Security code: 9759
June 3, 2020

To Our Shareholders

NSD CO., LTD.
2-101, Kanda-awajicho, Chiyoda-ku, Tokyo, Japan
Yoshikazu Imajo
President & CEO

NOTICE OF CONVOCATION OF THE 51st ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to notify you that the 51st Ordinary General Meeting of Shareholders will be held as stated below.

To prevent the spread of the novel coronavirus disease (COVID-19) infection at the venue of the General Meeting of Shareholders, shareholders are strongly advised not to attend this General Meeting of Shareholders, and instead exercise their voting rights by postal mail or via the Internet. Please take a time to examine the Reference for the Ordinary General Meeting of Shareholders on the following pages, and exercise your voting rights in accordance with the "Guidance on the Exercise of Voting Rights" (pages 3 through 4 of the Japanese original).

Particulars

1. **Date and Time:** 10:00 a.m., Thursday, June 25, 2020
   (The reception is scheduled to open at 9:00 a.m.)

2. **Place:** sola city Hall (2F) at Ochanomizu sola city
   4-6 Kandasurugadai, Chiyoda-ku, Tokyo.

3. **Purpose of Meeting:**

   Matters to be reported

   Report on business report, consolidated financial statements, non-consolidated financial statements, and audit results of consolidated financial statements by the independent auditor and the Audit & Supervisory Board for the 51st fiscal year (from April 1, 2019 to March 31, 2020)

   Matters to be resolved

   Item 1 Election of Six (6) Directors

   Item 2 Election of One (1) Audit & Supervisory Board Member

Note: This is unofficial translation of the Japanese Language original version, and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of information. The Japanese original version of the report is the sole official version.

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Reference for the Ordinary General Meeting of Shareholders

Proposal 1: Election of Six (6) Directors

The term of all six (6) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Therefore, the Board proposes that six (6) Directors, including three (3) Outside Directors, be elected.
The candidates are as follows.

Candidate No.	Name	Position and Responsibility in Our Company	Attendance of the meetings of the Board of Directors
1	Reappointment Yoshikazu Imajo	President & CEO	15/15 (100%)
2	Reappointment Hideshi Maekawa	Director, Senior Managing Executive Officer Chief General Manager, Corporate Service Division	15/15 (100%)
3	Reappointment Osamu Yamoto	Director, Senior Managing Executive Officer COO, Responsible for Development Support Division	15/15 (100%)
4	New appointment Outside Independent Atsuhiro Kawamata	—	—
5	Reappointment Outside Independent Kumiko Jinnouchi	Outside Director	10/10 (100%)
6	Reappointment Outside Independent Kimiou Yamashita	Outside Director	15/15 (100%)

New appointment Candidate for Director to be newly appointed
Reappointment Candidate for Director to be reappointed
Outside Candidate for Outside Director
Independent Independent Officer

(Note)

Since Ms. Kumiko Jinnouchi was appointed as a Director at the 50th Ordinary General Meeting of Shareholders held on June 25, 2019, the number of meetings of the Board of Directors held during her term in office differs from the number for the other Directors. The number of the meetings held after her appointment is ten (10).

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in Our Company and Principal Concurrent Positions		Number of shares of the Company Owned
1	Yoshikazu Imajo (October 13, 1961) [Reappointment]	April 1984	Joined NSD CO., LTD. (NSD)	218,900
		April 2001	General Manager, Tokyo Systems Sales Department 4	
		April 2005	Executive Officer	
			Chief General Manager, Systems Division 1	
		June 2006	Director & Executive Officer	
			Deputy Chief General Manager, Sales Promotion & Planning Division	
		June 2007	Managing Director & Executive Officer	
			Deputy Chief General Manager, Sales Promotion & Planning Division	
		April 2008	Senior Managing Director	
			Chief General Manager, Sales Promotion & Planning Division	
		April 2009	President & COO	
			Chief General Manager, Sales Promotion & Planning Division	
		April 2011	President & CEO	
			(Present Position)	
	Attendance of the meetings of the Board of Directors		15/15 (100%)	
	[Reasons for the appointment as a candidate for Director]			
	Mr. Yoshikazu Imajo has sufficient experience and a proven track record as the President of Our Company. This, together with his deep insight for management, enables him to continue executing business, making decisions and supervising the activities of management appropriately.			

