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(Stock Exchange Code 4403)  
June 5, 2019

**To Shareholders with Voting Rights:**

Takeo Miyaji  
President & Chief Executive Officer  
NOF CORPORATION  
20-3, Ebisu 4-chome, Shibuya-ku,  
Tokyo, Japan

**NOTICE OF  
THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 96th Annual General Meeting of Shareholders of NOF CORPORATION (the “Company”). Details of the meeting are as described below.

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

[Exercise of Voting Rights in Writing (by Mail)]

Please indicate your votes for or against each of the proposals on the enclosed Voting Rights Exercise Form, and return the form for arrival by 5:30 p.m. on June 26, 2019 (Wednesday), Japan time.

[Exercise of Voting Rights by Electromagnetic Means (the Internet, etc.)]

To exercise your voting rights via the Internet, please carefully read the “Guide for Exercising Voting Rights via the Internet, etc.” on page 13 and exercise your voting rights no later than 5:30 p.m. on June 26, 2019 (Wednesday), Japan time.

The Company participates in the “Electronic Voting Platform” for institutional investors operated by ICJ, Inc.

- 1. Date and Time:** Thursday, June 27, 2019, at 10:00 a.m. Japan time  
**2. Place:** The Garden Room (inside Yebisu Garden Place)  
13-2, Mita 1-chome, Meguro-ku, Tokyo, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2018–March 31, 2019), and the results of audits on the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
  2. Non-Consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2018–March 31, 2019)

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Election of Eight (8) Directors  
**Proposal No. 3:** Election of Four (4) Corporate Auditors  
**Proposal No. 4:** Introduction of a Performance-linked Stock Compensation Plan for Directors

**4. Other Decisions of the Board of Directors with Regard to the Convocation of Annual General Meeting of Shareholders of the Company**

Exercise of voting rights multiple times

- (1) In the event that voting rights are exercised both by mail and via the Internet, etc., the vote via the Internet, etc., shall prevail.
  - (2) In the event that voting rights are exercised multiple times via the Internet, etc., the most recent vote shall prevail.
- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please bring this NOTICE OF THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS and the enclosed Business Report for the 96th Fiscal Year with you to the meeting.
  - ◎ Shareholders are asked to come in casual clothes to the Annual General Meeting of Shareholders.
  - ◎ Should any revisions occur to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements for the Company's 96th Fiscal Year, the revisions will be posted on the Company's Web site (<http://www.nof.co.jp/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal No. 1: Appropriation of Surplus**

Recognizing the profit distribution to shareholders as one of the most important managerial issues, the Company strives to strengthen its financial position and management foundation, while improving the dividend amounts.

Concerning the year-end dividend for the fiscal year under review, taking into account the business results for the fiscal year under review, future business developments and other factors, we hereby propose the details as follows.

(1) Type of property for dividends:

Cash

(2) Allotment of property for dividends to shareholders and total amount thereof:

¥46 per share of the Company's common stock for a total of ¥3,871,814,756.

As the Company paid ¥32 per share as an interim dividend, the annual dividend is ¥78 per share for the fiscal year under review.

(3) Effective date of distribution of surplus:

