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(Stock Exchange Code 4326)
June 4, 2019

To Shareholders with Voting Rights:

Noriaki Ishizuka
President and Representative Director
INTAGE HOLDINGS Inc.
Intage Akihabara Building
3 Kanda-neribeicho,
Chiyoda-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE 47TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are cordially invited to attend the 47th Annual General Meeting of Shareholders of INTAGE HOLDINGS Inc. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights by one of the methods below. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights.

[Exercise of Voting Rights in Writing]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received no later than 5:30 p.m. on Tuesday, June 25, 2019 Japan time.

[Exercise of Voting Rights via the Internet, etc.]

Upon review of the "Precautions When Exercising Voting Rights via the Internet, etc." below (Japanese version only), please access the voting rights exercise website (https://evote.tr.mufg.jp/) using the "Login ID" and "Temporary Password" indicated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to vote for or against the proposals no later than 5:30 p.m. on Tuesday, June 25, 2019 Japan time.

Date and Time: Wednesday, June 26, 2019 at 10:00 a.m. Japan time

Place: Akiba Hall, 5F, Akiba Plaza, Fuji Soft
3 Kanda-neribeicho, Chiyoda-ku, Tokyo, 101-0022, Japan

Meeting Agenda:

Matters to be reported:
1. The Business Report, Consolidated Financial Statements for the Company's 47th Fiscal Year (April 1, 2018 - March 31, 2019) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
2. Non-consolidated Financial Statements for the Company's 47th Fiscal Year (April 1, 2018 - March 31, 2019)

Proposals to be resolved:

Proposal No. 1: Distribution of Surplus

Proposal No. 2: Partial Amendments to the Articles of Incorporation

Proposal No. 3: Election of Six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members)

Proposal No. 4: Election of Four (4) Directors serving as Audit & Supervisory Committee Members

Proposal No. 5: Continuation of Performance-linked Stock Compensation Plan for Directors, etc. with Partial Amendments

Matters Concerning the Convocation

(1) In the event that voting rights are exercised both via the Voting Rights Exercise Form and via the Internet, etc., the vote via the Internet, etc., will be deemed valid.
(2) In the event that voting rights are exercised multiple times via the Internet, etc., the most recent one to arrive will be deemed valid.
(3) If you wish to split the exercise of your voting rights, please provide notification in writing of your intent and reasons for such split by three days prior to the General Meeting of Shareholders.

◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

◎ If exercising voting rights via proxy, please submit documentation authorizing the proxy along with the Voting Rights Exercise Form at the reception desk. The proxy must be a shareholder of the Company with voting rights, and you may not designate more than one (1) proxy.

(Notice)

1) Of the documents to be provided with this Notice of Convocation, "Matters Concerning Share Acquisition Rights, etc.," "Systems for Ensuring Appropriateness of Operations," "Overview of Operational Status of Systems for Ensuring Appropriateness of Operations" and "Basic Policy on Control of the Company" in the Business Report, "Notes to Consolidated Financial Statements" and "Notes to Non-Consolidated Financial Statements" have been omitted, as they have been posted on the Company's homepage (http://www.intageholdings.co.jp) in accordance with laws and regulations and Article 18 of the Articles of Incorporation of the Company.
2) In the event that revisions are required for the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, revised documents will be disclosed on the Company's homepage.
3) The content of this convocation notice has been disclosed on the Company's homepage prior to this convocation notice being sent via postal service with the aim of early disclosure.
4) No shareholder reception is scheduled after the Annual General Meeting of Shareholders. In addition, souvenirs will not be available for shareholders attending the Annual General Meeting of Shareholders. Your kind understanding would be appreciated.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Distribution of Surplus

The Company considers profit distribution to its shareholders as one of its highest management priorities. The basic policy is to conduct profit distribution using consolidated business results as a base and taking into consideration the balance between dividends and internal reserves.

Regarding dividends for the 47th fiscal year, in consideration of consolidated business results for the fiscal year and the above policy, the Company proposes dividends of 22 yen per share. In this case, the ratio between Profit attributable to owners of parent and dividends, or the consolidated dividend payout ratio, will be 31.7%.

1. Matters concerning year-end dividends (for the 47th fiscal year)
   (1) Type of dividend property
   Cash
   (2) Matters concerning the allotment of dividend property and the total amount
   22 yen per share of common stock
   Total amount of 911,141,418 yen
   (3) Effective date of distribution of surplus
   June 27, 2019
2. Other matters concerning the distribution of surplus
   Not applicable.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The Company's fiscal year is from April 1 of each year to March 31 of the following year. However, in order to improve the efficiency of business operations by shifting the fiscal year-end to a time when the busiest period of business from January to March is avoided, the Company proposes amending Article 38 (Fiscal Year) of the current Articles of Incorporation to change the fiscal year so that it commences on July 1 of each year and ends on June 30 of the following year, with necessary amendments to be made to Article 15 (Record Date of the Annual General Meeting of Shareholders), Article 39 (Record Date for the Distribution of Surplus), and Article 40 (Interim Dividend) of the current Articles of Incorporation.

In addition, as a transitional measure accompanying the change of fiscal year, supplementary provisions will be newly established.

2. Content of the amendments

The content of the amendments is as follows:

(Amended sections are underlined.)

