

Disclaimer: This is an English abridged translation of the original Notice of Convocation of the 105th Ordinary General Meeting of Shareholders of Matsui Securities Co., Ltd. written in Japanese (the "Original Japanese Notice"). It is prepared for reference purposes only and without any warranty as to its accuracy or otherwise. If any questions arise related to the completeness and accuracy of the information contained in the translation, please refer to the Original Japanese Notice.

June 9, 2021

To: Shareholders

President and Chief Executive Officer
Akira Warita
Matsui Securities Co., Ltd.
1-4, Kojimachi, Chiyoda-ku,
Tokyo, Japan

Notice of Convocation of the 105th Ordinary General Meeting of Shareholders

You are hereby notified that the 105th Ordinary General Meeting of Shareholders of the Company will be held as set forth below.

We would appreciate your reviewing the reference materials enclosed herewith and sending us by return mail the enclosed proxy card or by the internet indicating your approval or disapproval of the Proposals by no later than June 25, 2021 5:30 p.m.

Description

1. Date and Time:
1:00 p.m. on Sunday, June 27, 2021
2. Place:
Sumitomo Fudosan Hanzomon Ekimae Building 2F, Bellesalle Hanzomon
1-6-4, Kojimachi, Chiyoda-ku, Tokyo, Japan

3. Agenda for the Meeting:

Matters to be reported:

Report on the business and the audited financial statements for the 105th fiscal period (from April 1, 2020 through March 31, 2021)

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 Eleven (11) Directors (Excluding Directors who are Audit & Supervisory Committee Members)
- Proposal No.4: Election of Three (3) Directors who are Audit & Supervisory Committee Members
- Proposal No.5: Election of One (1) Substitute Director who is an Audit & Supervisory Committee Member
- Proposal No.6: Determination of the Amount of Remuneration for Directors (Excluding Directors who are Audit & Supervisory Committee Members)
- Proposal No.7: Determination of the Amount of Remuneration for Directors who are Audit & Supervisory Committee Members

Proposal No.8: Determination of the Amount and Details of Stock Options for Directors
(Excluding Directors who are Audit & Supervisory Committee Members
and Outside Directors)

Reference Materials for the Ordinary General Meeting of Shareholders

Proposals and Reference Matters

Proposal No.1: Appropriation of Surplus

Matters concerning the year-end dividends:

The Company sets out the basic policy for dividend payment that it firmly maintains the dividend payout ratio of 60% and above and dividend on equity (DOE) of 8% and above, comprehensively considering the business results and financial conditions, optimum level of capital to support the margin trading services and strategic investment opportunities.

The year-end dividends are as stated below:

1) Type of dividend

Cash

2) Matters concerning allocation of dividend property and the total amount

¥20 in cash per common share

Total amount is ¥5,139,195,120

Annual dividend per share will be ¥40 including interim dividend of ¥20 that the Company has already paid.

3) Effective date of the distribution of surplus

June 28, 2021

Reference Matters for Proposal No.2 through Proposal No.8

The Company is considering transition to a company with Audit & Supervisory Committee in order to enhance corporate governance and further improve corporate value. Proposal No.2 through No.8 all relate to this planned transition. Regarding these proposals, reasons for this transition and overview of an Audit & Supervisory Committee are explained below.

Characteristics of a Company with Audit & Supervisory Committee

Directors who are Audit & Supervisory Committee Members have voting rights as Directors on the Board of Directors and are involved in the determination of proposals to elect and dismiss Directors (excluding Audit & Supervisory Committee Members) as well as the decision-making on the appointment and removal of Representative Directors and other business execution matters. Additionally, an Audit & Supervisory Committee has the authority to state their opinion at the general meetings of shareholders on the election, dismissal and remuneration of Directors who are not serving as Audit & Supervisory Committee Members. In this way, an Audit & Supervisory Committee strengthens the supervisory function of the Company over business executors.

In a company with Audit & Supervisory Committee, if a majority of Directors are Outside Directors or if there are provisions to such effect set forth in the Articles of Incorporation, the Board of Directors may by its resolution delegate the decision-making for the execution of important business to the Directors substantially. As a result, Directors who have been delegated this authority are able to expedite business decision-making and engage in flexible business execution as well as main role of the Board of Directors is to be supervisory function over business execution.

Reasons for the transition

By the transition to a Company with Audit & Supervisory Committee, the Company establishes an Audit & Supervisory Committee whose majority consists of Outside Directors and grants voting rights to Directors who are Audit & Supervisory Committee Members (including several Outside Directors). In this way, the Company strengthens the supervisory function and the audit of the legality and validity of the management and business execution of the Company as well as further enhance corporate governance.

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

1) Reasons for Proposal

In order to make a transition to a Company with Audit & Supervisory Committee, the Company proposes to establish new provisions with respect to Directors who are Audit & Supervisory Committee Members and the Audit & Supervisory Committee, delete provisions with respect to Corporate Auditors and the Board of Corporate Auditors, and make other necessary amendments to the current Articles of Incorporation. These amendments to the Articles of Incorporation shall take effect at the conclusion of this General Meeting of Shareholders.

2) Details of Amendments

The details of the amendments are as follows.