June 28, 2019

## Proposal No. 2: Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. The Company proposes the election of eight (8) Directors.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Akiharu Kobayashi (November 3, 1951)	<p>April 1979      Joined the Company</p> <p>June 2007      Operating Officer; General Manager, DDS Development Div. of the Company</p> <p>June 2009      Director and Operating Officer; General Manager, DDS Development Div. of the Company</p> <p>June 2010      Director and Executive Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company</p> <p>June 2011      Director and Executive Operating Officer; General Manager, Anti-Corrosion Coatings Group of the Company</p> <p>June 2012      President and Chief Executive Officer of the Company</p> <p>June 2018      Chairman and Chief Executive Officer of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Akiharu Kobayashi has been in charge of management of the Company for many years. The Company nominates him as a candidate for Director, expecting him to help strengthen the decision-making and supervision functions of the Board of Directors drawing on his extensive experience, including overseas assignments, and performance.</p>	37,000
2	Takeo Miyaji (January 12, 1956)	<p>April 1980      Joined the Company</p> <p>June 2010      Operating Officer; General Manager, Human Resources &amp; General Affairs Dept. of the Company</p> <p>June 2011      Director and Operating Officer; General Manager, Human Resources &amp; General Affairs Dept. of the Company</p> <p>June 2012      Director and Executive Operating Officer; General Manager, Human Resources &amp; General Affairs Dept. of the Company</p> <p>December 2012      Director and Executive Operating Officer of the Company</p> <p>June 2018      President and Chief Executive Officer of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Takeo Miyaji has been in charge of management of the Company for many years. The Company nominates him as a candidate for Director, expecting him to help strengthen the decision-making and supervision functions of the Board of Directors drawing on his extensive experience and performance.</p>	16,000
3	Kengo Inoue (March 18, 1957)	<p>April 1981      Joined the Company</p> <p>June 2011      Operating Officer; General Manager, Functional Chemicals &amp; Polymers Div. of the Company</p> <p>June 2014      Operating Officer; General Manager, Display Materials Div. of the Company</p> <p>June 2015      Director and Operating Officer; General Manager, Display Materials Div. of the Company</p> <p>June 2016      Director and Executive Operating Officer; General Manager, Display Materials Div.; and General Manager, Responsible Care &amp; Production Engineering Dept. of the Company</p> <p>February 2017      Director and Executive Operating Officer; General Manager, Responsible Care &amp; Production Engineering Dept. of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Kengo Inoue has been engaged in the Functional Chemicals &amp; Polymers business and the Display Materials business of the Company. The Company nominates him as a candidate for Director, expecting him to help strengthen the decision-making function of the Board of Directors drawing on his extensive experience, including overseas assignments, and performance.</p>	10,700

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
4	Makoto Ihuri (October 9, 1959)	<p>April 1982      Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2011      Executive Officer; General Manager for Trust Products Unit of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>June 2011      Managing Director of Trust &amp; Custody Services Bank, Ltd.</p> <p>April 2016      Senior Director of the Company</p> <p>June 2016      Director; General Manager, Purchasing Dept. of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Makoto Ihuri possesses many years' experience and insight in the financial field and extensive experience and a wide range of knowledge as a Director. The Company nominates him as a candidate for Director, expecting him to help strengthen the supervision functions of the Board of Directors.</p>	5,000
5	Hideaki Sakahashi (May 14, 1959)	<p>April 1983      Joined the Company</p> <p>June 2008      General Manager, Planning Dept., Oleo &amp; Specialty Chemicals Div. of the Company</p> <p>October 2012    General Manager, Planning Dept., Functional Chemicals &amp; Polymers Div. of the Company</p> <p>June 2014      Operating Officer; General Manager, Functional Chemicals &amp; Polymers Div. of the Company</p> <p>June 2016      Director and Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company</p> <p>June 2018      Director and Executive Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Hideaki Sakahashi has been engaged in the management of the Oleo &amp; Specialty Chemicals business and the Functional Chemicals &amp; Polymers business of the Company. The Company nominates him as a candidate for Director, expecting him to help strengthen the decision-making function of the Board of Directors drawing on his extensive experience and performance.</p>	4,600

