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

NOTICE OF THE 6TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

ARUHI Corporation

Securities Code: 7198

To Our Shareholders

We would like to express our deep appreciation to all of our shareholders for your continued support. We are sending this notice of convocation as we will shortly be holding our 6th Annual General Meeting of Shareholders.

We also hope for the quick recovery of those who have contracted the novel coronavirus disease (COVID-19) due to the spread of the disease, and we sincerely respect the many people who are working tirelessly day and night to prevent the further spread of infection.

ARUHI provides services to customers, through multiple channels such as 154[*1] sales offices across Japan as well as online, to help enhance their quality of living at various life stages. Such services include not only housing loan products that meet various customer needs, but also house search services and services that discount the prices of products and services necessary for daily life after acquiring a home. We are also providing convenience and faster solutions to both real estate agents and individual customers by utilizing cutting-edge technologies such as AI[*2] and RPA[*3].

Going forward, we remain committed to our aim to create a unique platform that connects and matches the diverse needs of customers, real estate agents, financial institutions, consumer goods manufacturers, and service companies.

As a pioneer and a leading company in the field of financial institutions that specialize in housing loans, we will continue to innovate and take on further challenges in a timely manner. We look forward to your continued support.

[*1] As of March 31, 2020
[*2] Artificial Intelligence
[*3] Robotic Process Automation

Hiroshi Hamada,
Chairman of the Board,
President, Representative Director, CEO and COO

(Securities Code: 7198)
June 4, 2020

To our shareholders:

Hiroshi Hamada,
Chairman of the Board,
President, Representative Director,
CEO and COO
ARUHI Corporation
6-1, Roppongi 1-chome, Minato-ku, Tokyo

Notice of the 6th Annual General Meeting of Shareholders

The 6th Annual General Meeting of Shareholders of ARUHI Corporation (the "Company") will be held for the purposes as described below.

The Japanese Government and the prefectural governors have strongly emphasized official requests to refrain from unnecessary outings to prevent the spread of COVID-19. In view of recent circumstances, after prudent consideration including consultation with external experts, the Company has decided to hold this General Meeting of Shareholders with appropriate measures put in place to prevent the spread of infection.

To avoid the risk of infection among shareholders and the Company's officers and employees, and prevent the further spread of infection, we request that all shareholders, regardless of your state of health, refrain from attending the meeting in person this year, and instead exercise your voting rights beforehand in writing or via the internet.

We plan to operate this General Meeting of Shareholders with only the Company's officers in attendance to prevent the spread of COVID-19. We thank you for your understanding and cooperation in advance.

We ask that you review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights before 5:45 p.m. (JST) on Wednesday, June 24, 2020.

[Voting by mail]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received by the above deadline.

[Voting via the Internet, etc.]

Please refer to the "Exercise of Voting Rights via the Internet, etc." (in Japanese only) and indicate your approval or disapproval of the proposals by above deadline.

Regarding Internet Disclosure (in Japanese only)

The following items have been posted on the Company's website on the Internet in accordance with laws and regulations and Article 15 of the Company's Articles of Incorporation. The relevant documents are not included in the Attachment to the Notice of Annual General Meeting of Shareholders.

(i) "Matters concerning Share Acquisition Rights, etc." and "Structures for Ensuring Appropriate Operations and Operational Status of Said Structures" in the Business Report
(ii) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
(iii) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements

Website of the Company https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders

These items are included in the audit materials when the Audit and Supervisory Board Members and the Accounting Auditors prepare their respective audit reports.

1. Date and Time:	10:00 a.m. (JST) on Thursday, June 25, 2020	
2. Venue:	8F, IZUMI GARDEN Tower Seminar room of the Company 6-1, Roppongi 1-chome, Minato-ku, Tokyo	
3. Purpose:	(1) Matters to be reported	1. Report on the Business Report and Consolidated Financial Statements and the results of audits by Accounting Auditors and the Audit and Supervisory Board for Consolidated Financial Statements for the 6th Fiscal Year (from April 1, 2019 to March 31, 2020)
		2. Report on the Non-consolidated Financial Statements for the 6th Fiscal Year (from April 1, 2019 to March 31, 2020)
	(2) Matters to be resolved	Proposal No. 1: Appropriation of Surplus
		Proposal No. 2: Partial Amendments to the Articles of Incorporation
		Proposal No. 3: Election of Five (5) Directors
		Proposal No. 4: Election of One (1) Audit and Supervisory Board Member
		Proposal No. 5: Election of One (1) Substitute Audit and Supervisory Board Member
		Proposal No. 6: Determination of Compensation for Granting Restricted Stock to Directors (Excluding Outside Directors)