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in Our Company and Principal Concurrent Positions		Number of shares of the Company Owned
2	Hideshi Maekawa (February 16, 1962) [Reappointment]	April 1982	Joined NSD	85,140
		April 2000	General Manager, Tokyo Systems Sales Department 6	
		April 2006	Executive Officer	
			Chief General Manager, Corporate Staffs Division	
		June 2006	Director & Executive Officer	
			Chief General Manager, Corporate Staffs Division	
		April 2013	Director & Senior Executive Officer	
			COO, Public & Telecommunication Business Division	
			Senior General Manager, IT Services Business Division	
			Responsible for Industrial Business Division	
		April 2014	Managing Director	
			COO, IT Services Business Division	
			Responsible for Industrial Business Division	
			Responsible for Public & Telecommunication Business Division	
		April 2016	Senior Managing Director	
			COO, Industrial Business Division	
		June 2017	Director, Senior Managing Executive Officer	
			In Charge of Corporate Administration and Investor Relations Office, Human Resources Department, General Affairs Department	
			Responsible for Corporate Planning Division, Accounting & Finance Department	
		April 2018	Director, Senior Managing Executive Officer	
			Chief General Manager, Corporate Administration Division	
			Responsible for Corporate Planning Division	
		June 2018	Director, Senior Managing Executive Officer	
			Chief General Manager, Corporate Administration Division	
		April 2019	Director, Senior Managing Executive Officer	
			Chief General Manager, Corporate Service Division	
			(Present Position)	
	Attendance of the meetings of the Board of Directors		15/15 (100%)	
	[Reasons for the appointment as a candidate for Director]			
	Mr. Hideshi Maekawa has sufficient experience and a proven track record with respect to the business execution of our corporate service division and system development division. This, together with his insight for management as a Director, enables him to continue executing business, making decisions and supervising the activities of management appropriately.			

Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in Our Company and Principal Concurrent Positions		Number of shares of the Company Owned
3	Osamu Yamoto (February 20, 1963) [Reappointment]	April 1987 February 2004 September 2007 April 2014 June 2014 June 2016 June 2017 April 2018 April 2019 (Present Position)	Joined NSD General Manager, Systems Sales Division 5 Department 1 Executive Officer Chief General Manager, Systems Division 5 Senior Executive Officer COO, Public & Telecommunication Business Division Director & Senior Executive Officer COO, Public & Telecommunication Business Division Managing Director COO, Public & Telecommunication Business Division Senior General Manager, Business Sales Division Director, Managing Executive Officer COO, Public & Telecommunication Business Division Senior General Manager, Business Sales Division Responsible for Business Development Division, Global Business Division, Development Management Division Director, Senior Managing Executive Officer Chief General Manager, Business Headquarter Responsible for Business Development Division, Advanced Technology Promotion Division, Global Business Division, Development Management Division Director, Senior Managing Executive Officer COO, Responsible for Development Support Division	52,880
	Attendance of the meetings of the Board of Directors		15/15 (100%)	
	[Reasons for the appointment as a candidate for Director]			
	Mr. Osamu Yamoto has sufficient experience and a proven track record with respect to the business execution of our system development division and sales division. This, together with his insight for management as a Director, enables him to continue executing business, making decisions and supervising the activities of management appropriately.			

<table>
<tr><th>Candidate No.</th><th>Name
(Date of Birth)</th><th colspan="2">Resume, Position and Responsibility in Our Company
and Principal Concurrent Positions</th><th>Number of shares of the Company Owned</th></tr>
<tr><td rowspan="4">4</td><td>Atsuhiro Kawamata
(August 14, 1961)

[New appointment]
[Candidate for Outside Director]
[Independent Officer]</td><td>April 1984
November 2005

July 2008

January 2015

January 2019

January 2020</td><td>Joined Japan Tobacco Inc. (JT)
Director, Business Planning department, Food Business Division
Senior Vice President, Head of China Division, Tobacco Business Headquarters
President & CEO, TableMark Holdings Co., Ltd.
(Retired in December 2018)
President & CEO, TableMark Co., Ltd.
(Retired in December 2018)
Senior Vice President, Head of Food Business, Food Business Planning Division, JT
Advisor, Food Business (Present Position)</td><td>-</td></tr>
<tr><td colspan="4">[Reasons for the appointment as a candidate for Outside Director]</td></tr>
<tr><td colspan="4">Mr. Atsuhiro Kawamata has sufficient experience and knowledge as a Senior Vice President of a manufacturing company and as a member of management of a subsidiary and has great insight and capability for supervision. Our Company believes that he can render high-quality advice on Our Company’s business and management as well as at the meetings of the Board of Directors, and thus proposes his election as an Outside Director.</td></tr>
<tr><td colspan="4">[Supplementary explanations regarding independence]</td></tr>
<tr><td colspan="4">Mr. Atsuhiro Kawamata retired from Senior Vice President of JT* in January 2020. He has not been involved in management or business executions at JT since then. Therefore, Our Company believes that Mr. Atsuhiro Kawamata is suitable to appropriately perform his duty from independent standpoint as an Outside Director.