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
6	Kazuhito Maeda (November 1, 1956)	<p>April 1981      Joined the Company</p> <p>June 2010      Operating Officer; General Manager, DDS Development Div. of the Company</p> <p>June 2011      Director and Operating Officer; General Manager, DDS Development Div. of the Company</p> <p>June 2012      Director and Executive Operating Officer; General Manager, DDS Development Div. of the Company</p> <p>June 2013      Director and Executive Operating Officer of the Company</p> <p>June 2016      Director and Executive Operating Officer; General Manager, Anti-Corrosion Coatings Group of the Company (to present)</p> <p>[Reason for nomination as a candidate for Director] Kazuhito Maeda has been engaged in the management of the Oleo &amp; Specialty Chemicals business and the DDS development business of the Company. The Company nominates him as a candidate for Director, expecting him to help strengthen the decision-making function of the Board of Directors drawing on his extensive experience, including work at an overseas research institute, and performance.</p>	14,700
7	Yasuyuki Arima (January 10, 1953)  [Independent Director]	<p>April 1975      Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2004      Executive Officer; General Manager, Financial Planning Div. of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>May 2004      Executive Officer, Mizuho Trust &amp; Banking Co., Ltd.</p> <p>April 2005      Managing Executive Officer, Mizuho Trust &amp; Banking Co., Ltd.</p> <p>June 2005      Managing Director, Mizuho Trust &amp; Banking Co., Ltd.</p> <p>April 2007      Director, Mizuho Trust &amp; Banking Co., Ltd. (Resigned from the position in June 2007)</p> <p>June 2007      Representative Director and President, Fuyo Auto Lease Co., Ltd.</p> <p>April 2016      Director, Fuyo Auto Lease Co., Ltd. (Resigned from the position in May 2016)</p> <p>June 2016      Director of the Company (to present); President, Hotsukyo (to present)</p> <p>[Reason for nomination as a candidate for Outside Director] The Company nominates Yasuyuki Arima as Outside Director because for the past three years, as an Outside Director of the Company, he has been providing appropriate opinions with regard to the Company's overall management from a fair and objective standpoint, reflecting his extensive experience and a wide range of insight as a Director in the Company's management, therefore the Company expects him to be able to continue to fulfill his role as a Director from an expert perspective.</p>	2,200

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
8	Masayuki Koderu (February 17, 1947)  [Independent Director]	<p>April 1971      Joined The Yasuda Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>June 1998      Director; Deputy General Manager, Trust Asset Management Div. of The Yasuda Trust &amp; Banking Co., Ltd.</p> <p>June 1999      Executive Officer; Deputy General Manager, Trust Assets Management Div. of The Yasuda Trust &amp; Banking Co., Ltd.</p> <p>October 1999    Executive Officer; General Manager, Securities Services Div. of The Dai-Ichi Kangyo Fuji Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>October 2000    Managing Executive Officer; General Manager, Securities Services Div. of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>December 2000   Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd. (Resigned from the position in January 2001)</p> <p>January 2001    President &amp; CEO of Trust &amp; Custody Services Bank, Ltd. (Resigned from the position in April 2007)</p> <p>April 2007      President &amp; CEO of Mizuho Trust Guarantee Co., Ltd. (Resigned from the position in June 2010)</p> <p>June 2007      Corporate Auditor of the Company (Resigned from the position in June 2011)</p> <p>June 2011      Director of the Company (to present)</p> <p>[Reason for nomination as a candidate for Outside Director] The Company nominates Masayuki Koderu as Outside Director because for the past eight years, as an Outside Director of the Company, he has been providing appropriate opinions with regard to the Company's overall management from a fair and objective standpoint, reflecting his many years' experience and ample knowledge in the financial field in the Company's management, therefore the Company expects him to be able to continue to provide adequate guidance over the decision making of the Board of Directors of the Company.</p>	9,400

Notes:

1. There is no special interest between any candidate for Director and the Company.
2. Yasuyuki Arima and Masayuki Koderu are candidates for Outside Director. They are also Independent Directors/Auditors as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
3. The term of office of Yasuyuki Arima as Outside Director of the Company will be three years at the conclusion of this year's Annual General Meeting of Shareholders.
4. The term of office of Masayuki Koderu as Outside Director of the Company will be eight years at the conclusion of this year's Annual General Meeting of Shareholders.

### Proposal No. 3: Election of Four (4) Corporate Auditors

The terms of office of all four (4) Corporate Auditors will expire at the conclusion of this year's Annual General Meeting of Shareholders. The Company proposes the election of four (4) Corporate Auditors.

The Board of Corporate Auditors gave prior consent to putting this Proposal on the agenda of this year's Annual General Meeting of Shareholders.