1. The details listed above may be amended up to and including the day of the General Meeting of Shareholders due to factors such as government notices and the state of the spread of COVID-19. We ask that you check the latest meeting's transmission information from the Company's website on the Internet (https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders).
2. Using voting forms to exercise voting rights leads to infection risks due to the process involved in sending the forms to the Company and due to the work required to tally the votes. Hence, if you wish to exercise your voting rights in advance, we ask that you do so over the Internet wherever possible.
3. If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Non-consolidated Financial Statements, please note that such changes will be posted on the Company's website (https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders).

Information on Exercise of Voting Rights, etc.

The right to vote at the general meeting of shareholders is a principal right of shareholders. Please exercise your voting rights by one of the following three methods.

1. Exercise of Voting Rights by attending the general meeting of shareholders
2. Exercise of Voting Rights by mail
3. Exercise of Voting Rights via the Internet, etc.

(1) If you exercise your voting rights both in writing and via the internet, etc., we will consider the exercise via the internet, etc. to be valid.

(2) If you exercise your voting rights more than once via the internet, etc., we will consider the final vote to be effective. In addition, if you exercise your voting rights more than once by using personal computers, smartphones or mobile phones, we will consider the final vote to be effective.

Electronic Voting Platform for Institutional Investors

If the application for the use of the electronic voting platform (ProxyEdge) operated by ICJ, Inc.* is made in advance, nominal shareholders such as management trust banks, including standing proxies, may use such platform as their electronic or magnetic means of voting rights for the Company's general meeting of shareholders, other than by exercising voting rights via the internet.

*A joint venture company established by Tokyo Stock Exchange, Inc. and Broadridge Financial Solutions, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

In accordance with our dividend policy, the Company proposes to pay the following amount of year-end dividends for the current fiscal year.

Type of dividend property	Cash
Allotment of dividend property and total amount to be paid	¥26.00 per common share of the Company Total dividends: ¥915,036,434
Effective date of dividends of surplus	June 26, 2020

The Company's dividend policy is as follows;

The Company recognizes that both distribution of profits to shareholders and sustained corporate growth are top management priorities. The Company has set out a basic policy to actively pay dividends of surplus after sufficiently investing in growth areas that will boost future corporate value, while placing importance on ROE and maintaining appropriate financial leverage.

Currently, the Company's target dividend payout ratio is 30 to 40%, and the Articles of Incorporation allow the Company to pay interim dividends once a year in addition to year-end dividends.

The organizational functions that approve the dividends of surplus, etc. are the General Meeting of Shareholders for year-end dividends and the Board of Directors for interim dividends.

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

(1) Reasons for the proposal

To respond to the diversification of the future business development of the Company and the Group and reorganize the existing items of business purpose to reflect the current business situation of the Group, the Company requests approval to change 16 total items of Article 2 (Purpose) of the current Articles of Incorporation to 21 total items as shown in the proposed amendments by reorganizing, combining and adding items.

(2) Details of the amendments

Details of the proposed amendments are as follows.

(The underlined portions are to be amended)