(Underlined part indicates amendments)

Current Articles of Incorporation	Proposed Amendments
Article 1 through Article 16 (Omitted)	Article 1 through Article 16 (Unchanged)
Article 17 (Number of Directors) The number of Directors of the Company shall be fifteen (15) or less. (Newly established)	Article 17 (Number of Directors) 1. The number of Directors <u>(excluding Directors who are Audit & Supervisory Committee Members)</u> of the Company shall be fifteen (15) or less. 2. <u>The number of Directors who are Audit & Supervisory Committee Members shall be four (4) or less.</u>
Article 18 (Election) (Newly established)	Article 18 (Election) 1. <u>Directors shall be elected at a General Meeting of Shareholders, while making a distinction between the Directors who are Audit & Supervisory Committee Members and other Directors.</u> 2. (Unchanged) 3. (Unchanged)
1. (Omitted) 2. (Omitted)	
Article 19 (Term of Office) The term of office of Directors shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one (1) year after their election. (Newly established)	Article 19 (Term of Office) 1. The term of office of Directors <u>(excluding Directors who are Audit & Supervisory Committee Members)</u> shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one (1) year after their election. 2. <u>The term of office of Directors who are Audit & Supervisory Committee Members shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within two (2) years after their election.</u> 3. <u>The term of office of any Director who are an Audit & Supervisory Committee Member elected as a substitute of any Director who are an Audit & Supervisory Committee Member who</u>
(Newly established)	

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p> <p>Article 20 (Representative Director and Executive Directors)</p> <ol style="list-style-type: none"> 1. The Board of Directors shall by its resolution elect Representative Director. 2. The Board of Directors shall by its resolution appoint one Chairman / Vice Chairman / Representative Director, and one or more Vice Presidents / Senior Managing Directors / Managing Directors / Director and Senior Advisers. <p>Article 21 (The Board of Directors)</p> <ol style="list-style-type: none"> 1. (Omitted) 2. (Omitted) 3. A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director <u>and each Corporate Auditor</u> at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency. <p>(Newly established)</p>	<p><u>resigned before the expiration of the term of office shall expire when the term of office of his or her predecessor Director who are an Audit & Supervisory Committee Member would expire.</u></p> <ol style="list-style-type: none"> 4. <u>The effectiveness of the appointment of Substitute Director who is an Audit & Supervisory Committee Member, appointed in accordance with Article 329, Paragraph 3 of the Companies Act, shall expire at the beginning of the Ordinary General Meeting of Shareholders relating to the last fiscal year that ends within two (2) years after the appointment.</u> <p>Article 20 (Representative Director and Executive Directors)</p> <ol style="list-style-type: none"> 1. The Board of Directors shall by its resolution elect Representative Director <u>from among Directors (excluding those who are Audit & Supervisory Committee Members).</u> 2. The Board of Directors shall by its resolution appoint one Chairman / Vice Chairman / Representative Director, and one or more Vice Presidents / Senior Managing Directors / Managing Directors / Director and Senior Advisers <u>from among Directors (excluding those who are Audit & Supervisory Committee Members).</u> <p>Article 21 (The Board of Directors)</p> <ol style="list-style-type: none"> 1. (Unchanged) 2. (Unchanged) 3. A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency. <p><u>Article 22 (Delegation of Decisions on Important Business Execution)</u> <u>In accordance with the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may, by a resolution of the Board of Directors, delegate decisions on important business execution (excluding matters listed in each item of Paragraph 5 of the same Article) to Directors in whole or in part.</u></p>