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	Kazushige Kato (July 30, 1956)	<p>April 1981      Joined the Company</p> <p>June 2011      Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company</p> <p>June 2012      Director and Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company</p> <p>June 2014      Director and Operating Officer; General Manager, Corporate R&amp;D Div.; and General Manager, Anti-Corrosion Coatings Group of the Company</p> <p>June 2015      Director and Executive Operating Officer; General Manager, Corporate R&amp;D Div.; and General Manager, Anti-Corrosion Coatings Group of the Company</p> <p>June 2016      Director and Executive Operating Officer; General Manager, Corporate R&amp;D Div. of the Company</p> <p>June 2018      Corporate Auditor of the Company (to present)</p> <p>[Reason for nomination as a candidate for Corporate Auditor] Kazushige Kato has been engaged in the management of the Anti-Corrosion Coatings business and corporate planning of the Company. The Company nominates him as a candidate for Corporate Auditor, expecting him to help strengthen the supervision functions of the Board of Directors drawing on his extensive experience and wide range of insight.</p>	13,500
2	*Toshiyuki Hayashi (November 23, 1955)	<p>April 1982      Joined the Company</p> <p>June 2011      General Manager, Functional Foods Div. of the Company</p> <p>June 2012      Operating Officer; General Manager, Functional Foods Div. of the Company</p> <p>June 2014      Operating Officer; General Manager, Corporate Planning &amp; Strategy Dept. of the Company</p> <p>June 2016      Operating Officer; General Manager, Human Resources &amp; General Affairs Dept. of the Company</p> <p>June 2017      Executive Operating Officer; General Manager, Human Resources &amp; General Affairs Dept. of the Company (to present)</p> <p>[Reason for nomination as a candidate for Corporate Auditor] Toshiyuki Hayashi has been engaged in the management of the Functional Foods business, corporate planning, and human resources &amp; general affairs of the Company. The Company nominates him as a candidate for Corporate Auditor, expecting him to help strengthen the supervision functions of the Board of Directors drawing on his extensive experience and wide range of insight.</p>	4,900



No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
3	Shinichiro Tanaka (October 28, 1951) [Independent Auditor]	<p>April 1974      Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2002      Executive Officer; General Manager, Market Planning Div. of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>December 2002      Executive Officer; Senior Corporate Officer of Market and ALM Unit of Mizuho Corporate Bank, Ltd.</p> <p>March 2003      Managing Executive Officer; Head of Transaction Banking Unit of Mizuho Corporate Bank, Ltd.</p> <p>April 2004      Managing Executive Officer; Head of Transaction Banking Unit and Operations Group of Mizuho Corporate Bank, Ltd.</p> <p>March 2006      Managing Executive Officer; Head of Global Transaction Unit, IT &amp; Systems Group and Operations Group of Mizuho Corporate Bank, Ltd. (Resigned from the position in April 2007)</p> <p>April 2007      Advisor of Fuji Investment Management Co., Ltd. (currently Mizuho Asset Management Co., Ltd.)</p> <p>July 2007      President &amp; CEO of Mizuho Asset Management Co., Ltd. (Resigned from the position in June 2014)</p> <p>June 2014      Standing Corporate Auditor of Oki Electric Cable Co., Ltd. (Resigned from the position in June 2018)</p> <p>June 2015      Corporate Auditor of the Company (to present)</p> <p>[Reason for nomination as a candidate for Outside Corporate Auditor] Shinichiro Tanaka possesses extensive experience and a wide range of insight as a director and an auditor. Therefore, the Company expects him to be able to fulfill his role as a Corporate Auditor from an expert perspective and nominates him as a candidate for Outside Corporate Auditor.</p>	1,800

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
4	Ryouichi Tahara (August 11, 1955) [Independent Auditor]	<p>April 1978      Joined The Yasuda Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>June 2006      Executive Officer; General Manager, Human Resources Div. of Mizuho Asset Trust &amp; Banking Co., Ltd. (currently Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>April 2008      Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>June 2009      Managing Director and Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>October 2010    Managing Director; Managing Executive Officer; General Manager, Trust Products Planning Div. of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>February 2011   Managing Director and Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd. (Resigned from the position in April 2011)</p> <p>April 2011      President &amp; CEO of Mizuho Trust Business Operations Co., Ltd. (Resigned from the position in June 2019)</p> <p>June 2011      Auditor of THE NIPPON SIGNAL CO., LTD. (Resigned from the position in June 2015)</p> <p>June 2015      Corporate Auditor of the Company (to present)</p> <p>[Reason for nomination as a candidate for Outside Corporate Auditor] Ryouichi Tahara possesses extensive experience as a director and an auditor and a wide range of insight. Therefore, the Company expects him to be able to fulfill his role as a Corporate Auditor from an expert perspective and nominates him as a candidate for Outside Corporate Auditor.</p>	900