Current Articles of Incorporation	Proposed Amendments
Article 2 (Purpose) The purpose of the Company shall be to operate and conduct the following businesses and to manage the business by owning share or equity of a company that operates any of the same:	Article 2 (Purpose) The purpose of the Company shall be to operate and conduct the following businesses:
(1) Mortgage lending business and loan intermediary business	(1) Mortgage and any other money lending business and loan intermediary business
(2) Money lending business and loan intermediary business	(Deleted)
(3) Purchase of claims/credits under the Installment Sales Act	(2) Purchase of claims/credits under the Installment Sales Act, accounts receivable, bills, and any other claims/credits
(4) (Omitted)	(3) (Unchanged)
(5) Purchase of accounts receivable and bills	(Deleted)
(6) (Omitted)	(4) (Unchanged)
(7) Collection, processing and sales of information	(5) Collection, processing and sales of information
(8) (Omitted)	(6) (Unchanged)
(9) (Omitted)	(7) (Unchanged)
(10) Sales, rental and brokerage related thereto of real property or estate	(Deleted)
(11) (Omitted)	(8) (Unchanged)
(12) (Omitted)	(9) (Unchanged)
(13) Comprehensive lease and its agent businesses	(10) Lease and its agent businesses
(14) (Omitted)	(11) (Unchanged)
(Newly established)	(12) Business related to information technology or information
(Newly established)	(13) Fee-charging employment agency business
(Newly established)	(14) Agent and brokerage businesses related to any of contracts
(Newly established)	(15) Sales, rental, intermediary, owning, management, grant, and agent of any of the foregoing of: movable property; real property/estate; intellectual property; and any other property/asset
(15) Consulting business related to any of the foregoing	(16) Consulting business
(Newly established)	(17) Business related to trade and brokerage of used goods
(Newly established)	(18) Business of debts management and collection or business of agent in relation to management-related tasks
(Newly established)	(19) Consignment business related to any of the foregoing

Current Articles of Incorporation	Proposed Amendments
(Newly established)	(20) Management of the business of an entity or organization by owning share or equity of that entity or organization which operates any of the foregoing businesses or any business incidental or related thereto
(16) Any other business incidental to any of the foregoing	(21) Any other business incidental or related to any of the foregoing

Proposal No. 3: Election of Five (5) Directors

At the conclusion of this Annual General Meeting of Shareholders, Messrs. Hiroshi Hamada, Keiichi Yoshida, Ms. Tokiko Ide, Messrs. Toshihiko Hiura and Hiroyuki Oshida will retire from their positions as Directors due to the expiry of their terms of office. Therefore, the Company requests approval for the re-election of the five (5) Directors listed below.

Candidate No.	Name		Current position in the Company	Attendance at Board of Directors meetings
1	Hiroshi Hamada	[Re-election]	Chairman of the Board, President, Representative Director, CEO and COO	100% (14/14)
2	Keiichi Yoshida	[Re-election]	Representative Director and Executive Vice President	100% (14/14)
3	Tokiko Ide	[Re-election] [Outside] [Independent]	Outside Director	100% (14/14)
4	Toshihiko Hiura	[Re-election] [Outside] [Independent]	Outside Director	92.8% (13/14)
5	Hiroyuki Oshida	[Re-election] [Outside] [Independent]	Outside Director	90% (9/10)

[Re-election] Candidate for re-election as Director
[Outside] Candidate for outside Director
[Independent Officer] Independent Officer under the stipulations of Tokyo Stock Exchange, Inc.

(Notes) 1. There is no special interest between any of the candidates and the Company.

2. The Company has signed contracts for Limitation of Liabilities with all of the Outside Directors under Article 425, paragraph 1 of the Companies Act when the Outside Directors perform their duties in good faith without gross negligence. Therefore, in the event that the re-elections of Ms. Tokiko Ide, Messrs. Toshihiko Hiura and Hiroyuki Oshida are approved, the Company plans to continue the said contracts. Outline of the contract is as below:
   - In the event that an Outside Director is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Outside Director performs his/her duties in good faith and without gross negligence.

3. Percentage of attendance at Board of Directors meetings is calculated based on the number of Board of Directors meetings held during the fiscal year under review and the number of meetings attended. Note, however, that activities for Mr. Hiroyuki Oshida cover only the Board of Directors meetings held after his appointment on July 1, 2019.

Candidate No.		Number of shares of the Company held: 803,000 shares
1	Hiroshi Hamada (Born on May 30, 1959)	The number of years in office as Director (as of the conclusion of this General Meeting): 5 years and 1 month
Re-election		