Current Articles of Incorporation	Proposed Amendments
<u>Article 22 through Article 23</u> (Omitted)	<u>Article 23 through Article 24</u> (Unchanged)
<u>Chapter V</u> <u>Corporate Auditors and the Board of</u> <u>Corporate Auditors</u>	(Deleted)
Article 25 (Corporate Auditor) 1. <u>The Company shall have Corporate</u> <u>Auditors and the Board of Corporate</u> <u>Auditors.</u> 2. <u>The number of Corporate Auditors of</u> <u>the Company shall be four (4) or less.</u>	(Deleted)
<u>Article 26 (Election)</u> <u>The resolution for the election of Directors</u> <u>shall be made by a majority of the votes of</u> <u>shareholders present at a General Meeting</u> <u>of Shareholders, at which one-third or</u> <u>more of all shareholders holding voting</u> <u>rights are present.</u>	(Deleted)
<u>Article 27 (Term of Office)</u> 1. <u>The term of office of Corporate Auditors</u> <u>shall expire at the close of the Ordinary</u> <u>General Meeting of Shareholders with</u> <u>respect to the last business year</u> <u>ending within four (4) years after their</u> <u>election.</u> 2. <u>The term of office of any Corporate</u> <u>Auditor elected as a substitute of any</u> <u>Corporate Auditor who resigned before</u> <u>the expiration of the term of office shall</u> <u>expire when the term of office of his or</u> <u>her predecessor Corporate Auditor</u> <u>would expire.</u> 3. <u>The effectiveness of the appointment of</u> <u>substitute Corporate Auditor, appointed</u> <u>in accordance with Article 329,</u> <u>Paragraph 3 of the Companies Act,</u> <u>shall expire at the beginning of the</u> <u>Ordinary General Meeting of</u> <u>Shareholders relating to the last fiscal</u> <u>year that ends within four (4) years</u> <u>after the appointment.</u> 4. <u>The term of office of a substitute</u> <u>Corporate Auditor who is appointed</u> <u>pursuant to Paragraph 3 of the</u> <u>preceding article assumes Corporate</u> <u>Auditor shall be the remaining term of</u> <u>office of the retired Corporate Auditor.</u> <u>However, the term of office may not</u> <u>exceed the conclusion of the Ordinary</u> <u>Meeting of Shareholders held for the</u> <u>last fiscal year that ends within four (4)</u> <u>years after the appointment.</u>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 28 (Full-time Corporate Auditor)</u> <u>The Board of Corporate Auditors shall by its resolution elect full-time Corporate Auditors.</u></p>	(Deleted)
<p><u>Article 29 (Convocation Notice of the Meetings of the Corporate Auditors)</u> <u>A notice of convocation of a meeting of the Board of Corporate Auditors shall be dispatched to each Corporate Auditor at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</u></p>	(Deleted)
<p><u>Article 30 (Rules of the Board of Corporate Auditors)</u> <u>Matters related to the Board of Corporate Auditors shall be governed by the Rules of the Board of Corporate Auditors, as determined by the Board of Corporate Auditors, in addition to laws, regulations and the Articles of Incorporation.</u></p>	(Deleted)
<p><u>Article 31 (Exemption from Liability of Corporate Auditors)</u> 1. <u>Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Corporate Auditors including persons who were formerly Corporate Auditors from their liability for damages as provided for in Article 423, Paragraph 1 of the same Act, to the extent permitted by laws and regulations.</u> 2. <u>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may conclude a contract with Corporate Auditors to limit liability for damages attributable to their negligence in carrying out duties; provided, however, the limit of liability pursuant to the contract shall be the aggregate sum of the amounts prescribed in each item in laws and regulations.</u></p>	(Deleted)
(Newly established)	<p><u>Chapter V</u> <u>Audit & Supervisory Committee</u></p>
(Newly established)	<p><u>Article 26 (Audit & Supervisory Committee)</u> <u>The Company shall have an Audit & Supervisory Committee.</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>Article 27 (Full-time Audit & Supervisory Committee Members)</u> <u>The Audit & Supervisory Committee may by its resolution elect Full-time Audit & Supervisory Committee Members.</u>
(Newly established)	<u>Article 28 (Convocation Notice of the Meetings of the Audit & Supervisory Committee)</u> <u>A notice of convocation of a meeting of the Audit & Supervisory Committee shall be dispatched to each Audit & Supervisor Committee Member at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</u>
(Newly established)	<u>Article 29 (Rules of the Audit & Supervisory Committee)</u> <u>Matters related to the Audit & Supervisory Committee shall be governed by the Rules of the Audit & Supervisory Committee, as determined by the Audit & Supervisory Committee, in addition to laws, regulations and the Articles of Incorporation.</u>
<u>Article 32 through Article 38</u> (Omitted)	<u>Article 30 through Article 36</u> (Unchanged)
(Newly established)	<u>Supplementary Provisions</u> <u>Article 1 (Transitional Measures Concerning Exemption from Corporate Auditors' Liability)</u> <u>Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Corporate Auditors including persons who were formerly Corporate Auditors from their liability for damages as provided for in Article 423, Paragraph 1 of the same Act arising from the acts conducted prior to the conclusion of the 105th Ordinary General Meeting of Shareholders, to the extent permitted by laws and regulations.</u>

Proposal No.3: Election of Eleven (11) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

Subject to the Proposal No.2 being approved as proposed, the Company shifts to a Company with Audit & Supervisory Committee.

The terms of all eleven (11) Directors will expire at the conclusion of the Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes the election of eleven (11) Directors (excluding Directors who are Audit & Supervisory Committee Members).

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

The candidates for Directors are as follows:

Candi-date number	Name (Date of birth) Number of shareholdings of the Company	Brief personal history, title and significant concurrent positions
1	<p>Akira Warita (Jun. 16, 1971) 10,000 shares [Reappointment]</p>	<p>Apr. 1994 Joined Procter&Gamble Far East Inc. Jan. 1998 Joined Lehman Brothers Securities LLC Sep. 1999 Joined UBS Securities Japan LLC Apr. 2006 Joined the Company May. 2006 General Manager of IR Office of the Company Jun. 2006 Director of IR Office of the Company May. 2011 Managing Director of Marketing Dept., Business Development Dept., and Customer Support Dept. of the Company Apr. 2019 Senior Managing Director of Marketing Dept. and Customer Support Dept. of the Company Jun. 2020 President & CEO of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Warita has held a number of significant positions such as Director of Marketing, Business Development, Investor Relations and Public Relations in the Company. Since appointed as a Representative Director, he has been working to strengthen the services, organization and structure of the Company in order to further enhance the existing management base and the customer base. The Company believes that he is well qualified for the Director to contribute further to the sustainable growth and enhancement of corporate value of the Company in the capacity of leading the overall management of the Company.</p>	
2	<p>Shinichi Uzawa (Jul. 19, 1973) 37,770 shares [Reappointment]</p>	<p>Apr. 1996 Joined New Oji Paper Co., Ltd Aug. 2001 Joined the Company May. 2004 General Manager of Finance Dept. of the Company Jun. 2006 Director of Finance Dept. of the Company Jun. 2020 Managing Director of Finance Dept. of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Shinichi Uzawa has led Finance Department for a long period of time and he has an extensive experience and insight in the field of finance and accounting. Mr. Uzawa has an extensive experience as a person responsible for securities settlement and he has structured and strengthened credit management system. In addition, with regard to the enhancement of security management system, which is a key issue for the Company, he is leading the restructuring of the necessary systems to strengthen overall IT system risk management. He is also responsible for strengthening monitoring and has engaged in improving credibility of the Company. As a member of the Management Committee, he plays an important role in the Company's management. The Company believes that he is well qualified for the Director to enhance the corporate value of the Company.</p>	

