May 24, 2018

Company name	Imagica Robot Holdings Inc.
Title and Name of Representative	Makoto Tsukada, Representative Director, President (Securities code: 6879, TSE 1st Section)
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Notice Concerning the Introduction of a Restricted Stock Compensation Plan and Changes to the Amount of Directors' Remuneration

Imagica Robot Holdings Inc. (the "Company") hereby announces that it decided at its Board of Directors meeting held on May 24, 2018 to review its officer remuneration system and introduce a restricted stock compensation plan (hereinafter referred to as the "Plan") and to submit a proposal on the Plan to its 45th Ordinary General Meeting of Shareholders to be held on June 26, 2018 (hereinafter referred to as the "Shareholders Meeting"), as described below.

1. Purpose and conditions of introducing the Plan

(1) Purpose of introduction

The Plan is to be introduced for the purpose of providing incentive to the Company's directors (excluding outside directors and directors who are members of the Audit and Supervisory Committee; hereinafter referred to as "Target Officers") for continuous improvement of the Company's corporate value and of further sharing of value with shareholders.

(2) Conditions of the introduction

Since the Plan pays Target Officers monetary compensation claims for granting restricted stock as remuneration, the introduction of the Plan is subject to approval of shareholders at the Shareholders Meeting for paying such remuneration.

The amount of director's remuneration of the Company was approved at the 44th Ordinary General Meeting of Shareholders held on June 28, 2017 to be no more than 500,000 thousand yen per year for directors (excluding those who are members of the Audit and Supervisory Committee; no more than 50,000 thousand yen for outside directors) and no more than 100,000 thousand yen per year for directors who are members of the Audit and Supervisory Committee. However, at the Shareholders Meeting, the Company asks its shareholders to approve the Plan's introduction separately from the said remuneration and establish a remuneration relating to the Plan for the Target Officers of the Company.

2. Outline of the Plan

The Target Officers will pay in all of the monetary compensation claims paid by the Company based on the Plan as investment in kind and be issued or disposed of the Company's ordinary shares.

The total amount of remuneration paid to directors shall be no more than 200,000 thousand yen per year for directors (excluding outside directors and directors who are members of the Audit and Supervisory Committee) separately from the current monetary compensation amount, with the total number of ordinary shares of the Company issued or disposed due to the Plan no more than 320 thousand shares per year (in cases where the number of shares must be adjusted, such as a split or a reverse split of the Company's ordinary shares, the number of shares issued or disposed shall be able to be adjusted reasonably).

In order to share value with shareholders on a medium- to long-term basis, which is one of the purposes for introducing the Plan, the period during which transfer is restricted shall be a period between three to five years decided by the Board of Directors. The specific payment timing and allotment to each director will be decided by the Board of Directors.

The payment amount per ordinary share of the Company to be issued or disposed due to the Plan will be decided by the Board of Directors based on the closing price for the Company's ordinary shares on the Tokyo Stock Exchange on the business day immediately prior to the day of resolution by the Board of Directors (the most recent closing price if no trading is executed on the day) and within a range that will not be especially advantageous to the Target Officers.

Upon the issuance or disposal of the Company's ordinary shares due to the Plan, a restricted stock allotment agreement (hereinafter referred to as the "Allotment Agreement") shall be concluded between the Company and the Target Officers, which shall include the following matters:

① Target Officers may not transfer, attach security interest in, or carry out any other disposal of the Company's ordinary shares that they have been allotted under the Allotment Agreement during the predetermined period.

② The Company shall acquire the said ordinary shares free of charge if certain events occur.

3. Provision to representative director(s) of subsidiaries of the Company

The Company plans to grant the same restricted stock as such stock mentioned above to the representative director(s) of its subsidiaries, on condition that the introduction of the Plan is approved at the Shareholders Meeting.