Current	Proposed amendment
Article 15 (Record Date of the Annual General Meeting of Shareholders) The record date of voting rights for the Annual General Meeting of Shareholders of the Company shall be March 31 of each year.	Article 15 (Record Date of the Annual General Meeting of Shareholders) The record date of voting rights for the Annual General Meeting of Shareholders of the Company shall be June 30 of each year.
Article 38 (Fiscal Year) The fiscal year of the Company shall be one (1) year from April 1 of each year to March 31 of the following year.	Article 38 (Fiscal Year) The fiscal year of the Company shall be one (1) year from July 1 of each year to June 30 of the following year.
Article 39 (Record Date for the Distribution of Surplus) The record date of the Company's year-end dividends shall be March 31 of each year. 2. In addition to the preceding paragraph, the Company may set a record date and distribute surplus.	Article 39 (Record Date for the Distribution of Surplus) The record date of the Company's year-end dividends shall be June 30 of each year. 2. In addition to the preceding paragraph, the Company may set a record date and distribute surplus.
Article 40 (Interim Dividend) The Company may, by resolution of the Board of Directors, pay interim dividend with September 30 of each year as the record date.	Article 40 (Interim Dividend) The Company may, by resolution of the Board of Directors, pay interim dividend with December 31 of each year as the record date.
Supplementary provisions	Supplementary provisions
(Newly established)	Article 2 (Transitional Measure for the Record Date of the First Annual General Meeting of Shareholders After the Amendment Accompanying the Change of Fiscal Year) Notwithstanding the provisions of Article 15 (Record Date of the Annual General Meeting of Shareholders), the record date of the voting rights for the Annual General Meeting of Shareholders for the 48th fiscal year beginning on April 1, 2019 shall be June 30, 2020. In addition, this supplementary provision shall be deleted after the conclusion of

Current	Proposed amendment
	the Annual General Meeting of Shareholders for the 48th fiscal year.
(Newly established)	Article 3 (Transitional Measure for the Term of Office of Directors who are not Audit & Supervisory Committee Members Accompanying the Change of Fiscal Year) Notwithstanding the provisions of Article 23 (Term of Office of Directors), the term of office of Directors who are not Audit & Supervisory Committee Members elected at the 47th Annual General Meeting of Shareholders held on June 26, 2019 shall be until the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year. In addition, this supplementary provision shall be deleted after the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year.
(Newly established)	Article 4 (Transitional Measure for the Term of Office of Accounting Auditors Accompanying the Change of Fiscal Year) The term of office of Accounting Auditors who are deemed to be reelected as no other resolutions were made at the 47th Annual General Meeting of Shareholders held on June 26, 2019 shall be until the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year. In addition, this supplementary provision shall be deleted after the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year.
(Newly established)	Article 5 (Transitional Measure for the First Fiscal Year After the Amendment Accompanying the Change of Fiscal Year) Notwithstanding the provisions of Article 38 (Fiscal Year), the 48th fiscal year beginning on April 1, 2019 shall be for 15 months until June 30, 2020. In addition, this supplementary provision shall be deleted after the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year.
(Newly established)	Article 6 (Transitional Measure for the First Record Date of the Year-end Dividends of Surplus After the Amendment Accompanying the Change of Fiscal Year)

Current	Proposed amendment
	Notwithstanding the provisions of Article 39 (Record Date for the Distribution of Surplus), the record date of the year-end dividends for the 48th fiscal year beginning on April 1, 2019 shall be June 30, 2020. In addition, this supplementary provision shall be deleted after the year-end dividends for the 48th fiscal year take effect.
(Newly established)	Article 7 (Transitional Measure for the First Interim Dividend After the Amendment Accompanying the Change of Fiscal Year) Notwithstanding the provisions of Article 40 (Interim Dividend), the record date of the interim dividend for the 48th fiscal year shall be September 30, 2019. In addition, this supplementary provision shall be deleted after the conclusion of the Annual General Meeting of Shareholders for the 48th fiscal year.
(Newly established)	Article 8 (Transitional Measure for the Final Record Date of the Year-end Dividends of Surplus Before the Amendment Accompanying the Change of Fiscal Year) Notwithstanding the provisions of Article 39 (Record Date for the Distribution of Surplus), the record date of the year-end dividends for the 47th fiscal year beginning on April 1, 2018 shall be March 31, 2019. In addition, this supplementary provision shall be deleted after the year-end dividends for the 47th fiscal year take effect.

Proposal No. 3: Election of Six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

Furthermore, the Audit & Supervisory Committee judged that all the candidates in this Proposal are suited to serve as Directors of the Company, based on the assessment of the execution of their duties and the business results for the fiscal year under review and other factors.

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows:

No.		Name	Gender		Positions and Responsibilities at the Company	Attendance at the meetings of the Board of Directors (Fiscal Year 2018)
1	Reappointment	Noriaki Ishizuka	Male		President and Representative Director	100% (17/17)
2	Reappointment	Kenji Ikeya	Male		Director and CFO in charge of Internal Controls	100% (17/17)
3	Reappointment	Yoshiya Nishi	Male		Director in charge of Group Healthcare Business and promoting work style reform	100% (17/17)
4	Reappointment	Kiyomi Miyauchi	Male		Director and Chief Senior Director of Overseas Business, in charge of Group Overseas Business	100% (17/17)
5	New Appointment	Ayumi Higaki	Female		Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business	–
6	Reappointment	Shizue Kishi	Female	Outside Director Independent Director	Outside Director	94% (16/17)

(Note) If this Proposal and Proposal No. 4 are approved as originally proposed, the number of Outside Directors, including Outside Directors serving as Audit & Supervisory Committee Members, will be four (4), and the ratio of Outside Directors among the Company's Directors will be 40%.

1. Noriaki Ishizuka

Born on
January 10, 1959
60 years old

Reappointment

Number of shares of the Company held	34,900 shares
Term of office	13 years
Current positions and responsibilities	President and Representative Director, the Company

Past experience

April 1982	Joined the Company
June 2006	Director and Deputy General Manager, Sales Group
April 2008	Director and Unit Director, Business Solutions Unit
April 2009	Director and General Manager, Sales Group
April 2011	Director and General Manager, DCG and Services Business Group
April 2013	Executive Director
October 2013	President and Representative Director, INTAGE Inc.
June 2015	Director
June 2017	Representative Director and Executive Vice President
April 2019	President and Representative Director (current position)

Significant concurrent positions

Not applicable.