3	<p>Kunihiko Sato (Feb. 5, 1971) 25,940 shares [Reappointment]</p>	<p>Apr. 1989 Joined Yamaichi Securities Co., Ltd. Sep. 1998 Joined the Company Sep. 2004 General Manager of System Dept. of the Company Jun. 2006 Director of System Dept. of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Kunihiko Sato has engaged for a long period of time in securities industry and he has an extensive insight of securities business. In the Company, Mr. Sato has led system development from the beginning of online securities business and he has professional insight in general securities trading system and online trading system. Since the stability of trading system is indispensable for online securities broker, the Company believes that he is well qualified for the Director to appropriately manage securities systems of the Company.</p>	
4	<p>Motoo Saiga (Aug. 11, 1970) 6,168 shares [Reappointment]</p>	<p>Apr. 1993 Joined Osaka Securities Exchange Feb. 2002 Joined the Company Mar. 2007 General Manager of Compliance Dept. of the Company Jun. 2016 Director of Compliance Dept. of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Motoo Saiga had worked for the Osaka Securities Exchange and he has an extensive insight in laws and regulations of securities business. In the Company, Mr. Saiga has led Compliance Division for a long period of time, and he has enhanced compliance system and has engaged in improving credibility of the Company which is one of significant agenda of the Company. The Company believes that he is well qualified for the Director to strengthen compliance system of the Company.</p>	
5	<p>Masashi Shibata (Jun. 8, 1978) 4,137 shares [Reappointment]</p>	<p>Apr. 2001 Joined the Company Dec. 2012 General Manager of Business Development Dept. of the Company Jun. 2017 Director of Business Development Dept. of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Masashi Shibata has engaged for a long period of time in system development and business development of the Company, and he has continuously engaged in implementing new business and services. He has also led the digital transformation of the Company's operations. The Company believes that he is well qualified for the Director to contribute to further growth of the Company and to lead an innovation of the Company.</p>	

6	<p>Manako Haga (Sep. 2, 1963) 5,000 shares [Reappointment]</p>	<p>Apr. 1986 Sep. 1989 Apr. 1992 May 1995</p>	<p>Joined JP Morgan, Morgan Trust Bank Ltd. Joined James Capel Pacific Ltd. Joined S.G. Warburg Securities (Japan) Inc. Joined Kleinwort Benson Investment Management KK</p>
		<p>Jul. 1998 May 2002 Jun. 2016 Jun. 2017 Nov. 2017 Jun. 2019 Jun. 2020</p>	<p>Joined Merrill Lynch Investment Managers Co., Ltd. Joined Fidelity Investments Japan Ltd. Director of Fidelity Investments Japan Ltd. and Fidelity Securities KK Adviser of the Company Finance Director of the British School in Tokyo (current) Director of the Company Director of Human Resources and General Affairs Dept. of the Company (current)</p>
<p>(Reasons for designation as a Director candidate) Ms. Manako Haga has engaged for a long period of time in securities and mutual fund industry, and she has an extensive insight of finance, business planning, operation process development and human resource development. She has led the Human Resources and General Affairs Division since FY2020 and has been responsible for implementing one of the code of conduct as “build the working environment comfortable and respect the individuality of each officer and employee”. The Company believes that she is well qualified for the Director to support each officer and employee to practice the code of conduct, and to be a motive force for creating new value of the Company.</p>			
7	<p>Takeshi Tanaka (Dec. 26, 1970) 0 shares [Reappointment]</p>	<p>Apr. 1995 Jul. 2005</p>	<p>Joined the Company General Manager of Marketing Dept. of the Company</p>
		<p>Jan. 2006 Nov. 2009 Apr. 2013 Jun, 2020</p>	<p>Resigned from the Company Joined the Company General Manager of Marketing Dept. of the Company Director of Sales and Marketing Div. of the Company (current)</p>
<p>(Reasons for designation as a Director candidate) Mr. Takeshi Tanaka has engaged for a long period of time in securities industry and he has an extensive insight of securities business. In the Company, Mr. Tanaka has well performed in the field of face-to-face business for retail customers, compliance, customer support and marketing. Since FY2020, he has been leading Sales and Marketing Division as a Director. The Company believes that he is well qualified for the Director to contribute to further growth of the Company.</p>			

