Koji Imaizumi has served as the representative of a stationery, office supplies and office furniture manufacturer for many years. He also possesses extensive experience and track records, as well as advanced insight on corporate management, including experience as an outside Audit & Supervisory Board Member of a food manufacturer. As he currently appropriately fulfills the supervisory function over business execution as an Outside Director of the Company, the Company has deemed that he is suitable as a candidate for Outside Director, and renominated him as a candidate for Director.			

(Notes)

1. Mr. Koji Imaizumi is a candidate for Outside Director.
2. The Company has a recurring business contract regarding sales and purchase of stationery, office supplies, office furniture, and other products with PLUS Corporation, which Mr. Koji Imaizumi, a candidate for Director, serves as Representative Director.
3. Outline of agreement to limit liability between the Company and a candidate for Outside Director
The Company has entered into an agreement with Mr. Koji Imaizumi to limit the amount of his liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If he is reelected as a Director, the Company intends to renew such an agreement with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8.	Takao Ozawa (February 29, 1972) [Reappointment] [Outside Director] Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 5 years	April 1995 Joined CSK Corporation (current SCSK Corporation) March 2003 Joined Rakuten, Inc. Executive Officer in charge of Auction Business January 2005 Director, General Manager of Rakuten Baseball, Inc. September 2006 Director of Ozawa Research Institute (to present) July 2009 Outside Director of STAR FESTIVAL INC. September 2012 Director and Chief Operating Officer (COO) of YJ Capital Inc. April 2013 General Manager, CFO Office of Yahoo Japan Corporation July 2013 Corporate Officer, President, Shopping Company and General Manager, CFO Office August 2013 Outside Director of the Company (to present) September 2015 Outside Director of User Local, Inc. (to present) March 2016 Director of ValueCommerce Co., Ltd. (to present) March 2016 Director of Ikyu Corporation (to present) April 2018 Managing Corporate Officer, EVP, President of Commerce Company, President of Shopping Services Group, Commerce Company of Yahoo Japan Corporation (to present) [Significant concurrent positions] Managing Corporate Officer, EVP, President of Commerce Company, President of Shopping Services Group, Commerce Company of Yahoo Japan Corporation Director of Ozawa Research Institute Outside Director of User Local, Inc. Director of ValueCommerce Co., Ltd.	- shares
[Reason for nomination as candidate for Outside Director] Mr. Takao Ozawa possesses advanced insight and wide-ranged knowledge in the fields of the Internet business and e-commerce, as well as corporate management and management experience of public service corporations for social activities. As he currently appropriately fulfills the supervisory function over business execution as an Outside Director of the Company, the Company has deemed that he is suitable as a candidate for Outside Director, and renominated him as a candidate for Director.			

(Notes)

1. There are no special interests between Mr. Takao Ozawa and the Company.
2. Mr. Takao Ozawa is a candidate for Outside Director.
3. Mr. Takao Ozawa is an executive of Yahoo Japan Corporation, which is an entity holding the Company as affiliate as stated in the above "Career summary, positions, responsibilities and significant concurrent positions."
4. Outline of agreement to limit liability between the Company and a candidate for Outside Director
The Company has entered into an agreement with Mr. Takao Ozawa to limit the amount of his liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If he is reelected as a Director, the Company intends to renew such an agreement with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9.	Hideaki Miyata (January 20, 1948) [Reappointment] [Outside Director] [Independent Director] Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 4 years	April 1972 Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (current IHI Corporation) July 1979 Assistant Professor of Department of Ships and Marine Engineering, Faculty of Engineering, The University of Tokyo July 1994 Professor of Department of Ships and Marine Engineering, Faculty of Engineering, The University of Tokyo April 2008 Professor of Department of Systems Innovation, Graduate School of Engineering, The University of Tokyo January 2010 Representative Director of Forum For Social Systems Innovation by Secondary Batteries October 2011 Representative Director of Forum For East Japan Smart City Project (to present) April 2012 President and Representative Director of Social System Design Co., Ltd. (to present) June 2012 Emeritus Professor of The University of Tokyo (to present) February 2014 General Manager, LOHACO EC Marketing Laboratory of the Company August 2014 Outside Director of the Company (to present) [Significant concurrent positions] Representative Director of Forum For East Japan Smart City Project President and Representative Director of Social System Design Co., Ltd.	- shares
[Reason for nomination as candidate for Outside Director] Mr. Hideaki Miyata has served as university and graduate school professor, and possesses advanced insight and knowledge in the fields of social system engineering, service science, and project management, as well as track records of leading many private technology development projects. As he has experience in corporate management, and currently appropriately fulfills the supervisory function over business execution as an Outside Director of the Company, the Company has deemed that he is suitable as a candidate for Outside Director, and renominated him as a candidate for Director.			

