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(Stock Exchange Code 3098)

June 4, 2020

To Shareholders with Voting Rights:

Atsushi Tsukamoto
President
cocokara fine Inc.
3-17-6 Shinyokohama, Kohoku-ku,
Yokohama, Kanagawa, Japan

NOTICE OF THE 12TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We are pleased to notify you that the 12th Annual General Meeting of Shareholders of cocokara fine Inc. (the “Company”) will be held as described below.

In order to minimize the risk of spreading the COVID-19 infection, the Company strongly encourages all shareholders to exercise their voting rights in writing or via the Internet, etc. in advance instead of attending the Meeting in person, regardless of your physical condition.

In that case, please review the attached Reference Documents for the General Meeting of Shareholders on page 3 to 6, and exercise your voting rights by 5:50 p.m. on Wednesday, June 24, 2020, Japan time.

- 1. Date and Time:** Thursday, June 25, 2020 at 11:00 a.m. Japan time
- 2. Place:** “Large Hall,” Ota Kumin Plaza,
3-1-3 Shimomaruko, Ota-ku, Tokyo, Japan

- **In order to minimize the risk of spreading the COVID-19 infection, we will significantly reduce seating capacity in an effort to create more distance between attendees. Please note that admission may be restricted due to the limited number of seats available. We appreciate your kind understanding.**

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 12th Fiscal Year (April 1, 2019 - March 31, 2020) and the Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
 2. Non-consolidated Financial Statements for the Company’s 12th Fiscal Year (April 1, 2019 - March 31, 2020)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Five (5) Members of the Board (Excluding Members of the Board Serving as Audit & Supervisory Committee Members)
- Proposal No. 3:** Election of Three (3) Members of the Board Serving as Audit & Supervisory Committee Members
- Proposal No. 4:** Election of One (1) Substitute Member of the Board Serving as Audit & Supervisory Committee Member

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - ◎ The following items are posted on the Company's website in accordance with laws and regulations as well as Article 15 of the Articles of Incorporation of the Company (<https://corp.cocokarafine.co.jp/ir/stockinfo/annualmeeting.html>) and are therefore not included with the Attached Documents of this Notice of Convocation.
 - (1) Notes to the Consolidated Financial Statements
 - (2) Notes to the Non-consolidated Financial StatementsFurthermore, the Consolidated Financial Statements and the Non-consolidated Financial Statements Audit & Supervisory Committee Members and the Accounting Auditor audited, in order to prepare the Audit Report and the Accounting Auditor's Report, are the documents included in the Attached Documents and the Notes to the Consolidated Financial Statements and the Notes to the Non-consolidated Financial Statements both posted on the Company's website.
 - ◎ Please understand that any updates to the required contents of the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and Non-consolidated Financial Statements will be posted on the Company's website after being updated (<https://corp.cocokarafine.co.jp/ir/stockinfo/annualmeeting.html>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

It is the Company's basic profit distribution policy to emphasize continuous stable dividends as a measure for returning profits to shareholders, and at the same time, to prepare for future business expansion and strengthen the Company's financial standing by securing internal reserves. Comprehensively taking into account stable dividends and internal reserves, the Company proposes dividends of 50 yen per share.

As a result, full-year dividends for the fiscal year under review will total 92 yen per share, which include an interim dividend of 42 yen.

Matters concerning year-end dividends

- (1) Type of dividend property
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount
50 yen per share of common stock
Total dividends of 1,501,703,250 yen
- (3) Effective date of distribution of surplus
June 26, 2020

Proposal No. 2: Election of Five (5) Members of the Board (Excluding Members of the Board Serving as Audit & Supervisory Committee Members)

The terms of office of all five (5) Members of the Board (excluding Members of the Board Serving as Audit & Supervisory Committee Members; hereinafter, the same shall apply in this proposal) shall expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of five (5) Members of the Board is proposed.