8	<p>Michitaro Matsui (Aug. 2, 1987) 5,262,400 shares [Reappointment]</p>	<p>Apr. 2013 Apr. 2018 Jan. 2019 Jun. 2020 Aug. 2020</p>	<p>Joined QUICK Corp. Joined the Company Leader of CEO-Assigned project of the Company Director of the Company Director of Strategic Planning Div. of the Company (current)</p>
	<p>(Reasons for designation as a Director candidate) Mr. Michitaro Matsui has led restructuring of the corporate philosophy as a leader of CEO-Assigned project since he joined the Company. The Company believes that he is well qualified for the Director to take long-term perspective on the overall management of the Company as the representative of founding family and then to contribute to further growth of the Company. Since FY2020, he has been leading the Strategic Planning Division as a Director and responsible for developing and implementing the strategies necessary to strengthen our services, organization and structure of the Company. The Company believes that his participation as a member of the Board of Director is important for the constructive dialogues with the founding family which is indispensable for the management since the founding family owns majority shares of the Company.</p>		
9	<p>Motoo Igawa (Jan. 3, 1950) 15,500 shares [Reappointment] [Outside Director] [Independent Officer]</p>	<p>Apr. 1973 Jun. 2005 Jun. 2007 Jun. 2013 Jun. 2014 Jun. 2014</p>	<p>Joined Nippon Yusen Co., Ltd. Managing Director of Nippon Yusen Co., Ltd. President & CEO of NYK Trading Corporation Director of NYK Trading Corporation Adviser of NYK Trading Corporation Outside Director of the Company (current)</p>
	<p>(Reasons for designation as an Outside Director candidate) Mr. Motoo Igawa has extensive experience and broad insight obtained as he served as the Director at a listed company. The Company believes that he is well qualified for the Outside Director to provide advice on the business management of the Company and appropriately evaluate and supervise the execution of business as a member of the Nomination and Remuneration Committee.</p>		
10	<p>Junji Annen (Aug. 12, 1955) 0 shares [Reappointment] [Outside Director] [Independent Officer]</p>	<p>Feb. 1992 Apr. 1993 Apr. 2004 Dec. 2007 Jun. 2014 Jun. 2017</p>	<p>Registered as Lawyer Joined Akira Watanabe Law Office Professor of the faculty of law at Seikei University Professor of Law School at Seikei University Professor of Law School at Chuo University (current) Outside Director of the Company (current) Outside Director of Tokyo Electric Power Company Holdings (current)</p>
	<p>(Reasons for designation as an Outside Director candidate) Mr. Junji Annen has extensive experience and sufficient insight as professor and lawyer. The Company believes that he is well qualified to objectively monitor the business management of the Company from an independent standpoint on the legal side and to appropriately evaluate and supervise the execution of business as a member of the Nomination and Remuneration Committee. Although he was not directly involved in corporate management other than as Outside Director and Outside Auditor, he was considered to be well qualified to appropriately perform the duties of Outside Director given the reasons stated above.</p>		

11	<p>Satoshi Onuki (Feb. 10, 1955) 0 shares</p> <p>[Reappointment] [Outside Director] [Independent Officer]</p>	<p>Apr. 1978 Joined The Industrial Bank of Japan, Ltd Apr. 2002 Vice President of Mizuho Securities (USA) Mar. 2006 Executive Officer of Mizuho Securities Co., Ltd. Apr. 2009 Managing Director of DIAM Co., Ltd. Apr. 2011 Vice President of Kowa Real Estate Investment Advisors Co., Ltd. Jun. 2013 CEO of Kowa Real Estate Investment Advisors Co., Ltd. Apr. 2018 Corporate Auditor of Kowa Real Estate Facilities Co., Ltd. Jun. 2020 Outside Director of the Company (current)</p>
	<p>(Reasons for designation as an Outside Director candidate)</p> <p>Mr. Satoshi Onuki has experienced management positions in securities and asset management industry such as CEO of investment advisory company, and he has extensive experience and broad insight on management of financial institutions. The Company believes that he is well qualified for the Outside Director to objectively supervise management affairs and provide advice on mid to long-term strategies of the Company and to appropriately evaluate and supervise the execution of business as a member of the Nomination and Compensation Committee.</p>	

- (Note)
1. There are no particular conflicts of interest between any of the candidates and the Company.
 2. The name of Manako Haga in the family register is Manako Naganawa.
 3. Mr. Motoo Igawa, Mr. Junji Annen and Mr. Satoshi Onuki are the candidates for Outside Directors. The Company continues to designate Mr. Igawa, Mr. Annen and Mr. Onuki as the Independent Officers under the regulation of the Tokyo Stock Exchange.
 4. The terms of office for Mr. Motoo Igawa, Mr. Junji Annen and Mr. Satoshi Onuki, as Outside Director of the Company, will have been seven years, seven years and one year, respectively, at the conclusion of the Ordinary General Meeting of Shareholders.
 5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has executed an agreement with Mr. Motoo Igawa, Mr. Junji Annen and Mr. Satoshi Onuki to limit their liability within the amount stipulated by laws and regulations. In the event that the election of these three Outside Directors is approved, the Company plans to continue the agreement with them.
 6. The Company has concluded a Directors and Officers liability insurance policy with an insurance company. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. Each candidate for Director is included as an insured person under the said insurance policy as a Director of the Company. There is no premium payment for the insured. The Company intends to renew the said insurance policy during the terms of office of the Directors pertaining to this proposal.

Proposal No.4: Election of Three (3) Directors who are Audit & Supervisory Committee Members

Subject to the Proposal No.2 being approved as proposed, the Company shifts to a Company with Audit & Supervisory Committee.

Accordingly, the Company proposes the election of three (3) Directors who are Audit & Supervisory Committee Members. This proposal has been approved in advance by the Board of Corporate Auditors.