Notes:

1. There is no special interest between any candidate for Corporate Auditor and the Company.
2. “\*” indicates a new candidate.
3. Shinichiro Tanaka and Ryouichi Tahara are candidates for Outside Corporate Auditor. They are also Independent Directors/Auditors as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
4. The term of office of Shinichiro Tanaka as Outside Corporate Auditor of the Company will be four years at the conclusion of this year’s Annual General Meeting of Shareholders.
5. The term of office of Ryouichi Tahara as Outside Corporate Auditor of the Company will be four years at the conclusion of this year’s Annual General Meeting of Shareholders.

## **Proposal No. 4: Introduction of a Performance-linked Stock Compensation Plan for Directors**

### 1. Reasons for the proposal

The Company proposes to introduce a new performance-linked stock compensation plan (Board Benefit Trust, or BBT, hereinafter referred to as the “Plan”) for the Company’s Directors who concurrently serve as Operating Officers (excluding Outside Directors, hereinafter the same applies, unless otherwise stated) and for Operating Officers with a title (hereinafter collectively “Directors, etc.”) and request approval.

The purpose of the introduction of the Plan is to further clarify the linkage between compensation of Directors, etc., financial results of the Company and the value of the Company’s shares and have Directors, etc. share the risk of stock value fluctuation with the shareholders, thereby strengthening the awareness of Directors, etc. of their contribution to the medium- to long-term improvement in financial results and enhancement of corporate value.

Under the Plan, new performance-linked stock compensation is to be granted to the Company’s Directors, separately from the compensation for Directors (within 360 million yen per year, excluding salaries as employees), which is based on the resolution by the 83rd Annual General Meeting of Shareholders held on June 29, 2006, and the Company requests approval of the amount of compensation etc. The Company proposes that the details of the Plan within the framework of 2. below be entrusted to its Board of Directors.

Currently, there are six (6) Directors eligible for the Plan. If Proposal No. 2 is approved as originally proposed, the number of the Company’s Directors eligible for the Plan will be six (6).

### 2. The amount of compensation etc. concerning the Plan and reference information

#### (1) Overview of the Plan

The Plan is a performance-linked stock compensation plan whereby the Company’s shares are acquired through a trust using funds contributed by the Company (hereinafter, such trust established pursuant to the Plan is referred to as the “Trust”), and the Company’s shares and cash equivalents of such shares at their market value (hereinafter collectively referred to as “Company’s Shares, etc.”) are distributed through the Trust to the Company’s Directors, etc. pursuant to the Officer Stock Distribution Rules established by the Company. The Company’s Directors, etc. shall receive the Company’s Shares, etc. upon their retirement, in principle.

#### (2) Persons eligible for the Plan

Directors who concurrently serve as Operating Officers and Operating Officers with a title (Outside Directors and Corporate Auditors are not eligible for the Plan.)

#### (3) Trust period

From August 2019 (scheduled) until the termination of the Trust (No particular date of termination is specified for the trust period of the Trust and the Trust shall continue as long as the Plan continues. The Plan will be terminated in such case as delisting of the Company’s shares, abolition of the Officer Stock Distribution Rules, etc.)

#### (4) Trust amount (Amount of compensation etc.)

Provided that this proposal is approved, the Company will introduce the Plan for the four fiscal years from the fiscal year ending on March 31, 2020 to the fiscal year ending on March 31, 2023 (hereinafter, the said four fiscal years shall be referred to as the “Initial Applicable Period” and each period consisting of three fiscal years starting after the Initial Applicable Period has passed shall be referred to as a “Next Applicable Period.” Moreover, the Initial Applicable Period and the Next Applicable Periods shall be collectively referred to as the “Applicable Period.”) and each Next Applicable Period and contribute cash in the amount indicated below as funds for the Trust to acquire the Company’s shares in order to distribute the Company’s Shares, etc. to Directors, etc.