*During the fiscal year ended March 2020, Our Company’s group had no sales to the JT Group (including TableMark Holdings Co., Ltd.).</td></tr>
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<tr><th>Candidate No.</th><th>Name
(Date of Birth)</th><th colspan="2">Resume, Position and Responsibility in Our Company
and Principal Concurrent Positions</th><th>Number of shares of the Company Owned</th></tr>
<tr><td rowspan="5">5</td><td rowspan="2">Kumiko Jinnouchi
(February 16, 1967)

[Reappointment]
[Candidate for Outside Director]
[Independent Officer]</td><td>April 1989</td><td>Joined The Sanwa Bank, Limited.
(now MUFG Bank, Ltd.)</td><td rowspan="2">-</td></tr>
<tr><td></td><td>(Retired in June 1995)</td></tr>
<tr><td colspan="3">January 2002 Registered as an attorney-at-law (Dai-ni Tokyo Bar Association)
January 2014 Established Jinnouchi Law Offices
Representative Attorney-at-law
(Present Position)
October 2014 Outside Audit & Supervisory Board Member, Birth 47 CO., LTD.
(Present Position)
June 2019 Outside Director, NSD
(Present Position)</td><td></td></tr>
<tr><td colspan="2">Term of office as Outside Director at the close of this Ordinary General Meeting of Shareholders</td><td colspan="2">Attendance of the meetings of the Board of Directors</td></tr>
<tr><td colspan="2">1 year</td><td colspan="2">10/10 (100%)</td></tr>
<tr><td colspan="5">[Reasons for the appointment as a candidate for Outside Director]
Although Ms. Kumiko Jinnouchi has not been involved in corporate management other than as an Outside Director or Outside Auditor, Our Company believes that, with her sufficient experience and expertise in overall legal affairs as an attorney-at-law, she can render high-quality advice on Our Company’s business and management on the Board of Directors, and thus proposes her election as an Outside Director.</td></tr>
<tr><td colspan="5">[Supplementary explanations regarding independence]
Our Company’s group has not concluded an advisory agreement with Jinnouchi Law Offices for which Ms. Kumiko Jinnouchi herself serves as the Representative Attorney-at-law, and had no payment of fees to Jinnouchi Law Offices during the fiscal year ended March 2020. Therefore, Our Company believes that Ms. Kumiko Jinnouchi is suitable to appropriately perform her duty from independent standpoint as an Outside Director.</td></tr>
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Candidate No.	Name (Date of Birth)	Resume, Position and Responsibility in Our Company and Principal Concurrent Positions	Number of shares of the Company Owned
6	Kimiou Yamashita (February 18, 1951) [Reappointment] [Candidate for Outside Director] [Independent Officer]	April 1974 Joined The Sanwa Bank, Limited. (now MUFG Bank, Ltd.) July 2004 Executive Officer, In Charge of Risk Management Division, Compliance Division, UFJ Holdings, Inc. (now Mitsubishi UFJ Financial Group, Inc.) (Retired in May 2005) June 2005 Outside Director (Chairman and Director), Kabu.com Securities Co., Ltd. (now au Kabucom Securities Co., Ltd.) (Retired in June 2010) June 2010 Outside Corporate Auditor, YUYO STEAMSHIP CO., LTD. (now JX Ocean Co., Ltd.) (Retired in March 2012) Outside Corporate Auditor, Osaka Securities Finance Co., Ltd. (now Japan Securities Finance Co., Ltd.) (Retired in July 2013) June 2012 Outside Corporate Auditor, Sanshin Co., Limited (Retired in June 2016) Outside Corporate Auditor, The Midori Kai Co., Ltd. (Retired in June 2017) June 2014 Outside Corporate Auditor, Namura Shipbuilding Co., Ltd. (Present Position) June 2017 Outside Director, NSD (Present Position) October 2017 Outside Corporate Auditor, CellSource Co., Ltd. (Present Position)	1,100