Summary of career, position and responsibilities in the Company

Apr.	1982	Joined Yamashita-Shinnihon Steamship Co., Ltd. (currently Mitsui O.S.K. Lines, Ltd.)
Apr.	1987	Joined American Life Insurance Company, Japan Branch (currently MetLife, Inc.)
Nov.	1992	Joined Clarke Consulting Group (U.S.)
Jan.	1995	Joined Dell Computer Inc. (currently Dell Japan Inc.)
Aug.	2000	Assumed Representative Director, President of Dell Japan Inc. and Vice President of Dell Computer Corporation
May	2006	Joined Revamp Corporation Assumed Representative Partner
Apr.	2008	Joined HOYA CORPORATION Assumed Executive Officer, President and Chief Operating Officer
Jun.	2008	Assumed Director, Executive Officer, President and Chief Operating Officer of HOYA CORPORATION
Nov.	2011	Assumed Director, Representative Executive Officer, President and Chief Operating Officer of HOYA CORPORATION
Mar.	2014	Assumed Independent Director of the Board of KOKUYO Co., Ltd. (current position)
May	2015	Joined former ARUHI Corporation Assumed Chairman of the board, Representative Director and CEO
May	2015	Assumed Chairman of the board, Representative Director and CEO of ARUHI Group Corporation (currently the Company)
Sept.	2015	Assumed Chairman of the board, President, Representative Director, CEO and COO of former ARUHI Corporation
Sept.	2015	Assumed Chairman of the Board, President, Representative Director, CEO and COO of ARUHI Group Corporation (currently the Company) (current position)

Significant concurrent positions

Mr. Hiroshi Hamada serves as an Independent Director of the Board of KOKUYO Co., Ltd. since March 2014.

Reasons for nomination as candidate for Director

Mr. Hiroshi Hamada currently leads the Company's Group management, and has played an appropriate role in enhancing corporate values, such as in determining important matters and overseeing execution of businesses. Since it is expected that he can further contribute to the Company in the future, he has been selected as a candidate for Director.

Candidate No.		Number of shares of the Company held: 15,000 shares
2	Keiichi Yoshida (Born on August 26, 1954)	The number of years in office as Director (as of the conclusion of this General Meeting): 2 years and 0 months
Re-election		

Summary of career, position and responsibilities in the Company

Apr.	1977	Joined NEC Corporation
Feb.	1999	Joined Kodak Japan Ltd.
Apr.	2000	Joined Assist Japan Ltd.
Oct.	2002	Joined NEC Electronics Corporation
Nov.	2004	Joined BancTec Japan, Inc. (currently Primagest, Inc.)
Mar.	2005	Assumed Director of BancTec Japan, Inc. (currently Primagest, Inc.)
Sept.	2008	Joined NH Techno Glass Corporation (currently AvanStrate Inc.)
		Assumed CFO
Feb.	2013	Joined ITX Corporation
Jun.	2013	Assumed Senior Managing Director of ITX Corporation
Jun.	2015	Joined Japan Display Inc.
Jul.	2015	Assumed Executive Officer, CFO of Japan Display Inc.
Aug.	2017	Joined ARUHI Corporation
		Assumed Corporate Officer, CFO
Jun.	2018	Assumed Managing Director, CFO of ARUHI Corporation
Jul.	2019	Assumed Representative Director and Executive Vice President of ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Director

Mr. Keiichi Yoshida currently utilizes his extensive experience as a management executive and knowledge of finance and accounting as Representative Director and Executive Vice President and has played an appropriate role in contributing to the achievement of the Company's management strategies. Since it is expected that he can provide further leadership for the Company's management in the future, he has been selected as a candidate for Director.

Candidate No.		
3	Tokiko Ide (Born on April 16, 1958)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 2 years and 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr.	1981	Joined Victor Company of Japan, Limited
Apr.	1988	Joined Japan Motorola, Inc.
Jun.	1998	Joined Dell Japan Inc.
Sept.	2005	Joined Baxter Limited
		Assumed Finance Vice President
Jul.	2012	Joined Acyan Corporation
		Assumed CFO
Apr.	2014	Joined NEW Asurion Asia Pacific Japan G.K. (currently Asurion Japan Holdings G.K.)
		Assumed CFO
Aug.	2016	Assumed Representative Director and President of Asurion Japan K.K
Jul.	2017	Assumed Outside Director of ARUHI Corporation (current position)
Aug.	2018	Assumed Advisor of Asurion Japan Holdings G.K. (current position)

Significant concurrent positions

Ms. Tokiko Ide is Advisor of Asurion Japan Holdings G.K.