(Notes)

1. There are no special interests between Mr. Hideaki Miyata and the Company.
2. The Company has entered into an advisory outsourcing agreement regarding LOHACO EC Marketing Laboratory of the Company with Social System Design Co., Ltd., which Mr. Hideaki Miyata, a candidate for Director, serves as Representative Director.
3. Mr. Hideaki Miyata is a candidate for Outside Director. The Company has registered him with the Tokyo Stock Exchange as an Independent Director as prescribed by the Exchange.
4. Outline of agreement to limit liability between the Company and a candidate for Outside Director
The Company has entered into an agreement with Mr. Hideaki Miyata to limit the amount of his liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If he is reelected as a Director, the Company intends to renew such an agreement with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10.	Atsushi Saito (October 18, 1939) [Reappointment] [Outside Director] [Independent Director] Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 1 year	April 1963 Joined Nomura Securities Co., Ltd. (current Nomura Holdings, Inc.) June 1986 Director of Nomura Securities Co., Ltd. June 1995 Representative Director and Deputy President of Nomura Securities Co., Ltd. January 1999 Representative Director and President of Sumitomo Life Investment Co., Ltd. April 2003 Representative Director and President of The Industrial Revitalization Corporation of Japan June 2007 President & CEO of Tokyo Stock Exchange, Inc. August 2007 Director & Representative Executive Officer, President of Tokyo Stock Exchange Group, Inc. January 2013 Director & Representative Executive Officer, Group CEO of Japan Exchange Group, Inc. Director of Osaka Stock Exchange, Inc. (current Osaka Exchange, Inc.) August 2017 Outside Director of the Company (to present) November 2017 Chairman (Representative Director) of Nippon Professional Baseball Organization (to present) December 2017 Senior Fellow of KKR Global Institute, KKR Japan (to present) [Significant concurrent positions] Chairman (Representative Director) of Nippon Professional Baseball Organization	- shares
[Reason for nomination as candidate for Outside Director] Mr. Atsushi Saito possesses advanced insight in the fields of finance and securities and wide-ranged knowledge, along with extensive experience and track records in corporate management and corporate rehabilitation, including his past career as representative of stock exchanges, as well as advanced knowledge of the field of corporate governance. From his current appropriate fulfillment of supervisory function over business execution as an Outside Director of the Company, the Company has deemed that he is suitable as a candidate for Outside Director, and renominated him as a candidate for Director.			

(Notes)

1. There are no special interests between Mr. Atsushi Saito and the Company.
2. Mr. Atsushi Saito is a candidate for Outside Director. The Company has registered him with the Tokyo Stock Exchange as an Independent Director as prescribed by the Exchange.
3. Outline of agreement to limit liability between the Company and a candidate for Outside Director
The Company has entered into an agreement with Mr. Atsushi Saito to limit the amount of his liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If he is reelected as a Director, the Company intends to renew such an agreement with him.

Proposal 3: Election of 1 Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mikinao Kitada will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

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

The name and career summary of the candidate are as follows:

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
Mikinao Kitada (January 29, 1952) [Reappointment] [Outside Audit & Supervisory Board Member] Years of service as Outside Audit & Supervisory Board Member (as of the conclusion of this General Meeting of Shareholders): 4 years	April 1976 Public Prosecutor of Tokyo District Public Prosecutors Office April 1997 Director of the International Affairs Division, Criminal Affairs Bureau, Ministry of Justice January 2009 Director-General of Public Security Intelligence Agency December 2010 Superintending Prosecutor of Sapporo High Public Prosecutors Office January 2012 Superintending Prosecutor of Osaka High Public Prosecutors Office March 2014 Special Counsel of Mori Hamada & Matsumoto (to present) June 2014 Outside Director of Sharp Corporation June 2014 Outside Audit & Supervisory Board Member of Oji Holdings Corporation (to present) August 2014 Outside Audit & Supervisory Board Member of the Company (to present) June 2015 Outside Director of Yokogawa Bridge Holdings Corp. (to present) June 2016 Outside Audit & Supervisory Board Member of Sojitz Corporation (to present) [Significant concurrent positions] Special Counsel of Mori Hamada & Matsumoto Outside Audit & Supervisory Board Member of Oji Holdings Corporation Outside Director of Yokogawa Bridge Holdings Corp. Outside Audit & Supervisory Board Member of Sojitz Corporation	- shares
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Mr. Mikinao Kitada has not previously been directly involved in corporate management, but has served in key positions in the legal profession. At present, he has extensive experience as an outside director and outside audit & supervisory board member, and has expert knowledge of compliance and the crisis management field as an attorney. Therefore, the Company has deemed that he is suitable as a candidate for Outside Audit & Supervisory Board Member, and renominated him as a candidate for Audit & Supervisory Board Member.		

(Notes)

1. There are no special interests between Mr. Mikinao Kitada, a candidate for Audit & Supervisory Board Member, and the Company.
2. Mr. Mikinao Kitada is a candidate for Outside Audit & Supervisory Board Member. The Company has a legal advisory services agreement with Mori Hamada & Matsumoto, to which he belongs as a Special Counsel. However, Mr. Kitada has no involvement in the legal advisory services for the Company, and therefore there is no impact on his independence.
3. Outline of agreement to limit liability between the Company and a candidate for Audit & Supervisory Board Member
The Company has entered into an agreement with Mr. Mikinao Kitada to limit the amount of his liability to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If he is elected as an Audit & Supervisory Board Member, the Company intends to renew such an agreement with him.

Proposal 4: Determination of Remuneration for Granting Restricted Stock to Directors

The maximum annual amount of remuneration, etc. for the Company's Directors was set at 800 million yen (however, not including employee salaries for Directors who serve concurrently as employees) by the approval of the 53rd Annual General Meeting of Shareholders held on August 3, 2016.

As part of its effort to review the directors' remuneration system, the Company proposes to provide a new type of remuneration for granting restricted stock to its Directors (hereinafter, the "restricted stock remuneration") within the above-mentioned maximum amount of remuneration for Directors, with the aim of providing incentives for eligible persons to achieve sustainable enhancement of the Company's corporate value and further promoting sharing of value with its shareholders.

The restricted stock remuneration to be provided to the Company's Directors (Directors who are granted restricted stock shall hereinafter be referred to as the "Eligible Directors") based on this proposal shall be monetary claims (hereinafter the "monetary compensation claims"). The total amount of the restricted stock remuneration provided to the Eligible Directors shall, as an amount deemed reasonable in view of the above aim, not exceed 160 million yen per year (of which the amount provided to Outside Directors shall not exceed 40 million yen per year, however, not including employee salaries for Directors who serve concurrently as employees). The amount of remuneration for Directors, including the amount of restricted stock remuneration, of which this proposal is submitted for seeking approval, shall not exceed 800 million yen per year, which is the same as the current remuneration amount. The specific timing and allocation of provision to each Eligible Director shall be decided by the Company's Board of Directors.

The total number of Directors of the Company is currently 10 (of which five are Outside Directors). If the Proposal 2 "Election of 10 Directors" is approved as originally proposed, the total number of Directors of the Company will be 10 (of which five are outside directors).

The outline of the restricted stock remuneration is as follows.

[The outline of the restricted stock remuneration]

The Eligible Directors, based on the resolution of the Company's Board of Directors, shall make payments in kind using all of the monetary compensation claims provided to them according to this proposal as contributed assets, and shall, in return, receive shares of the Company's common stock that will be issued or disposed of by the Company. The total number of shares of the Company's common stock to be issued or disposed of shall be 50,000 shares or fewer per year. (However, on and after the approval date of this proposal, in the event of a stock split [including a gratis allotment of shares of the Company's common stock] or reverse stock split of shares of the Company's common stock or any other event that requires adjustment to the total number of shares of the Company's common stock to be issued or disposed of as restricted stock, such total number will be adjusted within a reasonable range.)