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

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

Candi- date number	Name (Date of birth) Number of shareholdings of the Company	Brief personal history, title and significant concurrent positions	
1	Hiroyuki Yajima (Dec. 30, 1953) 21,400 shares [New Candidate] [Outside Director] [Independent Officer]	Apr. 1976 Mar. 2008 Jun. 2010	Joined Kirin Brewery Company, Ltd Corporate Auditor of Kirin Techno-System Company, Ltd Corporate Auditor of the Company (current)
	(Reasons for designation as a Director who is an Audit & Supervisory Committee Member candidate) Mr. Hiroyuki Yajima has engaged for other company as a Corporate Auditor, and he has a broad experience and sufficient insight in the field of audit engagement as a Certified Internal Auditor. The Company believes that he is well qualified for the Director who is an Audit & Supervisory Committee Member to conduct an audit on legality and validity of the management and business execution of the Company and strengthen the audit structure.		
2	Yasuo Mochizuki (May 28, 1956) 0 shares [New Candidate] [Outside Director] [Independent Officer]	Apr. 1980 Apr. 2004 Jun. 2008	Joined the Bank of Mitsubishi Ltd. Joined Mochizuki CPA Office (current) Corporate Auditor of the Company (current)
	(Reasons for designation as a Director who is an Audit & Supervisory Committee Member candidate) Mr. Yasuo Mochizuki has extensive experience in major financial institutions and sufficient insight in the field of finance and accounting as a certified tax accountant. The Company believes that he is well qualified for the Director who is an Audit & Supervisory Committee Member to conduct an audit on legality and validity of the management and business execution of the Company and conduct an independent and fair audit. Since he retired from The Bank of Tokyo-Mitsubishi, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ Ltd., one of major lenders of the Company) in March 2004, the Company believes that there is no problem with his independency.		

	Mikitoshi Kai (Jul. 7, 1951) 11,198 shares [New Candidate] [Outside Director] [Independent Officer]	Apr. 1976 Apr. 2007 Jun. 2011 Apr. 2016 Jun. 2016	Joined Nippon Yusen Co., Ltd. Executive Officer of Nippon Yusen Co., Ltd. Corporate Auditor of Nippon Yusen Co., Ltd. Adviser of Japanese Foundation for Cancer Research (current) Corporate Auditor of the Company (current)
3	(Reasons for designation as a Director who is an Audit & Supervisory Committee Member candidate) Mr. Mikitoshi Kai has extensive experience such as Corporate Auditor of listed company and Director of Japan audit & supervisory board members association, and has sufficient insight of auditing. The Company believes that he is well qualified for the Director who is an Audit & Supervisory Committee Member to conduct an audit on legality and validity of the management and business execution of the Company and objectively provide his audit opinions.		

- (Note)
1. There are no particular conflicts of interest between any of the candidates and the Company.
 2. Mr. Hiroyuki Yajima, Mr. Yasuo Mochizuki and Mr. Mikitoshi Kai are the candidates for Outside Directors who are an Audit & Supervisory Committee Members. The Company continues to designate these three persons as the Independent Officers under the regulation of the Tokyo Stock Exchange.
 3. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has executed an agreement with Mr. Hiroyuki Yajima, Mr. Yasuo Mochizuki and Mr. Mikitoshi Kai to limit his liability within the amount stipulated by laws and regulations. In the event that the election of these three Outside Directors is approved, the Company plans to continue this agreement with them.
 4. The Company has concluded a Directors and Officers liability insurance policy with an insurance company. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. Each candidate for Director is included as an insured person under the said insurance policy as a Director of the Company. There is no premium payment for the insured. The Company intends to renew the said insurance policy during the terms of office of the Directors pertaining to this proposal.

Proposal No.5: Election of One (1) Substitute Director who is an Audit & Supervisory Committee Member

Subject to the Proposal No.2 being approved as proposed, the Company shifts to a Company with Audit & Supervisory Committee.

Accordingly, as a provision for the event of contingency falling below the number of Directors who are Audit & Supervisory Committee Members required by laws and regulations, the Company proposes the election of one (1) Substitute Director who is an Audit & Supervisory Committee Member.

The above appointment may be nullified by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee only before the candidate assumes office as Director who is an Audit & Supervisory Committee Member.

This proposal has been approved in advance by the Board of Corporate Auditors.

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

The candidate for Substitute Directors who is an Audit & Supervisory Committee Member is as follows:

Candi- date number	Name (Date of birth) Number of shareholdings of the Company	Brief personal history, title and significant concurrent positions
1	<p>Junji Annen (Aug. 12, 1955) 0 shares</p> <p>[New Candidate] [Outside Director] [Independent Officer]</p>	<p>Feb. 1992 Registered as Lawyer Joined Akira Watanabe Law Office</p> <p>Apr. 1993 Professor of the faculty of law at Seikei University</p> <p>Apr. 2004 Professor of Law School at Seikei University</p> <p>Dec. 2007 Professor of Law School at Chuo University (current)</p> <p>Jun. 2014 Outside Director of the Company (current)</p> <p>Jun. 2017 Outside Director of Tokyo Electric Power Company Holdings (current)</p> <p>(Reasons for designation as a Substitute Outside Director who is an Audit & Supervisory Committee Member candidate) Mr. Junji Annen has extensive experience and sufficient insight as professor and lawyer. He also has experience as an Outside Director who is an Audit & Supervisory Committee Member of a listed company. The Company believes that he is well qualified for the Substitute Director who is an Audit & Supervisory Committee Member to bring extensive experience and sufficient insight in the legal field to the audits. Although he was not directly involved in corporate management other than as Outside Director and Outside Auditor, he was considered to be well qualified to appropriately perform the duties of Outside Director given the reasons stated above.</p>