Firstly, at the time of establishment of the Trust (August 2019 (scheduled)), the Company will contribute up to a maximum of 180 million yen (of which 152 million yen is for Directors) to the Trust as funds necessary for the Initial Applicable Period.

Moreover, after the Initial Applicable Period has passed and until the Plan comes to an end, the Company will, in principle, make an additional contribution to the Trust up to a maximum of 135 million yen (of which 114 million yen is for Directors) for each Following Applicable Period. However, if, at the time of such additional contribution, the Company’s shares (excluding the Company’s shares corresponding to the points awarded to the Directors, etc. concerning the most recent Applicable Periods whose distribution to the Directors, etc. has not been completed) or cash (hereinafter collectively referred to as the “Remaining Shares, etc.”) remain in the trust assets on the last date of the preceding Applicable Period, the sum of the value of the Remaining Shares, etc. (in regard to the Company’s shares, market value on the last date of the preceding Applicable Period) and the amount of cash for additional contribution shall be the maximum 135 million yen

(of which 114 million yen is for Directors).

The Initial Applicable Period consists of four fiscal years and a Next Applicable Period consists of three fiscal years because the Company believes that it is reasonable to make the Initial Applicable Period agree with the aggregate number of years of the remaining period of the current Medium-Term Management Plan (one fiscal year, ending on March 31, 2020) and the period to be covered by the next Medium-Term Management Plan (scheduled to be three fiscal years).

When the Company decides to make any additional contribution, it shall disclose the fact appropriately in a timely manner.

(5) The method of acquiring the Company's shares and the number of shares to be acquired

The Trust shall acquire the Company's shares on the stock market or by underwriting the disposition of the Company's treasury shares, using the funds contributed by (4) above.

During the Initial Applicable Period, the Trust shall acquire shares within the upper limit of 60 thousand shares without delay following the establishment of the Trust.

Details of acquisition of the Company's shares by the Trust shall be disclosed appropriately in a timely manner.

(6) The method of calculation of the number of the Company's Shares, etc. to be distributed to the Directors, etc.

For each fiscal year, the Directors, etc. shall be awarded points, the number of which is to be decided taking into account their respective positions, achievement level of their performance, etc. based on the Officer Stock Distribution Rules. Each point awarded to the Directors, etc. shall be converted into one (1) share of the Company's common stock at the time of the distribution of the Company's Shares, etc. as described in (7) below (provided, however, that, if, in regard to the Company's shares, a share split, allotment of shares without contribution, or consolidation of shares, etc., is carried out after the approval of this proposal, the conversion ratio shall be adjusted in a reasonable manner in proportion to the relevant ratio etc.).

The number of points held by a Director, etc., which will be used as the basis for the distribution of the Company's Shares, etc., shall be, in principle, the number of points awarded to the said Director, etc. by the time of his/her retirement (hereinafter, the number of points calculated in such manner shall be referred to as the "Defined Number of Points").

(7) Granting of the Company's Shares, etc.

When a Director, etc. of the Company retires and he/she meets the requirements for the beneficiary stipulated in the Officer Stock Distribution Rules, the said Director, etc. may receive the number of the Company's shares from the Trust in accordance with the Defined Number of Points, which is, in principle, determined in accordance with (6) above after his/her retirement, provided that he/she takes the stipulated procedures to define the beneficiary.

However, if the said Director, etc. meets the requirements separately stipulated in the Officer Stock Distribution Rules, in respect of a certain percentage of the points awarded to him/her, he/she may receive the amount of cash equivalent to the market value of the Company's shares in lieu of the Company's shares. The Trust may sell the Company's shares in order to provide cash.

(8) Exercise of voting rights

Voting rights pertaining to the Company's shares in the Trust account shall not be exercised without exception in accordance with the instructions of the trust administrator. This will assure the neutrality of the Company's management in relation to exercise of the voting rights of such shares.