Reasons for selecting Mr. Ishizuka as a candidate for Director

Mr. Noriaki Ishizuka assumed the office of Director of the Company in 2006, and has many years of management experience. In addition, as President and Representative Director of INTAGE Inc., the core company of the Group, he has been fulfilling his duties as Director, including contribution to the reinforcement of the company's business and improvement of its profitability.

For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to execute business. The Company therefore reselected him as a candidate for Director.

2. Kenji Ikeya

Born on
November 21, 1956
62 years old

Reappointment

Number of shares of the Company held	17,206 shares
Term of office	3 years
Current positions and responsibilities	Director and CFO in charge of Internal Controls, the Company

Past experience

April 1980	Joined The Saitama Bank, Ltd.
October 2011	General Manager, Corporate Management Division, the Company
April 2013	Executive Officer and General Manager, Finance & Investor Relations Division
April 2014	Executive Officer in charge of Finance & Investor Relations Division
October 2014	Executive Officer in charge of Finance & Investor Relations Division and General Manager, Corporate Administration Office
April 2015	Executive Officer in charge of Finance & Investor Relations Division and General Manager, President's Office
June 2015	Senior Executive Officer in charge of Finance, General Manager, President's Office In charge of Crisis Management Committee, Internal Control Committee
April 2016	Senior Executive Officer in charge of Corporate Finance Division, President's Office, Internal Control and Risk Management Division, Crisis Management Committee, Internal Control Committee
June 2016	Director and CFO, in charge of Internal Controls (current position)

Significant concurrent positions

Not applicable.

Reasons for selecting Mr. Ikeya as a candidate for Director

After joining the Company, as an officer responsible for financial affairs, Mr. Kenji Ikeya has promoted initiatives in the financial and capital policies of the Company by drawing on his knowledge and business experience at a financial institution. He has thus a wealth of experience and knowledge regarding overall management administration.
For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to execute business. The Company therefore reselected him as a candidate for Director.

3. Yoshiya Nishi

Born on
January 23, 1967
52 years old

Reappointment

Number of shares of the Company held	120,000 shares
Term of office	3 years
Current positions and responsibilities	Director in charge of Group Healthcare Business and responsible for promoting work style reform, the Company

Past experience

June 1992	Joined Social Survey Research Information Co., Ltd.
December 1994	Director, TM Marketing Inc. (in 2010, changed trade name to ANTERIO Inc.)
January 2005	Vice President and Representative Director, TM Marketing Inc.
March 2007	President and Representative Director, TM Marketing Inc.
July 2014	Executive Officer in charge of Group Healthcare Solution, the Company
April 2015	Executive Officer in charge of Group Healthcare Business
May 2015	Director, ASKLEP Inc.
June 2016	Director in charge of Group Healthcare Business
April 2017	Director in charge of Group Healthcare Business and responsible for promoting work style reform (current position)
April 2019	President and Representative Director, INTAGE Healthcare Inc. (current position)

Significant concurrent positions

President and Representative Director, INTAGE Healthcare Inc.

Reasons for selecting Mr. Nishi as a candidate for Director

As President and Representative Director of ANTERIO Inc. (currently INTAGE Healthcare Inc.), Mr. Yoshiya Nishi has strengthened the business and improved profitability of the company, in addition to his achievements in global business development as the person in charge of Group Healthcare Business. He has thus a wealth of experience and knowledge regarding Healthcare Business of the Group.
For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to execute business. The Company therefore reselected him as a candidate for Director.

4. Kiyomi Miyauchi

Born on August 15, 1959
59 years old

Reappointment

Number of shares of the Company held	13,018 shares
Term of office	2 years
Current positions and responsibilities	Director and Chief Senior Director of Overseas Business in charge of Group Overseas Business, the Company

Past experience

April 1983	Joined the Company
April 2005	General Manager, Global Research Division, Solution Group
October 2007	General Manager, Sales Division IX, Sales Group
July 2008	CEO, INTAGE (Thailand) Co., Ltd. (current position)
April 2014	Executive Officer in charge of Overseas Business, ASEAN and India Representative, INTAGE Holdings Inc. Regional Office (current position)
January 2015	Executive Officer in charge of Group Overseas Business
June 2015	Senior Executive Officer in charge of Group Overseas Business
April 2016	Senior Executive Officer and Chief Senior Director of Overseas Business in charge of Group Overseas Business
June 2017	Director and Chief Senior Director of Overseas Business in charge of Group Overseas Business (current position)

Significant concurrent positions

Not applicable.

Reasons for selecting Mr. Miyauchi as a candidate for Director

Mr. Kiyomi Miyauchi not only has experience in global research, but also has a proven track record in management at the Company's overseas bases, ASEAN and India to begin with, and has a wealth of experience and knowledge towards the Group's overseas business.
For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to execute business. The Company therefore reselected him as a candidate for Director.

5. Ayumi Higaki

Born on May 23, 1964
55 years old

New Appointment

Number of shares of the Company held	9,908 shares
Term of office	— years
Current positions and responsibilities	Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business, the Company

Past experience

April 1988	Joined KAGOME CO.,LTD.
October 1995	Joined the Company
April 2007	General Manager, Marketing Solution Division, Marketing Solution Unit
April 2013	Executive Officer and General Manager, Marketing Innovation Group
July 2014	Executive Officer in charge of Group Marketing Solution
July 2015	Senior Executive Officer in charge of Group Business Strategy Director, INTAGE TECHNOSPHERE Inc.
April 2016	Director, INTAGE Inc.
April 2019	Senior Executive Officer in charge of Marketing Support (Consumer Goods and Services) Domestic Business (current position) President and Representative Director, INTAGE Inc. (current position)

Significant concurrent positions

President and Representative Director, INTAGE Inc.