- (Note)
1. Subject to Proposal No.3 being approved as proposed, Mr. Junji Annen is to be appointed as a Director (Excluding Directors who are Audit & Supervisory Committee Members) of the Company, however, if the number of Directors who are Audit & Supervisory Committee Members falls below the number required by laws and regulations, he will resign from the position of Director (Excluding Directors who are Audit & Supervisory Committee Members) and be appointed as an Audit & Supervisory Committee Member.
 2. There are no particular conflicts of interest between the candidate and the Company.
 3. Mr. Junji Annen is the candidate for a Substitute Outside Director who is an Audit & Supervisory Committee Member. In the event that the election is approved, the Company continues to designate him as the Independent Officer under the regulation of the Tokyo Stock Exchange.
 4. The terms of office for Mr. Junji Annen, as Outside Director of the Company, will have been seven years at the conclusion of the Ordinary General Meeting of Shareholders.
 5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has executed an agreement with Mr. Junji Annen to limit his liability within

the amount stipulated by laws and regulations. In the event that Mr. Junji Annen is appointed as a Director who is an Audit & Supervisory Committee Member, the Company plans to continue this agreement with him.

6. The Company has concluded a Directors and Officers liability insurance policy with an insurance company. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as a Director, etc. or claims pertaining to the pursuit of such liability. In the event that the election is approved, Mr. Junji Annen is to be included as an insured person under the said insurance policy as a Director of the Company. There is no premium payment for the insured. The Company intends to renew the said insurance policy during the terms of office of the Directors pertaining to this proposal.

**Proposal No.6: Determination of the Amount of Remuneration for Directors
(Excluding Directors who are Audit & Supervisory Committee
Members)**

Subject to the Proposal No.2 being approved as proposed, the Company shifts to a Company with Audit & Supervisory Committee.

At the 88th Ordinary General Meeting of Shareholders held on June 27, 2004, it was approved that the total amount of remuneration for the Directors of the Company shall be 500 million yen or less per year (not including the portion of the salary paid to Directors concurrently serving as employees). Therefore, in accordance with the provisions of the Companies Act and the Enforcement Regulations of the Companies Act, the Company proposes to abolish the current limit and replace it with a new amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members).

The Company proposes to set the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) at 500 million yen or less per year (50 million yen or less for Outside Directors and not including the portion of the salary paid to Directors concurrently serving as employees), taking into consideration various circumstances including the amount of remuneration paid to Directors to date and recent economic conditions.

The current number of Directors is eleven (11) (including three (3) Outside Directors). If Proposal No.2 and No.3 are approved as proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be eleven (11) (including three (3) Outside Directors).

The Company has set a policy regarding the details of remuneration for individual Directors at the Board of Directors held on February 26, 2021. This proposal follows its policy and takes into consideration various circumstances including the amount of remuneration paid to Directors (excluding Directors who are Audit & Supervisory Committee Members) to date and recent economic conditions. The Company believes that this proposal is in line with the above policy and its content is appropriate.

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

Proposal No.7: Determination of the Amount of Remuneration for Directors Who are Audit & Supervisory Committee Members

Subject to the Proposal No.2 being approved as proposed, the Company shifts to a Company with Audit & Supervisory Committee. Therefore, in accordance with the provisions of the Companies Act and the Enforcement Regulations of the Companies Act, the Company proposes to set the amount of remuneration for Directors who are Audit & Supervisory Committee Members.

The Company proposes to set the amount of remuneration for Directors who are Audit & Supervisory Committee Members at 50 million yen or less per year, taking into consideration various circumstances including recent economic conditions.

If Proposal No.2 and No.4 are approved as proposed, the number of Directors who are Audit & Supervisory Committee Members will be three (3). The Company believes that this proposal takes into consideration various circumstances including recent economic conditions and its content is appropriate.

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

Proposal No.8: Determination of the Amount and Details of Stock Options for Directors (Excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)

At the 101st Ordinary General Meeting of Shareholders held on June 25, 2017, it was approved that the total amount of stock option remuneration for Directors (excluding Outside Directors) shall be 300 million yen or less per year, separately from the amount of remuneration for Directors.

In accordance with the above resolution of the General Meeting of Shareholders regarding the amount of stock option remuneration, the Company has established a system for granting stock acquisition rights upon exercise. As part of the remuneration for Directors (excluding Outside Directors), the Company allocates "stock options as stock-based compensation" in which the amount to be paid in per share to be delivered upon exercise of stock acquisition rights is one yen. The purpose of this system is to increase the linkage between the remuneration of Directors and the stock price and to align their interests with those of shareholders, thereby increasing their motivation and morale to raise the stock price and improve business performance.

Subject to Proposal No.2 being approved as proposed, the Company makes a transition to a Company with Audit & Supervisory Committee. Hence, the current amount of stock option remuneration for Directors (excluding Outside Directors) will be abolished. The total amount of stock option remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) shall be 300 million yen or less per year, which is a separate amount from the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) proposed in Proposal No. 6. The details of stock options to be allotted to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) shall be as follows.

At the Board of Directors' meeting held on February 26, 2021, the Company established a policy regarding the details of remuneration for individual Directors.

As stated above, this stock option is a "stock option as stock-based compensation" and was granted to the Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) based on a comprehensive consideration of various matters, including their contribution to the Company. The Company believes that the granting of the stock options is in line with the above policy and that the content of the stock options is appropriate.