Furthermore, the Audit & Supervisory Committee has considered this proposal, and did not identify any particular issues. The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Atsushi Tsukamoto (November 4, 1962) Reappointment	<p>April 1985 Joined Seijo Co., Ltd.</p> <p>December 1996 Member of the Board and General Manager of Branch Department, Seijo Co., Ltd.</p> <p>July 1999 Member of the Board and General Manager of Sales Department, Seijo Co., Ltd.</p> <p>December 2001 Executive Member of the Board and General Manager of Sales Division, Seijo Co., Ltd.</p> <p>December 2002 President, Seijo Co., Ltd.</p> <p>April 2008 President, the Company (present post)</p> <p>April 2013 Member of the Board, cocokarafine Healthcare Inc.</p> <p>May 2014 President, WIN Drug Inc.</p> <p>April 2016 President, cocokarafine Healthcare Inc. (present post)</p> <p>May 2018 Member of the Board, WIN Drug Inc. (present post)</p> <p>April 2020 Member of the Board, CFIZ Co., Ltd. (present post)</p> <p>[Significant concurrent positions] President, cocokarafine Healthcare Inc. Member of the Board, WIN Drug Inc. Member of the Board, CFIZ Co., Ltd.</p>	33,503 shares
<p>Reason for selection as a candidate for Member of the Board</p> <p>Mr. Atsushi Tsukamoto has been engaged in the pharmacy business and retail business for over 30 years, and serving as President/Member of the Board of the Company (including the Group company) in total for over 20 years; he has superior management judgement ability and risk judgement ability based on a wealth of experience, achievements, and insights as a manager familiar on-site. In the previous fiscal year, he paved the way for a large-scale business integration which may stimulate the industry reshuffle with his strong leadership. As the Company has judged that he is suitable to advance the group management and strengthen its corporate governance, he has been selected as a candidate for Member of the Board.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	<p>Tsuyoshi Yamamoto (April 25, 1966) Reappointment</p>	<p>April 1990 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>May 1998 Deputy General Manager, Osaka Corporate Banking Department No. 1, The Fuji Bank, Limited</p> <p>May 2001 Deputy General Manager, Advisory Department No. 3, Mizuho Securities Co., Ltd.</p> <p>July 2011 Deputy General Manager, ALC Solutions Department, Mizuho Bank, Ltd.</p> <p>April 2014 General Manager, Sales Division, Mizuho Corporate Advisory Co., Ltd. (currently Mizuho Bank, Ltd.)</p> <p>November 2015 Managing Director, Mizuho Corporate Advisory Co., Ltd. (currently Mizuho Bank, Ltd.)</p> <p>May 2016 Senior Advisor, the Company</p> <p>June 2016 Executive Corporate Officer, in charge of Corporate Strategy and Finance, Corporate Strategy Division, the Company</p> <p>April 2017 Executive Corporate Officer, in charge of Business Development and General Manager, Finance Department, Corporate Strategy Division, the Company</p> <p>June 2017 Member of the Board, in charge of Business Development and General Manager, Finance Department, Corporate Strategy Division, the Company</p> <p>December 2017 Councilor, General Incorporation Foundation Yasuki Sasaki Scholarship Association (present post)</p> <p>April 2019 Member of the Board, Executive Vice President, Director of Administration Headquarters and General Manager of Corporate Strategy Office, the Company</p> <p>Member of the Board, cocokarafine Healthcare Inc. (present post)</p> <p>Member of the Board, FINECARE Inc. (present post)</p> <p>Member of the Board, IWASAKI KOHKENDO Co., Ltd. (present post)</p> <p>Member of the Board, cocokarafine Associe Co., Ltd. (present post)</p> <p>Member of the Board, cocokarafine soleil Co., Ltd. (present post)</p> <p>June 2019 Member of the Board, Executive Vice President, Director of Administration Headquarters, in charge of Corporate Strategy Office, the Company (present post)</p> <p>November 2019 Member of the Board, Aianju Co., Ltd. (present post)</p> <p>[Significant concurrent positions]</p> <p>Member of the Board, cocokarafine Healthcare Inc.</p> <p>Member of the Board, FINECARE Inc.</p> <p>Member of the Board, IWASAKI KOHKENDO Co., Ltd.</p> <p>Member of the Board, cocokarafine Associe Co., Ltd.</p> <p>Member of the Board, cocokarafine soleil Co., Ltd.</p> <p>Member of the Board, Aianju Co., Ltd.</p>	1,175 shares
<p>Reason for selection as a candidate for Member of the Board</p> <p>Mr. Tsuyoshi Yamamoto has been engaged in advising on M&A, corporate restructuring, capital policy and financial strategy mainly in the retail business and the healthcare industry at a financial institution over many years, having expert knowledge in these areas. Since joining the Company, he has made achievements in areas such as M&A, group restructuring and strategic partnerships with other companies, leveraging his expert knowledge. He has superior management judgement ability and risk judgement ability based on a wealth of experience and insight gained through his career as General Manager of Finance Department, General Manager of Corporate Strategy Office and Director of Administration Headquarters of the Company. As the Company has judged that he is suitable to advance the group management and strengthen its corporate governance, he has been selected as a candidate for Member of the Board.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