Reasons for selecting Ms. Higaki as a candidate for Director

Ms. Ayumi Higaki has been involved in panel product development for many years at INTAGE Inc. and has achievements in business development for the Group as a Senior Executive Officer of the Company.
For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that she is an appropriate person to execute business. The Company therefore selected her as a candidate for Director.

6. Shizue Kishi

Born on November 12, 1951
67 years old

Reappointment | Outside Director | Independent Director

Number of shares of the Company held	2,800 shares
Term of office as an Outside Director	4 years
Current positions and responsibilities	Outside Director, the Company

Past experience

April 1983	Full-time Instructor, Faculty of Commerce, Nagoya University of Commerce & Business
March 1988	Assistant Professor, Faculty of Economics, Nagoya City University
April 1996	Professor, Faculty of Economics, Nagoya City University
April 1998	Professor, Faculty of Business Administration, Tokyo Keizai University (current position)
October 1998	Executive Director, Japan Academy of Advertising (current position)
October 2010	Chairperson, Japan Academy of Advertising
April 2014	Dean, Faculty of Business Administration, Tokyo Keizai University
June 2015	Outside Director, the Company
June 2016	Outside Director serving as Audit & Supervisory Committee Member
June 2017	Outside Director (current position)
April 2018	Director and Vice President, Tokyo Keizai University (current position)

Significant concurrent positions

Professor, Faculty of Business Administration, Tokyo Keizai University
Director and Vice President, Tokyo Keizai University
Executive Director, Japan Academy of Advertising

Reasons for selecting Ms. Kishi as a candidate for Outside Director

Ms. Shizue Kishi, as a university professor, has been a specialist in the fields of advertising, marketing communications, and consumer behavior. She has been providing advice and suggestions as an Outside Director of the Company to secure legal compliance and appropriateness of the decision making of the Board of Directors by utilizing her experience and knowledge.
Although she has not been directly involved in corporate management other than as Outside Director, for above reasons, the Company judged that she will provide appropriate advice and supervision on the management of the Group, and therefore reselected her as a candidate for Outside Director.

(Notes)
1. There are no special conflicts of interest between the candidates and the Company.
2. Number of shares of the Company held by each candidate is as of March 31, 2019.
3. Ms. Shizue Kishi is a candidate for Outside Director. Ms. Shizue Kishi has been designated as Independent Director pursuant to the regulations of the Tokyo Stock Exchange, Inc. and registered with the aforementioned Exchange as such, and if her election is approved as originally proposed, she will continue to be designated as Independent Director. Additionally, in view of the “Independence criteria for Outside Directors” (presented on 17 Page) defined by the Company, the Company deems her to be independent as an Outside Director.
4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded a liability limitation agreement with Ms. Shizue Kishi, limiting her liability under Article 423, Paragraph 1 of the same Act. The maximum liability limit under this agreement has been set to the amount stipulated by laws and regulations. If the election of Ms. Shizue Kishi as Outside Director is approved, the Company plans to continue the agreement with her.

Proposal No. 4: Election of Four (4) Directors serving as Audit & Supervisory Committee Members

If Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved, the 48th fiscal year will be a fiscal period of 15 months from April 1, 2019 to June 30, 2020. Pursuant to the provisions of Article 332, Paragraphs 1 and 4 of the Companies Act, the terms of office of all the four (4) Directors serving as Audit & Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the election of four (4) Directors to serve as Audit & Supervisory Committee Members is proposed, subject to approval of Proposal No. 2 (Partial Amendments to the Articles of Incorporation).

Additionally, this Proposal has received the approval of the Audit & Supervisory Committee.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows:

No.		Name	Gender		Positions and Responsibilities at the Company	Attendance at the meetings of the Board of Directors (Fiscal Year 2018)
1	Reappointment	Takashi Ito	Male		Director serving as Audit & Supervisory Committee Member (Full-time Audit & Supervisory Committee Member)	100% (17/17)
2	Reappointment	Hajime Nakajima	Male	Outside Director Independent Director	Outside Director serving as Audit & Supervisory Committee Member	100% (17/17)
3	Reappointment	Yuzo Miyama	Male	Outside Director Independent Director	Outside Director serving as Audit & Supervisory Committee Member	100% (17/17)
4	Reappointment	Shizuo Kashima	Male	Outside Director Independent Director	Outside Director serving as Audit & Supervisory Committee Member	100% (13/13)

(Note) 1. Mr. Shizuo Kashima was newly elected as Director serving as Audit & Supervisory Committee Member of the Company at the 46th Annual General Meeting of Shareholders held on June 27, 2018 and took office on the same day; therefore, his attendance at the meetings of the Board of Directors stated above refers to those convened since he assumed the office of Director serving as Audit & Supervisory Committee Member.

2. If Proposal No. 3 and this Proposal are approved as originally proposed, the number of Outside Directors including Outside Directors not serving as Audit & Supervisory Committee Members will be four (4), and the ratio of Outside Directors among the Company's Directors will be 40%.