In addition, with respect to the stock acquisition rights as stock options, instead of payment of the amount to be paid, which is determined based on the fair value at the time of allotment, payment will be made by way of offsetting with the remuneration claims of Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) granted on the condition that the person is in the position of Director of the Company on the date of resolution of the matters concerning the offering of stock acquisition rights and that the person enters into a stock acquisition right allotment agreement that includes the following details, based on the stock option remuneration under this proposal

The current number of Directors is eleven (11) (including three (3) Outside Directors). If Proposal No.2 and No.3 are approved as proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be eleven (11). The number of eligible persons is eight (8), excluding three (3) Outside Directors.

This proposal shall become effective subject to Proposal No.2 being approved as proposed.

1. Individuals eligible to receive stock acquisition rights:

Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)

2. Terms of the stock acquisition rights:

(1) Class of shares that are the subject of the stock acquisition rights

The class of shares that are the subject of the stock acquisition rights shall be common stock of the Company.

(2) Number of shares that are the subject of the stock acquisition rights

Number of shares that are the subject of each stock acquisition right shall be 100. If it becomes appropriate to make an adjustment to the number of shares to be granted as a result of a share split, allotment of shares without contribution, reverse share split, or similar action taken by the Company, the number of shares shall be adjusted to the reasonable extent.

(3) Total number of stock acquisition rights

6,000 units shall be the maximum number of units that can be issued within a year from the date of the Ordinary General Meeting of Shareholders for each fiscal year.

(4) Amount to be paid for the stock acquisition rights

Amount to be paid for the stock acquisition rights is determined at the Board of Directors of the Company based on a fair value as calculated using a Black-Scholes model or other appropriate method as at the date of the allotment of the stock acquisition rights. This amount shall be offset by the Company against the compensation receivable of the relevant Director of the same amount.

(5) Value of the asset to be contributed upon the exercise of the stock acquisition rights

Payment required for the exercise of stock acquisition rights shall be made in cash. The exercise price per share shall be ¥1 and the total payment required shall be an amount obtained by multiplying ¥1 by the Subject Number of Shares.

(6) Period during which the stock acquisition rights can be exercised

This shall be a period as determined by the Board of Directors of the Company within the range from the day when three (3) years have elapsed since the following the date of the allotment of the stock acquisition rights to the day when six (6) years have elapsed since the following the date of the allotment of the stock acquisition rights.

If the final day of the exercise period falls on a holiday of the Company, the final day shall be the working day immediately preceding the final day.

(7) Restriction on assignment of the stock acquisition rights through transfers

The acquisition of the stock acquisition rights through assignment shall require the approval of the Board of Directors of the Company.

(8) Terms of exercise of the stock acquisition rights

(i) Those who received the stock acquisition rights shall be eligible to exercise the rights only when those remain as Director (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) of the Company at the time of exercising the rights, provided however that exceptional treatment may be allowed in this regard by the Board of Directors to the reasonable extent.

(ii) Those who received the stock acquisition rights shall exercise all or part of them by the terms of exercise listed below.

a) All of the stock acquisition rights shall not be able to be exercised within the period from the day when the following date of the allotment of the stock acquisition rights to the day when three (3) years have elapsed since the date of

the allotment of the stock acquisition rights.

- b) One third of the stock acquisition rights shall be able to be exercised within the period from the day when three (3) years have elapsed since the following date of the allotment of the stock acquisition rights to the day when four (4) years have elapsed since the day of the allotment of the stock acquisition rights. In cases where the stocks to be delivered to the holders of the stock acquisition rights have a fraction of less than 1 share, such a fraction shall be rounded down.
- c) Two third of the stock acquisition rights shall be able to be exercised within the period from the day when four (4) years have elapsed since the following date of the allotment of the stock acquisition rights to the day when five (5) years have elapsed since the day of the allotment of the stock acquisition rights. In cases where the stocks to be delivered to the holders of the stock acquisition rights have a fraction of less than 1 share, such a fraction shall be rounded down.
- d) All of the stock acquisition rights shall be able to be exercised within the period from the day when five (5) years have elapsed since the following date of the allotment of the stock acquisition rights to the day when six (6) years have elapsed since the day of the allotment of the stock acquisition rights.

(9) Terms and conditions of stock acquisition rights

The Company may acquire stock acquisition rights without compensation if the following proposals are approved at a general meeting of shareholders of the Company (if a resolution of the General Meeting of Shareholders is not required, the Board of Directors of the Company shall so resolve).

- a) Proposal for approval of a merger agreement in which the Company will be the absorbed company
- b) Proposal for approval of the split agreement or split plan in which the Company will be the splitting company
- c) Proposal for approval of share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary
- d) Proposal for approval of an amendment to the Articles of Incorporation of the Company to add an article to the effect that, as a feature of all shares the Company issues, an approval of the Company for acquisition of such shares through transfer is required
- e) Proposal for approval of an amendment to the Articles of Incorporation of the Company to add an article to the effect that, as a feature of shares to be issued upon exercise of offered subscription rights to shares, an approval of the Company for acquisition of such shares through transfer is required, or the Company shall acquire all of such class shares by resolution at an ordinary general meeting of shareholders

(10) Other terms of the stock acquisition rights

The particulars in (1) to (9) above and the other terms of the stock acquisition rights shall be specified at a meeting of the Board of Directors to be held to determine the terms of the subscription to the stock acquisition rights.