Reasons for nomination as candidate for Outside Director

Ms. Tokiko Ide has provided advice and oversight from an objective and long-term perspective based on her extensive experience and knowledge as a management executive and CFO, and has played an essential role for the Company's growth. Therefore, the Company has selected her as a candidate for Outside Director.

Candidate No.		
4	Toshihiko Hiura (Born on October 1, 1959)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 2 years and 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr.	1983	Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)
Feb.	1986	Joined Bain & Company Japan, Inc.
Jan.	1997	Assumed Partner of Bain & Company Japan Inc.
Jan.	2008	Assumed Representative Partner of Bain & Company Japan Inc.
Apr.	2014	Assumed Chairman of Bain & Company Japan Inc.
Jul.	2017	Assumed Advisory Partner of Bain & Company Japan Inc. (current position)
Jul.	2017	Assumed Outside Director of ARUHI Corporation (current position)

Significant concurrent positions

Mr. Toshihiko Hiura is Advisory Partner of Bain & Company Japan, Inc. The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) to which Mr. Toshihiko Hiura belonged, is one of the Company's main lenders. However, as more than 30 years have passed since he resigned from the said bank, it is deemed that Mr. Toshihiko Hiura is sufficiently independent with no risk of causing any conflict of interest with ordinary shareholders in light of the independence criteria stipulated by the Tokyo Stock Exchange.

Reasons for nomination as candidate for Outside Director

Mr. Toshihiko Hiura has provided advice and oversight from an objective and long-term perspective based on his extensive knowledge as a management executive and a management consultant, and has played an essential role for the Company's growth. Therefore, the Company has selected him as a candidate for Outside Director.

Candidate No.		
5	Hiroyuki Oshida (Born on June 5, 1957)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr.	1981	Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)
Jul.	1998	Joined KPMG Global Solution K.K.
Jul.	1999	Assumed Director of KPMG Global Solution K.K.
Feb.	2000	Joined KPMG Business Advisory LLC
Jul.	2000	Assumed Partner and Branch Manager of KPMG Business Advisory LLC-Tokyo Branch
Aug.	2003	Assumed Representative Director, Partner of KPMG FAS Co., Ltd.
Sept.	2006	Assumed Visiting Professor of KIT Toranomon Graduate School
Jul.	2019	Assumed Outside Director of ARUHI Corporation (current position)
Jul.	2019	Assumed Outside Director of GIGA PRIZE CO., LTD. (current position)
Nov.	2019	Assumed Outside Director of SFM Co., Ltd. (current position)
Dec.	2019	Assumed Outside Audit and Supervisory Board Member of Japan Best Rescue System Co., Ltd. (current position)

Significant concurrent positions

Mr. Hiroyuki Oshida is an Outside Director of GIGA PRIZE CO., LTD. and SFM Co., Ltd. and is an Outside Audit and Supervisory Board Member of Japan Best Rescue System Co., Ltd.

Reasons for nomination as candidate for Outside Director

Mr. Hiroyuki Oshida has provided advice and oversight from an objective and long-term perspective based on his extensive experience and knowledge as a management executive and a consultant, and has played an essential role for the Company's growth. Therefore, the Company has selected him as a candidate for Outside Director.

Proposal No. 4: Election of One (1) Audit and Supervisory Board Member

At the conclusion of this Annual General Meeting of Shareholders, Mr. Takashi Anada will resign from the Company's Audit and Supervisory Board. Member. Therefore, the Company newly requests approval for the election of one (1) new Outside Audit and Supervisory Board Member as below.
Consent of the Audit and Supervisory Board has been obtained for this proposal.

New election Outside Independent	Mitsumasa Ueno (Born on November 9, 1952)	Number of shares of the Company held: 0 shares The number of years in office as Audit and Supervisory Board Member (as of the conclusion of this General Meeting): –