3	Ryoichi Watanabe (September 28, 1975) New appointment	<p>April 2000 Joined Segami Medics Co., Ltd. (currently cocokarafine Healthcare Inc.)</p> <p>April 2013 Kyusyu Area Manager of Pharmacy Business Department, cocokarafine Healthcare Inc.</p> <p>October 2016 Leader, Corporate Strategy Division, the Company</p> <p>December 2017 Deputy General Manager, Pharmacy Business Department, cocokarafine Healthcare Inc.</p> <p>April 2018 General Manager, Pharmacy Business Department, cocokarafine Healthcare Inc.</p> <p>June 2018 Member of the Board, General Manager, Pharmacy Business Department, cocokarafine Healthcare Inc.</p> <p>November 2018 President, KS, Ltd.</p> <p>April 2019 Member of the Board, Director of Pharmacy Business Division, cocokarafine Healthcare Inc. (present post)</p> <p>October 2019 Member of the Board, Fukunaga Pharmacy, Co. Ltd. [Significant concurrent positions] Member of the Board, cocokarafine Healthcare Inc. Member of the Board, Fukunaga Pharmacy, Co. Ltd.</p>	2,802 shares
<p>Reason for selection as a candidate for Member of the Board</p> <p>Mr. Ryoichi Watanabe has been engaged in the pharmacy business, our core business, as a pharmacist license holder over twenty years and served as President of a dispensing pharmacy company. He possesses superior management judgement ability and risk judgement ability as a management executive who is versed in the healthcare business including the pharmacy business. As the Company has judged that he is suitable to management and supervision of business execution of the Company and enhancement of business operations, he has been selected as a candidate for Member of the Board.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="209 734 395 797">Makoto Tanima (October 6, 1971)</p> <p data-bbox="201 831 403 916">Reappointment Outside Member of the Board</p>	<p data-bbox="432 338 1278 461">July 1996 Registered as Certified Public Accountant December 1996 Registered as Certified Tax Accountant October 2004 Outside Member of the Board, BALNIBARBI Co., Ltd. (present post)</p> <p data-bbox="432 468 1209 562">April 2007 President, KANMONKAI Co., Ltd. March 2013 President, CENTRIS CORPORATE ADVISORY (present post)</p> <p data-bbox="432 568 1270 752">May 2014 Outside Member of the Board, Accrete Inc. December 2015 Outside Member of the Board, CAREER CO., LTD. (present post) Outside Audit & Supervisory Board Member, Japanese Organization for Medical Device Development, Inc. (present post)</p> <p data-bbox="432 759 1209 822">July 2016 Outside Audit & Supervisory Board Member, MEDICAL FITNESS LAB (currently CAPS Inc.)</p> <p data-bbox="432 828 1289 913">July 2017 Outside Member of the Board, Member of the Audit and Supervisory Committee, ZAPPALLAS, INC. (present post)</p> <p data-bbox="432 920 1246 983">June 2018 Outside Member of the Board, the Company (present post)</p> <p data-bbox="432 990 1235 1050">August 2018 Outside Member of the Board, MEDICAL FITNESS LAB (currently CAPS Inc.) (present post)</p> <p data-bbox="432 1057 1235 1267">December 2019 Outside Member of the Board, Mirairo Inc. (present post) [Significant concurrent positions] President, CENTRIS CORPORATE ADVISORY Outside Member of the Board, BALNIBARBI Co., Ltd. Outside Member of the Board, CAREER CO., LTD. Outside Member of the Board, Member of the Audit and Supervisory Committee, ZAPPALLAS, INC.</p>	0 shares
<p data-bbox="201 1323 906 1350">Reason for selection as a candidate for Outside Member of the Board</p> <p data-bbox="201 1357 1477 1545">Mr. Makoto Tanima has been active as an active manager of the other businesses over 10 years, and has superior management judgement ability and risk judgement ability based on specialized knowledge and experience as a certified public accountant and certified tax accountant. In the previous fiscal year, he contributed to enhancing our corporate value from an objective viewpoint as a member of the voluntary Nomination and Remuneration Advisory Committee and the special committee for business integration. As the Company has judged that he is suitable to management and supervision of business execution of the Company as a specialist in finance, accounting and corporate management, he has been selected as a candidate for Outside Member of the Board.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
5	Junko Kawai (December 10, 1974) Reappointment Outside Member of the Board	<p>October 2004 Registered as an attorney (Japan Federation of Bar Associations, Osaka Bar Association)</p> <p>March 2008 Joined Umegae-Chuo Legal Profession Corporation Partner, Umegae-Chuo Legal Profession Corporation (present post)</p> <p>September 2010 Visiting Attorney, Masuda, Funai, Eifert & Mitchell Ltd. (Chicago)</p> <p>July 2011 Registered as an attorney in the State of New York</p> <p>January 2012 Visiting Attorney, Junhe Law Office (Beijing)</p> <p>January 2015 Member of the Board Serving as Audit & Supervisory Committee Member, Kamakura Shinsho, Ltd. (present post)</p> <p>March 2018 Outside Audit & Supervisory Board Member, Blue Line Partners Co., Ltd. (present post)</p> <p>June 2019 Outside Member of the Board, the Company (present post)</p> <p>[Significant concurrent positions] Member of the Board Serving as Audit & Supervisory Committee Member, Kamakura Shinsho, Ltd.</p>	0 shares
<p>Reason for selection as a candidate for Outside Member of the Board</p> <p>Ms. Junko Kawai has worked daily for “protecting fundamental human rights and achieving social justice” as a lawyer. And she deals with corporate legal affairs in Japan and abroad; she has superior management judgement ability and risk judgement ability based on specialized knowledge and experience. In the previous fiscal year, she contributed to reinforce our compliance and corporate governance from an objective viewpoint as a member of the voluntary Nomination and Remuneration Advisory Committee and the special committee for business integration. As the Company has judged that she is suitable to management and supervision of business execution of the Company as a specialist in law, she has been selected as a candidate for Outside Member of the Board.</p>			