The amount paid in per share of common stock shall be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day before the day of the relevant resolution at each of the Board of Directors meetings (or if no transaction is made on the day, it shall be the closing price on the transaction day immediately prior thereto). When issuing or disposing of shares of the Company's common stock according to the restricted stock remuneration, the Company shall conclude a restricted stock allocation agreement (hereinafter the "Allocation Agreement") with the Eligible Directors, which shall cover the following matters.

(1) Transfer restriction period

The Eligible Directors shall not be allowed to transfer, set collateral rights for, or otherwise dispose of the shares of the Company's common stock allocated under the Allocation Agreement (hereinafter the "Allocated Shares") for a period of time set out preliminarily by the Board of Directors (hereinafter the "Transfer Restriction Period"), which shall be between three years to five years from the date of such allocation according to the Allocation Agreement (hereinafter the "Restriction of Transfer").

(2) Handling at the time of resignation or retirement

If, prior to the expiration of the Transfer Restriction Period, the Eligible Directors resign or retire from all of their positions as Director, Audit & Supervisory Board Member, Executive Officer, employee and/or other equivalent position of the Company and/or a consolidated subsidiary and/or an affiliated company of the Company, the Company will acquire, automatically and without contribution, the Allocated Shares except in cases where such resignation or retirement is due to the expiration of the term of office, mandatory retirement age, death or any other legitimate reason.

(3) Lifting of the Restriction of Transfer

Notwithstanding the provisions of (1) above, the Company will lift the Restriction of Transfer with respect to all the Allocated Shares at the expiration of the Transfer Restriction Period on the condition that the Eligible Directors have continuously held the position of Director, Audit & Supervisory Board Member, Executive Officer, employee or other equivalent position of the Company or a consolidated subsidiary or an affiliated company of the Company during the Transfer Restriction Period. Provided, however, that if the said Eligible Directors resign or retire from their positions provided for in (2) above before the expiration of the Transfer Restriction Period, due to the expiration of the term of office, mandatory retirement age, death or any other legitimate reason provided for in (2) above, the Company will reasonably adjust the number of the Allocated Shares for which the Restriction of Transfer is lifted or the timing of the lifting of the Restriction of Transfer, as necessary, in accordance with the conditions provided for in (5) below in the event where (5) "Handling in the event of non-achievement of performance conditions" described below is included in the Allocation Agreement. The Company will acquire, automatically and without contribution, any Allocated Shares for which the Restriction of Transfer is not lifted at the time immediately after the lifting of the Restriction of Transfer based on the above provisions.

(4) Handling at the time of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if, during the Transfer Restriction Period, a merger agreement in which the Company becomes the absorbed company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly-owned subsidiary of another company, or any other matter related to organizational restructuring, etc. is approved at the Company's General Meeting of Shareholders (or by the Board of Directors of the Company if the approval of the Company's General Meeting of Shareholders is not required in relation to the said organizational restructuring, etc.), the Company, prior to the effective date of the said organizational restructuring, etc., will lift the Restriction of Transfer with respect to certain number of the Allocated Shares reasonably determined by taking into account the period from the starting date of the Transfer Restriction Period to the approval date of the said organizational restructuring, etc., based on the resolution of the Company's Board of Directors. Furthermore, in the case provided for above, the Company shall acquire, automatically and without contribution, the Allocated Shares for which the Restriction of Transfer is not lifted at the time immediately after the lifting of the Restriction of Transfer.

(5) Handling in the event of non-achievement of performance conditions

In the event where performance conditions are predetermined by the Company's Board of Directors, and if the said performance conditions are not achieved by the expiration date of the Transfer Restriction Period set forth by the Company's Board of Directors, the Company will acquire, automatically and without contribution, all the Allocated Shares.

(6) Other matters

Other matters related to the Allocation Agreement shall be determined by the Company's Board of Directors.

End.