Summary of career

Oct.	1978	Joined Showa & Co. (currently Ernst & Young ShinNihon LLC)
May	1995	Assumed Partner of Showa & Co.
Oct.	2008	Assumed Executive Director of Showa & Co.
Jul.	2009	Joined Ernst & Young Transaction Advisory Services Co., Ltd.
		Assumed Representative Director and COO of Ernst & Young Transaction Advisory Services Co., Ltd.
Jun.	2012	Assumed Audit and Supervisory Board Member of Kanematsu Granks, Corp.
Jun.	2015	Assumed Director and Audit and Supervisory Committee Member of FUJITSU BROAD SOLUTION & CONSULTING Inc.
Jun.	2015	Joined SoftBank Technology Corp. (currently SB Technology Corp.)
		Assumed Chairman of Audit and Supervisory Board of SoftBank Technology Corp. (currently SB Technology Corp.) (current position)
Feb.	2016	Auditor of Japan for UNHCR (current position)

Significant concurrent positions

Mr. Mitsumasa Ueno is a chairman of Audit and Supervisory Board of SB Technology Corp. and Auditor of Japan for UNHCR.

Reasons for nomination as candidate for Outside Audit and Supervisory Board Member

As a Certified Public Accountant, Mr. Mitsumasa Ueno has extensive experience and knowledge in finance and accounting. Since it is expected that he can provide advice from specialized points of view, particularly enhancing effectiveness of and strengthening auditing functions, the Company has selected him as a new candidate for Outside Audit and Supervisory Board Member.

[New election] Candidate for new Audit and Supervisory Board Member
[Outside] Candidate for outside Audit and Supervisory Board Member
[Independent Officer] Independent Officer under the stipulations of Tokyo Stock Exchange, Inc.

(Notes) 1. There is no special interest between the candidate and the Company.
2. The Company has signed contracts for Limitation of Liabilities with all of the Audit and Supervisory Board Members under Article 425, paragraph 1 of the Companies Act when the Audit and Supervisory Board Members perform their duties in good faith without gross negligence. Therefore, when Mr. Mitsumasa Ueno takes office as an Audit and Supervisory Board Member, the Company plans to conclude the said contract with him. Outline of the contract is as below:
   - In the event that an Audit and Supervisory Board Member is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Audit and Supervisory Board Member performs his/her duties in good faith and without gross negligence.

Proposal No. 5: Election of One (1) Substitute Audit and Supervisory Board Member

In preparation for the case when the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations or the Articles of Incorporation, or the case when Mr. Yuji Harada, full-time Outside Audit and Supervisory Board Member is absent, the Company requests approval for the election in advance of the following one (1) candidate as substitute Audit and Supervisory Board Member. This election will be effective until the commencement of the next Annual General Meeting of Shareholders. However, this election may be cancelled by resolution of the Board of Directors with the consent of the Audit and Supervisory Board but only if carried out prior to him taking office as an Audit and Supervisory Board Member. Consent of the Audit and Supervisory Board has been obtained for this proposal.

Akihiro Inoue (Born on December 14, 1966)	Number of shares of the Company held: 47,100 shares

Summary of career

Apr.	1990	Joined The Mitsui Trust Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)
Mar.	2000	Joined Softbank Finance Corporation
Jul.	2005	Joined SBI Holdings, Inc.
Apr.	2006	Joined SBI Sumishin Net Bank Preparatory Co., Ltd.
Sept.	2007	Assumed Director of SBI Sumishin Net Bank, Ltd.
Jun.	2009	Joined SBI Mortgage Co., Ltd. (currently ARUHI Corporation)
Jul.	2018	Assumed General Manager of the Internal Auditing Division of ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Substitute Audit and Supervisory Board Member

Mr. Akihiro Inoue currently utilizes his extensive knowledge of internal control and the Company's business as General Manager of the Internal Auditing Division and has played an appropriate role in contributing to enhancing the effectiveness of the auditing function of the Company. Since it can be expected that he will continue to drive the further achievement of strengthening the Company's audit function in the future, the Company has selected him as a candidate for substitute Audit and Supervisory Board Member.

(Notes) 1. There is no special interest between the candidate and the Company.

2. The Company has signed contracts for Limitation of Liabilities with all of the Audit and Supervisory Board Members under Article 425, paragraph 1 of the Companies Act when the Audit and Supervisory Board Members perform their duties in good faith without gross negligence. Therefore, when Mr. Akihiro Inoue takes office as an Audit and Supervisory Board Member, the Company plans to conclude the said contract with him. Outline of the contract is as below:
   - In the event that an Audit and Supervisory Board Member is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Audit and Supervisory Board Member performs his/her duties in good faith and without gross negligence.