- Notes
1. There are no special interests between the candidates for Members of the Board and the Company.
 2. The aforementioned numbers of shares held by candidates for Members of the Board include the number of shares actually held under the cocokara fine Inc. Officer Shareholding Clubs names as of March 31, 2020.
 3. Mr. Makoto Tanimu and Ms. Junko Kawai are candidates for Outside Members of the Board. Additionally, the Company has designated Mr. Makoto Tanimu and Ms. Junko Kawai as Independent Officers as stipulated by the Tokyo Stock Exchange, and has made a submission to the aforementioned Exchange.
 4. Both Mr. Makoto Tanimu and Ms. Junko Kawai are currently Outside Members of the Board of the Company, and their terms of office as Outside Members of the Board of the Company will be two years and one year, respectively, as of the conclusion of this year’s Annual General Meeting of Shareholders.
 5. Based on the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company has concluded liability limitation agreements with Mr. Makoto Tanimu and Ms. Junko Kawai to limit liabilities of Article 423, Paragraph 1 of the same Act. The liabilities limit under this agreement is 5 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater, and if Mr. Makoto Tanimu and Ms. Junko Kawai are reelected at this General Meeting, the Company plans to continue with this agreement.

Proposal No. 3: Election of Three (3) Members of the Board Serving as Audit & Supervisory Committee Members

The terms of office of all three (3) Members of the Board Serving as Audit & Supervisory Committee Members shall expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of three (3) Members of the Board Serving as Audit & Supervisory Committee Members is proposed.