Term of office as Outside Director at the close of this Ordinary General Meeting of Shareholders	Attendance of the meetings of the Board of Directors
3 years	15/15 (100%)

[Reasons for the appointment as a candidate for Outside Director]

Mr. Kimiou Yamashita has sufficient experience and knowledge as an Executive Officer in charge of risk management and compliance at a financial institution and has great insight and capability for supervision. Our Company believes that he can render high-quality advice on Our Company's business and management on the Board of Directors, and thus proposes his election as an Outside Director.

[Supplementary explanations regarding independence]

Mr. Kimiou Yamashita retired from the Executive Officer of Mitsubishi UFJ Financial Group, Inc. (*) fifteen (15) years ago. In addition, he has not been involved in its management or business execution since his retirement. Therefore, Our Company believes that Mr. Kimiou Yamashita is suitable to appropriately perform his duty from independent standpoint as an Outside Director.

(*) During the fiscal year ended March 2020, the sales from Our Company's group accounted for an extremely small portion of sales (less than 1%) in the consolidated sales results of Mitsubishi UFJ Financial Group, Inc.

(Notes)

1. The candidates have no special interests in Our Company.

2. Mr. Atsuhiro Kawamata, Ms. Kumiko Jinnouchi, and Mr. Kimiou Yamashita are candidates for Outside Directors. As of the close of this Ordinary General Meeting of Shareholders, Ms. Kumiko Jinnouchi and Mr. Kimiou Yamashita will have held their positions as Outside Directors for one (1) year and for three (3) years, respectively.

3. Our Company entered into liability limitation agreements with Ms. Kumiko Jinnouchi and Mr. Kimiou Yamashita. When each of them assumes a Director under this agenda item, such agreement will continue to be in effect. When Mr. Atsuhiro Kawamata assumes a Director under this agenda item, Our Company will enter into a liability limitation agreement with him. The summary of the contents of the agreement is pursuant to Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation of Our Company and the maximum amount of potential liability will be set as the statutory amount for such purpose.

4. Our Company has registered Ms. Kumiko Jinnouchi and Mr. Kimiou Yamashita as Independent Officers with Tokyo Stock Exchange, Inc. When Mr. Atsuhiro Kawamata assumes a Director under this agenda item, our Company will register him as an Independent Officer with the Exchange.

Proposal 2: Election of One (1) Audit & Supervisory Board Member

As the term of Audit & Supervisory Board Member, Mr. Kiyoshi Kondo will expire at the close of this Ordinary General Meeting of Shareholders. The Board proposes that one (1) Audit & Supervisory Board Member be elected. This proposal has already gained the consent of the Audit & Supervisory Board.

The candidate is as follows.

Name (Date of Birth)	Resume, Position and Responsibility in Our Company and Principal Concurrent Positions		Number of shares of the Company Owned
Kiyoshi Kondo (September 19, 1954) [Reappointment]	April 1977	Joined Toyo Trust and Banking Company, Limited (now Mitsubishi UFJ Trust and Banking Corporation)	71,640
	April 2006	Joined NSD Executive Officer General Manager, Public Relations Department	
	June 2008	Director	
	April 2011	Director & Executive Officer General Manager, Office of President	
	April 2013	Director & Senior Executive Officer General Manager, Office of President In Charge of Human Resources Department, General Affairs Department Responsible for Corporate Planning Division, Accounting & Finance Department	
	April 2015	Managing Director In Charge of Office of President, Human Resources Department, General Affairs Department	
	June 2016	Audit & Supervisory Board Member (Present Position)	

Attendance of the meetings of the Board of Directors	Attendance of the meetings of the Audit & Supervisory Board
15/15 (100%)	14/14 (100%)

[Reasons for the appointment as a candidate for Audit & Supervisory Board Member]

Mr. Kiyoshi Kondo has sufficient experience and a proven track record with respect to the business execution of our corporate service division and has insight into management. Most recently, as a Corporate Auditor, he has conducted audits on Directors' execution of operations as well as on the establishment and implementation of the internal control system. This enables him to audit Our Company's business and management and render high-quality advice at the meetings of the Board of Directors.

(Notes) Mr. Kiyoshi Kondo has no special interests in Our Company.

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