(9) Handling of Dividends

Dividends on the Company's shares in the Trust account will be received by the Trust, and will be applied to payment for acquisition of the Company's shares, trust fees for the trustee pertaining to the Trust, etc. Dividends etc. remaining in the Trust when the Trust comes to an end will be distributed to Directors, etc. in office at that point in time in proportion to the number of points held by each Director, etc.

(10) Handling at the time of termination of the Trust

The Trust will be terminated in such cases as delisting of the Company's shares and abolition of the Officer Stock Distribution Rules, etc.

Of the property remaining in the Trust at the time of termination of the Trust, the Company plans to acquire all of the Company's shares without contribution and retire them by a resolution of the Board of Directors. Of the property remaining in the Trust at the time of termination of the Trust, the amount of cash remaining after deducting cash to be distributed to Directors, etc. in accordance with (9) above will be distributed to the Company.

## <Guide for Exercising Voting Rights via the Internet, etc.>

### I. Exercise of Voting Rights via the Internet (Guide for individual shareholders)

#### 1. Items that need to be understood before exercising voting rights via the Internet

To exercise your voting rights via the Internet, please carefully read the following items and exercise your voting rights accordingly.

- (1) You may exercise your voting rights via the Internet only through the Web site for exercising voting rights specified by the Company (<https://soukai.mizuho-tb.co.jp/>). When exercising your voting rights via the Internet, you are required to have the “Code for the Exercise of Voting Rights” and the “Password” printed on the enclosed Voting Rights Exercise Form.
- (2) The “Code for the Exercise of Voting Rights” and the “Password” printed on the Voting Rights Exercise Form are effective only for this Annual General Meeting of Shareholders. For the next Annual General Meeting of Shareholders, a new “Code for the Exercise of Voting Rights” and “Password” will be issued.
- (3) In the event that voting rights are exercised both by mail and via the Internet, the vote via the Internet shall prevail.
- (4) In the event that voting rights are exercised multiple times via the Internet, the most recent vote shall prevail.
- (5) Any fees that arise from accessing the site for the exercise of voting rights (e.g., Internet access fee and communication charges) shall be borne by the shareholder.

#### 2. Specific Procedures to Exercise Your Voting Rights via the Internet

- (1) Access the Web site (<https://soukai.mizuho-tb.co.jp/>).
- (2) Enter the “Code for the Exercise of Voting Rights” and the “Password” and click on the “Log-in” button.  
The “Code for the Exercise of Voting Rights” and the “Password” are printed at the lower right on the enclosed Voting Rights Exercise Form.
- (3) Follow the instructions on the screen and exercise your voting rights no later than 5:30 p.m. on June 26, 2019 (Wednesday), Japan time.

#### 3. System Requirements

For system requirements, please visit the Web site for exercising voting rights via the Internet (<https://soukai.mizuho-tb.co.jp/>).

#### 4. Security

Security is in place with an encryption technology used to prevent your votes from being altered or intercepted.

The “Code for the Exercise of Voting Rights” and the “Password” on the enclosed Voting Rights Exercise Form are important private information that helps identify each shareholder. Please be careful not to let them be known to other people. The Company never asks for a shareholder’s password.

#### 5. Inquiries

- (1) In case you need instructions for how to operate your personal computer, etc., in order to exercise your voting rights via the Internet, please contact the following support desk:  
Internet Help Dial: Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.  
Phone: 0120-768-524 (toll-free)  
Hours: 9 a.m. to 9 p.m. (excluding Saturdays, Sundays and national holidays), Japan time
- (2) Inquiries other than the above:  
Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.  
Phone: 0120-288-324 (toll-free)  
Hours: 9 a.m. to 5 p.m. (excluding Saturdays, Sundays and national holidays), Japan time

## II. Electronic Voting Platform for Institutional Investors

Institutional investors registered in the name of a trust and custody services bank, etc. (including a standing proxy), may use the “Electronic Voting Platform” operated by ICJ, Inc., as an alternative electromagnetic method other than the use of the Internet as explained in I. above for exercising voting rights at the General Meeting of Shareholders of the Company, provided that the shareholder has already subscribed to use of the platform.