The Audit & Supervisory Committee has agreed to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Akira Sakamoto (October 21, 1960) Reappointment Outside Member of the Board	<p>April 1984 Joined The Sumitomo Bank Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>July 2002 Branch Manager, Tsutsujigaoka Branch, Sumitomo Mitsui Banking Corporation</p> <p>April 2004 Branch Manager, Koganei Branch, Sumitomo Mitsui Banking Corporation</p> <p>April 2006 Branch Manager, Kamiooka Branch, Sumitomo Mitsui Banking Corporation</p> <p>April 2008 Branch Manager, Tanishi Branch, Sumitomo Mitsui Banking Corporation</p> <p>April 2010 Branch Manager, Funabashi Branch, Sumitomo Mitsui Banking Corporation</p> <p>May 2012 Joined The Uehara Memorial Foundation</p> <p>April 2016 Senior Advisor, the Company</p> <p>June 2016 Member of the Board Serving as Audit & Supervisory Committee Member, the Company (full-time, present post)</p> <p>June 2017 Audit & Supervisory Board Member, cocokarafine Healthcare Inc. (present post)</p> <p>[Significant concurrent positions] Audit & Supervisory Board Member, cocokarafine Healthcare Inc.</p>	0 shares
<p>Reason for selection as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member</p> <p>Although Mr. Akira Sakamoto has not been directly involved in corporate management, he served for many years at a financial institution, having adequate knowledge regarding finance and corporate management as well as superior risk judgement ability based on his wide-ranging work experience. In the previous fiscal year, he contributed to the establishment and operation of the voluntary Nomination and Remuneration Advisory Committee as the chairman of the Committee. As the Company has judged that he will continue to appropriately supervise overall management of the Company and provide advice from an independent standpoint, he has been selected as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="196 595 408 651">Akira Torii (September 13, 1949)</p> <p data-bbox="196 685 408 770">Reappointment Outside Member of the Board</p>	<p data-bbox="424 338 612 365">November 1975</p> <p data-bbox="424 405 539 432">July 1988</p> <p data-bbox="424 439 612 465">December 1994</p> <p data-bbox="424 506 555 533">April 2000</p> <p data-bbox="424 573 539 600">July 2003</p> <p data-bbox="424 640 555 667">April 2008</p> <p data-bbox="424 674 539 701">July 2012</p> <p data-bbox="424 707 555 734">June 2014</p> <p data-bbox="424 775 555 801">June 2016</p> <p data-bbox="424 864 571 891">March 2018</p> <p data-bbox="644 338 1257 1025"> Joined Daiichi Audit Office (currently Earnst & Young ShinNihon LLC) New York Office, KPMG Representative Partner, Century Audit Corporation (currently Earnst & Young ShinNihon LLC) Representative Partner, Earnst & Young ShinNihon (currently Earnst & Young ShinNihon LLC) Representative Partner, KPMG AZSA (currently KPMG AZSA LLC) Audit & Supervisory Board Member, KPMG AZSA Established Torii C.P.A. Office (present post) Outside Audit & Supervisory Board Member, the Company Member of the Board Serving as Audit & Supervisory Committee Member, the Company (present post) Member of the Board Serving as Audit & Supervisory Committee Member, A&T Corporation (present post) [Significant concurrent positions] Representative, Torii C.P.A. Office Member of the Board Serving as Audit & Supervisory Committee Member, A&T Corporation </p>	<p data-bbox="1353 663 1417 712">0 shares</p>
<p data-bbox="196 1032 1473 1227">Reason for selection as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member Although Mr. Akira Torii has not been involved in corporate management other than as Outside Member of the Board and Outside Audit & Supervisory Board Member, he has been engaged in corporate auditing as a Certified Public Accountant for many years, having superior management judgement ability and risk judgement ability based on specialized knowledge and experience. As the Company has judged that he is suitable to management and supervision of business execution of the Company as a specialist in financial accounting and auditing, he has been selected as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
3	Manabu Hashimoto (March 4, 1956) Reappointment Outside Member of the Board	<p>April 1979 Joined The Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>April 2005 General Manager of Metropolitan Operations Promotion Dept., The Dai-ichi Mutual Life Insurance Company</p> <p>April 2007 General Manager of Sales Dept. No.3, The Dai-ichi Mutual Life Insurance Company</p> <p>April 2008 General Manager of Corporate Relations Dept. No.2, The Dai-ichi Mutual Life Insurance Company</p> <p>June 2008 Outside Member of the Board, Tokyo Data Network Co. Ltd.</p> <p>April 2012 Assistant and General Manager of Public Sector Relations Dept., The Dai-ichi Life Insurance Company, Limited</p> <p>June 2012 Outside Member of the Board, Kosei Co., Ltd.</p> <p>April 2014 Assistant in charge of Affiliated Business Management Dept., The Dai-ichi Life Insurance Company, Limited</p> <p>June 2014 Audit & Supervisory Board Member (full time), DIAM Asset Management Co., Ltd. (currently Asset Management One Co., Ltd.)</p> <p>April 2018 Senior Advisor, the Company</p> <p>June 2018 Member of the Board Serving as Audit & Supervisory Committee Member, the Company (present post)</p>	0 shares
Reason for selection as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member Mr. Manabu Hashimoto served for many years at a financial institution and has also experienced duties as an Outside Member of the Board; he has superior management judgement ability and risk judgement ability based on specialized knowledge and experience. As the Company has judged that he is suitable to management and supervision of business execution of the Company from an external standpoint, he has been selected as a candidate for Outside Member of the Board Serving as Audit & Supervisory Committee Member.			