1. Takashi Ito

Born on
September 22, 1954
64 years old

Reappointment

Number of shares of the Company held	19,076 shares
Term of office	3 years
Current positions and responsibilities	Director serving as Audit & Supervisory Committee Member (Full-time Audit & Supervisory Committee Member), the Company

Past experience

April 1977	Joined IBM Japan, Ltd.
January 2008	Deputy General Manager, Sales Group, the Company
April 2012	Executive Officer, General Manager, FMCG Business Group
December 2015	Senior Executive, Auditing Staff and in charge of Internal Audit Office
April 2016	Senior Executive, Auditing Staff and in charge of Internal Audit Division
June 2016	Director serving as Audit & Supervisory Committee Member (Full-time Audit & Supervisory Committee Member) (current position)
April 2017	Corporate Auditor, INTAGE Inc. (current position)

Significant concurrent positions

Corporate Auditor, INTAGE Inc.

Reasons for selecting Mr. Ito as a candidate for Director serving as Audit & Supervisory Committee Member

After joining the Company, Mr. Takashi Ito has served as an officer responsible for Sales division by drawing on his knowledge and experience working at IBM Japan, Ltd., and engaged in the internal audit affairs as Senior Executive of the Company. He has thus a wealth of experience and knowledge regarding sales and overall management administration. Additionally, after assuming the office of Director serving as Audit & Supervisory Committee Member, he has appropriately supervised the execution of business of the Company as Full-time Audit & Supervisory Committee Member.

For these reasons, the Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to conduct supervision, etc. on the execution of business. The Company therefore reselected him as a candidate for Director serving as Audit & Supervisory Committee Member.

2. Hajime Nakajima

Born on December 7, 1955
63 years old

Reappointment | Outside Director | Independent Director

Number of shares of the Company held	2,800 shares
Term of office	3 years
Current positions and responsibilities	Outside Director serving as Audit & Supervisory Committee Member, the Company

Past experience

April 1986	Appointed as judge
April 1997	Judge, Tokyo District Court
April 2002	General Manager, Administrative Bureau, Secretarial Training Institute, Supreme Court
April 2004	General Manager of Training, Comprehensive Training Institute for Court Staff
April 2005	Judge, Tokyo High Court
March 2007	Retired from Judge, Tokyo High Court
April 2007	Professor, Toin Law School (current position)
June 2007	Registered as an Attorney
June 2014	Substitute Corporate Auditor, the Company
June 2015	Outside Corporate Auditor
June 2016	Outside Director serving as Audit & Supervisory Committee Member (current position)
June 2017	Outside Director, Toyo Sugar Refining Co., Ltd. (current position)

Significant concurrent positions

Attorney
Professor, Toin Law School
Outside Director, Toyo Sugar Refining Co., Ltd.

Reasons for selecting Mr. Nakajima as a candidate for Outside Director serving as Audit & Supervisory Committee Member

Mr. Hajime Nakajima is well-versed in corporate law, finance, and accounting as an attorney, and has an adequate amount of knowledge regarding corporate management policy. He has been providing opinions and suggestions as an Outside Director serving as Audit & Supervisory Committee Member of the Company to secure legal compliance for the decision making of the Board of Directors.

Additionally, although he has not been directly involved in corporate management other than as Outside Corporate Auditor or Outside Director, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, the Company has determined that he is an appropriate person to conduct supervision, etc. on the execution of business, for the above reasons. The Company therefore reselected him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.

3. Yuzo Miyama

Born on February 28, 1955
64 years old

Reappointment | Outside Director | Independent Director

Number of shares of the Company held	1,900 shares
Term of office	2 years
Current positions and responsibilities	Outside Director serving as Audit & Supervisory Committee Member, the Company

Past experience

April 1983	Registered as lawyer (Daiichi Tokyo BAR Association)
September 1986	Established YUZO MIYAMA LAW OFFICE
July 2001	Representative, MIYAMA LAW OFFICE (current position)
April 2007	Outside Director, Ai Holdings Corporation (current position)
May 2016	Member of the independent committee, the Company
June 2017	Outside Director serving as Audit & Supervisory Committee Member (current position)

Significant concurrent positions

Attorney
Outside Director, Ai Holdings Corporation

Reasons for selecting Mr. Miyama as a candidate for Outside Director serving as Audit & Supervisory Committee Member

Through his many years of service as an attorney, Mr. Yuzo Miyama has a wealth of experience, in-depth insight and expertise. He has been providing opinions and suggestions as Outside Director serving as Audit & Supervisory Committee Member of the Company to secure legal compliance for the decision making of the Board of Directors. Additionally, although he has not been directly involved in corporate management other than as Outside Director, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, the Company has determined that he is an appropriate person to conduct supervision, etc. on the execution of business, for the above reasons. The Company therefore reselected him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.

4. Shizuo Kashima

Born on November 30, 1958
60 years old

Reappointment | Outside Director | Independent Director

Number of shares of the Company held	0 shares
Term of office	1 year
Current positions and responsibilities	Outside Director serving as Audit & Supervisory Committee Member, the Company

Past experience

March 1982	Joined Arthur Young & Company, Tokyo Office
March 1985	Registered as Certified Public Accountant
June 1987	Transferred to International Business Department of Asahi Shinwa Kaikeisha Audit Firm due to the integration of Arthur Young & Company and Asahi Shinwa Kaikeisha Audit Firm
October 1992	Established Kashima Certified Public Accountant Office
December 1992	Registered as Certified Tax Accountant Established Kashima Certified Tax Accountant Office Head, Kashima Certified Tax Accountant Office (current position)
March 2002	Representative Director, Horwath Japan Corporation (currently Minato Trust Corporation) (current position)
September 2002	Established Kashima & Komiyama Certified Public Accountant Office Representative Certified Public Accountant, Kashima & Komiyama Certified Public Accountant Office (current position)
December 2008	Corporate Auditor, MIKI TOURIST CO., LTD. (current position)
April 2010	Corporate Certified Public Accountant, the Company (until March 2018)
June 2018	Outside Director serving as Audit & Supervisory Committee Member (current position)

Significant concurrent positions

Certified Public Accountant
Certified Tax Accountant
Representative Director, Minato Trust Corporation
Corporate Auditor, MIKI TOURIST CO., LTD.

Reasons for selecting Mr. Kashima as a candidate for Outside Director serving as Audit & Supervisory Committee Member

Mr. Shizuo Kashima has an adequate amount of knowledge of finance and accounting and sufficient views on corporate management as a certified public accountant and a certified tax accountant. He has been providing opinions and suggestions as Outside Director serving as Audit & Supervisory Committee Member of the Company to secure legal compliance for the decision making of the Board of Directors.
The Company, in an endeavor to further strengthen the Group's management foundation and enhance corporate value, has determined that he is an appropriate person to conduct supervision, etc. on the execution of business, and therefore, reselected him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.

(Notes)
1. There are no special conflicts of interest between the candidates and the Company.
2. Number of shares of the Company held by the candidate is as of March 31, 2019.
3. Mr. Hajime Nakajima, Mr. Yuzo Miyama, and Mr. Shizuo Kashima are candidates for Outside Director serving as Audit & Supervisory Committee Member.
4. Mr. Hajime Nakajima, Mr. Yuzo Miyama, and Mr. Shizuo Kashima have been designated as Independent Directors pursuant to the regulations of the Tokyo Stock Exchange, Inc. and registered with the aforementioned Exchange as such, and if their election is approved as originally proposed, they will continue to be designated as Independent Directors. Additionally, in view of the "Independence criteria for Outside Directors" (presented below) defined by the Company, the Company deems them to be independent as Outside Directors.
5. Mr. Shizuo Kashima served as Corporate Certified Public Accountant of the Company and Trust Administrator of the Performance-Linked Stock Compensation Plan for Directors of the Company until March 31, 2018, and the compensations paid to him were less than 1.5 million yen per year. In view of the "Independence Criteria for Outside Directors" defined by the Company, the Company deems him to be independent as an Outside Director.
6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded a liability limitation agreement with Mr. Hajime Nakajima, Mr. Yuzo Miyama, and Mr. Shizuo Kashima limiting their liabilities under Article 423, Paragraph 1 of the same Act. The maximum liability limit under this agreement has been set to the amount stipulated by laws and regulations. If this Proposal is approved as originally proposed, the Company plans to continue the agreement with them.

(Reference) Independence Criteria for Outside Directors

The Company determines that Outside Directors possess independence only in the event that they do not fall under any of the following items at present or at any time within the last ten (10) years.

1. A business executing person of the Company or a company in the Group
2. A person or business executing person of an entity in case the Company or a company in the Group is a major transaction partner of the person or entity (*1), or a person or business executing person of an entity that is a major transaction partner of the Company or a company in the Group (*2)
3. A consultant, accounting specialist, or legal specialist who receives large amounts of money or other assets (*3) aside from Director remuneration from the Company or a company in the Group (In the event that the one receiving such assets is an organization such as a corporation or partnership, etc., this applies to a person belonging to the organization in question.)
4. A business executing person of a major shareholder of the Company (major shareholders within the top 10)
5. A business executing person of a major lender of the Company or the Group (banks within the top 2 lenders)
6. A close relative of any of those in the previous 5 items (excluding those not considered to be important)

*1 "In case the Company or a company in the Group is a major transaction partner of the person or entity" refers to any case where the person or entity received a payment of 2% or more of consolidated net sales of the person or entity over the most recent fiscal year from the Company or a company in the Group.

*2 "A person or business executing person of an entity that is a major transaction partner of the Company or a company in the Group" refers to any person or entity that made a payment of 2% or more of consolidated net sales of the Company over the most recent fiscal year toward the Company or a company in the Group.

*3 "Large amounts" refers to the amount of 10 million yen or more per year in the case of an individual, and the amount of 2% or more of consolidated net sales of the entity over the most recent fiscal year in the case of an entity.

Proposal No. 5: Continuation of Performance-linked Stock Compensation Plan for Directors, etc. with Partial Amendments

1. Reasons for the Proposal and reasons the compensation is appropriate

The Company introduced a performance-linked stock compensation plan (the "Plan") for Directors (excluding Outside Directors and Directors serving as Audit & Supervisory Committee Members of the Company) and Executive Officers of the Company and Group companies after receiving shareholders' approval at the 42nd Annual General Meeting of Shareholders held on June 20, 2014. Now, the five (5) fiscal years covered by the Plan (from the fiscal year ended March 31, 2015 to the fiscal year ended March 31, 2019) have ended, but the Company proposes to continue the Plan, with partial amendments, from the fiscal year ending June 30, 2020 onward. Furthermore, the Company proposes that the details thereof be delegated to resolution by the Board of Directors, within the range of the item 2 below.

The Company believes the amendments and continuation of the Plan are appropriate, as their objective is to enhance awareness of contributing to improving medium- to long-term business results and increasing corporate value, by ensuring that not only the merits of increases in the share price, but also the risk of declines in the share price are shared with shareholders by Directors (excluding Outside Directors and Directors serving as Audit & Supervisory Committee Members of the Company) and Executive Officers (excluding Executive Officers who have entered into an employment contract with the Company and Group companies) of the Company and Group companies (hereinafter, collectively referred to as the "Group Directors, etc.").

Furthermore, the compensation, etc. of the Directors of the Company (excluding Outside Directors and Directors serving as Audit & Supervisory Committee Members) in this Proposal are proposed to be approved, separate from the compensation, etc. within 300 million yen a year of Directors (excluding Directors serving as Audit & Supervisory Committee Members) approved at the 44th Annual General Meeting of Shareholders held on June 17, 2016.

In addition, the number of Group Directors, etc. eligible for the Plan at the current time is 29, and if Proposal No. 3 "Election of Six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members)" is approved as originally proposed, the number of Directors of the Company eligible for the Plan will be five (5) and the number of Executive Officers of the Company eligible for the Plan will be one (1), excluding Outside Directors and Directors serving as Audit & Supervisory Committee Members. This Proposal shall take effect subject to the amendments to the Articles of Incorporation in Proposal No. 2 "Partial Amendments to the Articles of Incorporation" taking effect.

2. Overview of the Plan and amount and content of compensation, etc.

When continuing the Plan, the Company plans to make partial amendments to the content of the former Plan. The content after amendment shall be as follows:

(1) Overview of the Plan

The Plan is an incentive plan, whereby the Company shall contribute money (the maximum amount thereof shall be as set forth in item (4) below) to a trust (the "Trust"), and the Trust shall use this money as funds to acquire shares of the Company, and grant shares of the Company and the cash equivalent of the conversion price of the Company's shares (the "Company's shares, etc.") to the Group Directors, etc. through the Trust, in accordance with the level of achievement of business results and other factors.

Furthermore, in principle, Group Directors, etc. shall be granted the shares, etc. when they retire from their position as Director and Executive Officer of the Company and Group companies.

(2) Continuation of the Plan and succession of remaining shares, etc.

The Company shall continue implementing the Plan by extending the trust period of the Trust, whose trust period expires on August 31, 2019, and entrusting additional money. The continued Plan shall cover the five (5) fiscal years from the fiscal year ending June 30, 2020 to the fiscal year ending June 30, 2024 and each period of five (5) fiscal years starting after that period elapses (hereinafter, each period is referred to as a "target period").

Furthermore, when extending the trust period, if there are any shares of the Company (excluding shares of the Company that correspond to a number of points granted to Group Directors, etc. in each target period until the immediately preceding target period but that have not yet been granted to the Group Directors, etc.) and cash (hereinafter, collectively referred to as "remaining shares, etc. at the time of the trust period extension") remaining in the trust assets of the Trust, these remaining shares, etc. at the time of the trust period extension shall be succeeded to by the extended Trust.

(3) Persons eligible for the Plan

Directors (excluding Outside Directors and Directors serving as Audit & Supervisory Committee Members of the Company) and Executive Officers of the Company and Group companies shall be eligible for the Plan. Furthermore, Executive Officers who have entered into an employment contract with the Company and Group companies shall be excluded from the scope of persons eligible for the Plan after continuation.

(4) Amount of money to be contributed to the Trust

The Company shall, as the amount of money considered appropriate in view of the above purpose, contribute a maximum of 480 million yen (Note) to the Trust as funds for the acquisition of the Company's shares, in order to grant the Company's shares, etc. to Group Directors, etc.

In addition, the Company shall similarly entrust additional money up to a maximum of 480 million yen for each target period until the Plan ends.

However, when making such contributions or additional contributions, if, on the day before the start date of each target period, there are any shares of the Company (excluding shares of the Company that correspond to a number of points granted to Group Directors, etc. in each target period until the immediately preceding target period but that have not yet been granted to the Group Directors, etc.) and cash (hereinafter, collectively referred to as "remaining shares, etc. on the day before the start date of the target period") remaining in the trust assets of the Trust, the total amount of these remaining shares, etc. on the day before the start date of the target period and any money additionally contributed to the Trust shall not exceed the maximum amount of money to be entrusted as approved by this General Meeting of Shareholders.

(Note) The above maximum amount of money to be used to acquire the Company's shares of 480 million yen shall not include money to be allocated to expenses related to the operation of the Plan, such as trust expenses and trust compensation, etc. for the Trust, and the Company may make additional contributions as necessary.

(5) Calculation method and maximum of the number of shares of the Company to be granted to Group Directors, etc.

With regard to the method for calculating the number of shares of the Company to be granted to Group Directors, etc., the Company shall abolish the previous increase and decrease of the grant points based on the evaluation of the Performance Evaluation Committee and stipulate the number of such shares of the Company only according to the "annual number of points to be granted" calculated by the following formula in accordance with the Share Benefit Regulations set forth by the Company.

Points granted to Group Directors, etc. shall be converted into one (1) share of the Company's common stock per point for the granting of shares, etc. in (6) below (however, if a stock split, a gratis allotment, or a consolidation of shares, etc. is made to the Company's shares, the Company shall make a reasonable adjustment to the conversion ratio according to the ratio, etc. thereof). The maximum number of points to be granted to Group Directors, etc. in each target period shall be 400,000 points, and the maximum number of shares of the Company acquired in the Trust per target period shall be 400,000 shares (however, if a stock split, a gratis allotment, or a consolidation of shares, etc. is made to the Company's shares, the Company shall make a reasonable adjustment to the number according to the ratio, etc. thereof).

(Calculation of annual number of points to be granted)

$$\text{Annual number of points to be granted to each eligible person} = \text{Basic points per rank (Note 1)} \times \text{Performance-linked coefficient (Note 2)}$$

(Note 1) The basic points per rank shall be a number between 600 and 2,000 points, determined based on the company where the eligible person serves and his or her rank at the end of each fiscal year. However, for the fiscal year ending June 30, 2020, the basic points per rank shall be a number between 750 and 2,500 points, taking into consideration the fact this will be a period lasting from April 1, 2019 to June 30, 2020.

(Note 2) The performance-linked coefficient shall be determined within a range from 0 to 1.5, depending on the level of achievement against forecast operating income on a consolidated basis.

(6) Granting of the Company's shares, etc. to Group Directors, etc.

In addition to the granting of shares, as previously, Group Directors, etc. who fulfill the beneficiary requirements shall also be granted cash as follows.

Specifically, these Group Directors, etc. shall be granted a number of the Company's shares corresponding to 70% of the cumulative number of points granted in the target periods, and shall also be paid cash equivalent to the conversion value of a number of the Company's shares corresponding to 30% of the cumulative number of points after conversion within the Trust, from the perspective of securing funds to pay taxes. In addition, if a Group Director, etc. dies during the trust period, his or her heir shall be granted cash equivalent to the conversion value of a number of the Company's corresponding to all cumulative points granted to the Group Director, etc. in the target periods, after conversion within the Trust.

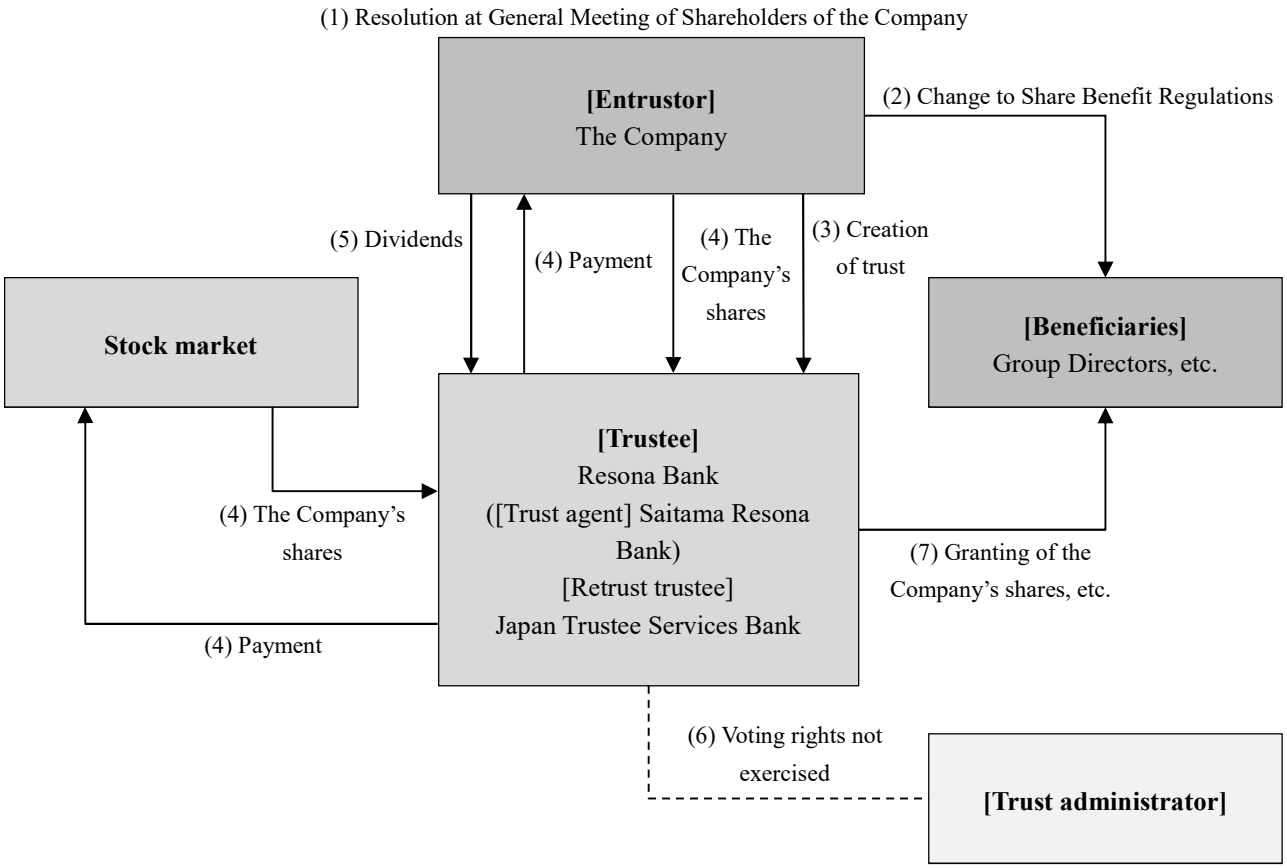
(7) Voting rights of the Company's shares

The voting rights of the Company's shares in the trust assets of the Trust shall not be exercised, in order to ensure neutrality toward management.

(Reference)

For details of the Plan, please refer to "Notice Regarding Continuation of Performance-linked Stock Compensation Plan with Partial Amendments" and "Notice Regarding Introduction of Performance-linked Incentive Plan," announced by the Company on May 10, 2019 and May 21, 2014, respectively (both Japanese only).

<Structure of the Plan>



(1) The Company obtains a resolution for approval regarding the continuation of the Plan and partial amendments at this General Meeting of Shareholders.
(2) The Company changes the Share Benefit Regulations, within the range approved by resolution at the General Meeting of Shareholders.
(3) The Company changes the existing trust agreement, and entrusts additional money, within the range approved by resolution at this General Meeting of Shareholders.
(4) The trustee acquires the Company's shares from the Company (by disposal of treasury stock) or the stock market, etc., using the money entrusted in (3) as funds.
(5) Dividends are paid for the Company's shares in the Trust, in the same manner as the Company's other shares.
(6) No voting rights are exercised for the Company's shares in the Trust throughout the trust period.
(7) Points are granted to Directors, etc. of the Company and the Group during the trust period depending on rank and the level of achievement of business results targets in each fiscal year, in accordance with the Share Benefit Regulations in (2) above, and eligible persons who fulfill certain beneficiary requirements set forth in the Share Benefit Regulations at the time of their retirement, etc. are granted a number of the Company's shares, etc. corresponding to the number of points granted.

End