Proposal No. 6: Determination of Compensation for Granting Restricted Stock to Directors (Excluding Outside Directors)

At the 3rd Annual General Meeting of Shareholders held on June 14, 2017, approval was received for compensation not exceeding ¥500 million per year for Directors of the Company. However, as part of review of the officer compensation system, the Company proposes to newly pay compensation to grant restricted stocks, which are shares subject to the Transfer Restrictions as defined later, to Directors (excluding Outside Directors; the "Eligible Directors") of the Company within the maximum limit established separately from the aforementioned maximum amount of compensation as follows for the purpose of providing an incentive for Directors to sustainably improve the Company's corporate value and further promoting the creation of shared value with shareholders. Therefore, the Company requests approval for the payment of compensation.

The compensation to be paid to Eligible Directors for granting the restricted stock shall be monetary claim, and its total amount shall be ¥100 million or less per year, the level of amount deemed as reasonable in light of the aforementioned objective. The specific timing and allocation of awards for each Eligible Director shall be decided by the Board of Directors. The number of Directors is currently five (5) (including three (3) Outside Directors). Subject to the approval and adoption of Proposal No. 3 "Election of Five (5) Directors" as originally proposed, the number of Directors will be five (5) (including three (3) Outside Directors), and the number of Eligible Directors will be two (2).
Eligible Directors shall pay all monetary claims to be provided under this proposal in the form of assets contributed in kind, in accordance with the resolution by the Board of Directors of the Company, and shall, in return, receive common shares of the Company to be issued or disposed of by the Company. The total number of common shares to be issued or disposed of by the Company shall be no more than 50,000 shares per year (however, if a situation arises in which the total number of the Company's common shares to be issued or disposed of as restricted stock must be adjusted due to the share split of the Company's common shares [including a gratis allotment of common shares of the Company] or consolidation of shares of common shares of the Company that is effective after the date this proposal is approved and adopted, the total number of shares will be adjusted within a reasonable range).
The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before the date of each resolution of the Board of Directors (if there is no closing price on such date, the closing price of the closest preceding trading day) to the extent that the amount is not particularly beneficial to the Eligible Directors who will receive the common shares. In addition, for the issuance or disposal of the common shares of the Company, a restricted stock allotment agreement that includes the following provisions (the "Allotment Agreement") shall be entered into between the Company and each Eligible Director.

(1) Transfer Restriction Period
Eligible Directors must not transfer, create a security interest on, or dispose of in any other way shares of the Company's common shares allotted under the Allotment Agreement (the "Allotted Shares"), for a period predetermined by the Board of Directors of the Company that comes between three (3) years and five (5) years from the day the shares are allotted under the Allotment Agreement (the "Transfer Restriction Period"). The restrictions described in the preceding sentence shall hereinafter be referred to as the Transfer Restrictions.

(2) Treatment on retirement from the position
If an Eligible Director retires from a position predetermined by the Company's Board of Directors before the Transfer Restriction Period expires, the Company shall automatically acquire such Allotted Shares without contribution, unless the reason for his/her retirement from office is the expiration of the term of his/her office, death, or other reason the Company's Board of Directors deems justifiable.

(3) Lifting of Transfer Restrictions
The Company shall lift the Transfer Restrictions of all of the Allotted Shares upon expiration of the Transfer Restriction Period, on the condition that the Eligible Director has remained in the position predetermined by the Company's Board of Directors throughout the Transfer Restriction Period. However, if the Eligible Director retires from the position predetermined by the Company's Board of Directors before the expiration of the Transfer Restriction Period due to expiration of the term of his/her office, death, or other reason the Company's Board of Directors deems justifiable, which is designated in (2) above, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of lifting as needed. In addition, the Company shall automatically acquire without contribution the

Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the above provisions.

(4) Treatment during reorganization, etc.
Notwithstanding the provision of (1) above, if, during the Transfer Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Transfer Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In addition, in cases specified above, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted.

(5) Other matters
The Company's Board of Directors shall make determinations concerning other matters regarding the Allotment Agreement.

(Reference)
Subject to the approval of shareholders for this proposal, the Company plans to allocate restricted stock in the same manner as the restricted stock above to corporate officers who are not concurrently serving as Directors of the Company.