- Notes
- There are no special interests between the candidates for Members of the Board Serving as Audit & Supervisory Committee Members and the Company.
 - Mr. Akira Sakamoto, Mr. Akira Torii and Mr. Manabu Hashimoto are candidates for Outside Members of the Board.
Additionally, the Company has designated Mr. Akira Sakamoto, Mr. Akira Torii and Mr. Manabu Hashimoto as Independent Officers as stipulated by the Tokyo Stock Exchange, and has made a submission to the aforementioned Exchange.
 - Based on the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company has concluded liability limitation agreements with Mr. Akira Sakamoto, Mr. Akira Torii and Mr. Manabu Hashimoto to limit liabilities of Article 423, Paragraph 1 of the same Act. The liability limit under this agreement is 5 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater, and if Mr. Akira Sakamoto, Mr. Akira Torii and Mr. Manabu Hashimoto are reelected at this General Meeting, the Company plans to continue with these agreements.
 - Both Mr. Akira Sakamoto, Mr. Akira Torii and Mr. Manabu Hashimoto are currently Outside Members of the Board Serving as Audit & Supervisory Committee Member of the Company, and their terms of office as Outside Members of the Board Serving as Audit & Supervisory Committee Member of the Company will be four years, four years and two years, respectively, as of the conclusion of this year's Annual General Meeting of Shareholders.

Proposal No. 4: Election of One (1) Substitute Member of the Board Serving as Audit & Supervisory Committee Member

To prepare for the case where the number of Members of the Board Serving as Audit & Supervisory Committee Members may fail to meet the required number stipulated by laws and regulations, the Company proposes the election of one (1) Substitute Member of the Board Serving as Audit & Supervisory Committee Member in advance.

The Audit & Supervisory Committee has agreed to this proposal.

The candidate is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
Atsushi Kajitani (July 1, 1968) Outside Member of the Board	March 2000 Registered as an attorney (Japan Federation of Bar Associations, Dai-Ichi Tokyo Bar Association) Joined KAJITANI LAW OFFICES June 2004 Outside Audit & Supervisory Board Member, DMS Inc. June 2015 Outside Member of the Board, DMS Inc. (present post) June 2016 Outside Audit & Supervisory Board Member, NOK CORPORATION(present post) April 2017 Vice-President, Dai-Ichi Tokyo Bar Association June 2018 Outside Audit & Supervisory Board Member, Eagle Industry Co., Ltd. (present post) July 2018 Specially Appointed Professor of Research Center for Social Systems, National University Corporation Shinshu University (present post) [Significant concurrent positions] Outside Member of the Board, DMS Inc. Outside Audit & Supervisory Board Member, NOK CORPORATION Outside Audit & Supervisory Board Member, EAGLE INDUSTRY CO., LTD.	0 shares
Reason for selection as a candidate for Substitute Outside Member of the Board Serving as Audit & Supervisory Committee Member Mr. Atsushi Kajitani served as a lawyer for many years and has also experienced duties as an Outside Member of the Board at listed companies; having superior management judgement ability and risk judgement ability based on specialized knowledge and experience. As the Company has judged that he is suitable to management and supervision of business execution of the Company as a specialist in law and corporate management, he has been selected as a candidate for Substitute Outside Member of the Board Serving as Audit & Supervisory Committee Member.		

- Notes
1. There are no special interests between the candidate for Substitute Member of the Board Serving as Substitute Audit & Supervisory Committee Member and the Company.
 2. Mr. Atsushi Kajitani is a candidate for Substitute Outside Member of the Board.
Additionally, the Company plans to designate Mr. Atsushi Kajitani as Independent Officer as stipulated by the Tokyo Stock Exchange, and to make a submission to the aforementioned Exchange if he is elected as Outside Member of the Board Serving as Audit & Supervisory Committee Member.
 3. Based on the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company plans to conclude a liability limitation agreement with Mr. Atsushi Kajitani to limit liabilities of Article 423, Paragraph 1 of the same Act, if he is elected as Outside Member of the Board Serving as Audit & Supervisory Committee Member. The liability limit under this agreement is 5 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater.