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(Securities Code: 8919)
June 13, 2022

To Our Shareholders:

Katsutoshi Arai
President and CEO
KATITAS Co., Ltd.
4-2 Mihara-cho, Kiryu-shi, Gunma

Notice of the 44th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 44th Ordinary General Meeting of Shareholders of KATITAS Co., Ltd. (the “Company”), which will be held as described below.

From the perspective of preventing COVID-19 infection, we ask our shareholders to exercise their voting rights in writing or via the Internet prior to the date of the meeting and to refrain from attending this General Meeting of Shareholders, regardless of their physical condition.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 6:00 p.m. on Monday, June 27, 2022, Japan Standard Time.

- 1. Date and time:** Tuesday, June 28, 2022, at 10:00 a.m. (JST)
- 2. Venue:** “Hodaka,” 5F, Arcadia Ichigaya Shigaku Kaikan
4-2-25 Kudankita, Chiyoda-ku, Tokyo

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Board, for the 44th fiscal year (from April 1, 2021 to March 31, 2022)
2. The Non-consolidated Financial Statements for the 44th fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

Proposal No. 1: Partial Amendments to the Articles of Incorporation

Proposal No. 2: Election of Seven Directors

Proposal No. 3: Election of Two Substitute Audit and Supervisory Board Members

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- When attending the meeting, please submit the enclosed voting rights exercise form at the reception desk.
 - Disclosure on the Internet
 - The following items are presented on the website of the Company pursuant to the laws and ordinances and Article 15 of the Articles of Incorporation of the Company, and are not stated in this notice. The attachment to this notice is only part of the documents audited by Audit and Supervisory Board Members and the Accounting Auditor for preparation of their audit reports.
 - (i) Notes to the Consolidated Financial Statements (ii) Notes to the Non-consolidated Financial Statements

- Should the need for revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements arise, the revised versions will be posted on the Company's website.

The Company's website: <http://katitas.jp>

Measures Against COVID-19

<Requests to Shareholders>

- The Company strongly recommends that, to prevent the spread of infection, shareholders refrain from attending this General Meeting of Shareholders and exercise their voting rights in writing or via the Internet, as last year.
- We would appreciate if shareholders who are elderly or have underlying medical conditions and are more vulnerable to the virus, and those who are expecting exercise particular caution.

<Requests to Attending Shareholders>

- Shareholders who do attend the meeting are asked to do so only if they themselves are in good health and they take steps to stop the spread of infection such as wearing a mask.

<The Company's Response>

- At the venue for the General Meeting of Shareholders, the Company will implement preventive measures depending on the situation on the day of the meeting, such as requiring administrative staff to wear masks. Please note that seating at the venue will be limited and the Company may not be able to grant admission to some shareholders.

The Company will publish details of any change in the situation or its response prior to the date of the meeting on the Company's website. <The Company's website: <http://katitas.jp>>

We thank you for your understanding and cooperation.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reason for the proposal

Since the system for providing informational materials for the general meeting of shareholders in electronic format will be introduced as the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation.

- (1) Since it will be obligatory to stipulate in the Articles of Incorporation that the information contained in the Reference Documents for the General Meeting of Shareholders, etc. will be provided in electronic format, the Company will establish newly Article 15 (Measures for Providing Reference Documents for the General Meeting of Shareholders, etc. in Electronic Format), Paragraph 1 of the Proposed Amendments.
- (2) Of the matters for which electronic provision measures are used as to the information contained in the Reference Documents for the General Meeting of Shareholders, and the like, so that the scope of matters to be stated in the documents to be delivered to shareholders who request the issuance of documents can be limited to the scope specified by the Ordinance of the Ministry of Justice, the Company will establish newly Article 15 (Measures for Providing Reference Documents for the General Meeting of Shareholders, etc. in Electronic Format), Paragraph 2 of the Proposed Amendments.
- (3) Once the system for providing informational materials for the general meeting of shareholders in electronic format is introduced, the provisions of Article 15 (Internet Disclosure of Reference Documents, Etc.) of the current Articles of Incorporation will no longer be required, therefore the Company will delete said provisions.
- (4) The Company will establish supplementary provisions regarding the effect of aforementioned newly established or deleted provisions. These supplementary provisions shall be deleted after the date is elapsed.

2. Details of the amendments

Details of amendment are as follows:

Current Articles of Incorporation	Proposed Amendments
(Underline indicate amendment)	
<p><u>(Internet Disclosure of Reference Documents, Etc.)</u></p> <p><u>Article 15 The Company may disclose information that is to be stated or presented in the reference documents for the general meeting of shareholders, non-consolidated financial statements, consolidated financial statements and business reports over the internet in accordance with the provisions prescribed by the Ministry of Justice Order.</u></p> <p style="text-align: center;">(New)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>(Measures for Providing Reference Documents for the General Meeting of Shareholders, Etc. in Electronic Format)</u></p> <p><u>Article 15</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. in electronic format.</u></p>

Current Articles of Incorporation	Proposed Amendments
(New)	<p data-bbox="839 232 1396 450">2. <u>Among items for which the measures for providing information in electronic format will be taken, for all or some of those items designated by the Ministry of Justice Order, the Company shall not be required to state those in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p data-bbox="804 461 1059 488"><u>Supplementary Provisions</u></p> <p data-bbox="804 495 1401 575"><u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p data-bbox="839 584 1401 938">1. <u>The deletion of the provision of Article 15 (Internet Disclosure of Reference Documents, Etc.) in the pre-amended Articles of Incorporation and the establishment of provisions of Article 15 (Measures for Providing Reference Documents for the General Meeting of Shareholders, Etc. in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement provided in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p data-bbox="839 949 1396 1137">2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amended Articles of Incorporation (Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p data-bbox="839 1149 1396 1281">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal No. 2: Election of Seven Directors

The terms of office of all nine currently serving Directors (including three Outside Directors) will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, in order for the Board of Directors to make decisions more agilely, the Company has decided to reduce the number of Directors by two, and request the election of seven Directors (including three Outside Directors).

The candidates for Director are as follows:

(Values provided for number of shares are current as of March 31, 2022)

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Katsutoshi Arai (December 2, 1968)	<p>Apr. 1993 Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Sept. 1997 Secretary for the office of Motohisa Furukawa, a member of the House of Representatives, Japan</p> <p>Feb. 1999 Joined Bain & Company Japan, Inc.</p> <p>Aug. 2004 Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)</p> <p>June 2012 Joined Yasuragi Co., Ltd. (currently KATITAS Co., Ltd.) President and CEO (current position)</p> <p>Mar. 2016 Representative Director and Chairman, REPRICE Co., Ltd.</p> <p>Mar. 2017 Representative Director and President, REPRICE Co., Ltd. (current position)</p>	279,313 shares
2	Kazuhito Yokota (October 29, 1967)	<p>Apr. 1988 Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)</p> <p>Oct. 2006 Representative Director and Vice President, CAREER DESIGN CENTER CO., LTD.</p> <p>Aug. 2012 Joined Yasuragi Co., Ltd. (currently KATITAS Co., Ltd.) General Manager of Administration Headquarters</p> <p>Mar. 2016 Director, REPRICE Co., Ltd. (current position)</p> <p>June 2017 Director, General Manager of Administration Headquarters and General Manager of General Affairs Department, the Company</p> <p>Apr. 2020 Director, General Manager of Administration Headquarters, the Company (current position)</p>	231,260 shares
3	Takayuki Ushijima (January 30, 1984)	<p>Apr. 2008 Joined Y-CUBE Co., Ltd.</p> <p>May 2009 Joined Like Co., Ltd. (currently REPRICE Co., Ltd.)</p> <p>Aug. 2014 Director, General Manager of Sales Department</p> <p>Apr. 2017 Director, Vice President and General Manager of Sales Planning Department</p> <p>June 2017 Director, the Company (current position)</p> <p>Apr. 2019 Director, Vice President and General Manager of Sales Department, REPRICE Co., Ltd. (current position)</p>	50,931 shares

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Toshiyuki Shirai (December 21, 1955)	<p>Apr. 1979 Joined NITORI Co., Ltd. (currently Nitore Holdings Co., Ltd.)</p> <p>May 2001 Director</p> <p>May 2010 Director and Senior Managing Executive Officer</p> <p>May 2012 Director, NITORI USA, Inc.</p> <p>May 2014 Representative Director and Vice-President, Nitore Holdings Co., Ltd. Representative Director and Chief Executive Officer, NITORI Co., Ltd. Representative Director and Chief Executive Officer, NITORI Facility Co., Ltd.</p> <p>May 2015 Representative Director and Chairman, Home Logistics Co., Ltd.</p> <p>Feb. 2016 Representative Director and Chief Executive Officer, Nitore Holdings Co., Ltd. (current position)</p> <p>Mar. 2017 Chairperson, NITORI (CHINA) HOLDING Co., Ltd. Representative Director and Chairman, HOME DECO CO., LTD.</p> <p>Apr. 2017 Chairperson, NITORI (TAICANG) TRADING & LOGISTICS CO., Ltd.</p> <p>May 2017 Director, the Company (current position)</p> <p>Dec. 2018 Director, N Plus Co., Ltd. (current position)</p> <p>Mar. 2019 Director, NITORI Furniture Co., Ltd. (current position)</p> <p>Feb. 2020 Director, NITORI Co., Ltd. (current position)</p> <p>Mar. 2020 Director, NITORI PUBLIC, Co., Ltd. (current position)</p> <p>July 2020 Director, HOME LOGISTICS Co., Ltd. (current position)</p>	- shares

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Seiichi Kumagai (February 4, 1952) Candidate for Outside Director	<p>Apr. 1974 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Jan. 1995 Joined Japan Management Consultants Association</p> <p>Apr. 2001 Director-General, Secretariat and Director</p> <p>Jan. 2002 Outside Audit and Supervisory Board Member, the Company</p> <p>Aug. 2002 External Auditor, Ascot Corp.</p> <p>Apr. 2006 Senior Managing Director, Japan Management Consultants Association Councilor, General Foundation of Yume-Challenge (current position)</p> <p>July 2006 Audit and Supervisory Board Member, Yutori Servicer Co., Ltd.</p> <p>Apr. 2010 Outside Director, the Company (current position)</p> <p>Apr. 2013 Head of Management Institute, Japan Management Consultants Association Outside Director, Oginoya Co., Ltd. (current position)</p> <p>Mar. 2017 Outside Director, Helix Japan Corporation (current position)</p> <p>Dec. 2017 Corporate Advisor, Ascot Corp.</p> <p>Apr. 2018 Outside Director, Vesper Corporation (current position)</p> <p>Oct. 2018 Outside Director, Sakura Management, Inc. (current position)</p> <p>Nov. 2018 Representative Director and President, NPC, INC. (current position)</p> <p>Aug. 2019 Outside Audit and Supervisory Board Member, Initias Co., Ltd. (current position)</p>	- shares
6	Hideaki Tsukuda (January 20, 1964) Candidate for Outside Director	<p>Apr. 1986 Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Jan. 1999 Joined McLagan Partners Asia, Inc.</p> <p>Aug. 2000 Joined Egon Zehnder Co., Ltd.</p> <p>Jan. 2006 Partner</p> <p>Nov. 2010 Representative Director and President</p> <p>Jan. 2015 Member of Global Management Committee</p> <p>Sept. 2018 Executive Managing Director and Chief Operating Officer (part-time), Japan Investment Corporation</p> <p>Nov. 2018 Representative Director and President, Board Advisors Japan, Inc. (currently Board Advisors Inc.) (current position)</p> <p>June 2019 Outside Director, the Company (current position)</p>	3,000 shares

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	Miwa Suto (August 17, 1963) Candidate for Outside Director	<p>Apr. 1988 Joined Hakuhold Inc.</p> <p>Oct. 1991 Joined Arthur Andersen (currently KPMG AZSA LLC)</p> <p>Oct. 1996 Joined Schroders PTV Partners, Inc. (currently MKS Partners, Inc.)</p> <p>Nov. 1997 Joined Bain & Company</p> <p>Apr. 2006 Established Planet Plan Co., Ltd. Representative Director (current position)</p> <p>Apr. 2008 Specially Appointed Professor, Keio University Graduate School of Media and Governance</p> <p>May 2012 Outside Director, ZIGExN Co., Ltd.</p> <p>June 2016 Outside Director (Audit and Supervisory Committee Member), A.D.Works corporation</p> <p>June 2017 Board Member, Japan Volleyball Association (current position)</p> <p>Mar. 2018 Outside Corporate Auditor, ASICS Corporation</p> <p>Apr. 2019 Specially Appointed Professor, Graduate School of Media and Governance, Keio University (current position)</p> <p>Mar. 2020 Outside Director (Audit and Supervisory Committee Member), ASICS Corporation (current position)</p> <p>June 2021 Outside Director, the Company (current position) Executive Board Member, the Japanese Olympic Committee (current position)</p>	- shares

Notes:

1. The Company and Nitori Holdings Co., Ltd., to which Toshiyuki Shirai belongs, have entered into a capital (holding 34.0% of the Company's total number of issued shares (34.6% held on a proportion of voting rights basis)) and business alliance agreement, and Nitori Holdings Co., Ltd. is thus a specified associated company of the Company. There is no special interest between any other candidates and the Company.
2. Seiichi Kumagai, Hideaki Tsukuda and Miwa Suto are the candidates for Outside Director.
3. Reasons for nomination as candidates for Director (excluding candidates for Outside Director)
 - i) The Company requests the election of Katsutoshi Arai as Director because he leads the Group's management as the Company's President and CEO, and fulfills appropriate roles to contribute to improving the Company's corporate value such as making decisions on important management matters and supervising business execution, and the Company expects him to make further contributions in the future. His tenure as Director of the Company will have been ten years at the conclusion of this meeting.
 - ii) The Company requests the election of Kazuhito Yokota as Director because he fulfills appropriate roles as the Director in charge of the Company's administration headquarters to contribute to improving the Company's corporate value such as making decisions on important management matters and supervising business execution, and the Company expects him to make further contributions in the future. His tenure as Director of the Company will have been five years at the conclusion of this meeting.
 - iii) The Company requests the election of Takayuki Ushijima as Director because he leads REPRICE Co., Ltd., a Group company, as its Vice President, and fulfills appropriate roles as Director of the Company to contribute to improving the Company's corporate value such as making decisions on important management matters, and the Company expects him to make further contributions in the future. His tenure as Director of the Company will have been five years at the conclusion of this meeting.
 - iv) The Company requests the election of Toshiyuki Shirai as non-executive Director in order for him to improve the management of the Company using the extensive knowledge and experience related to management that he has developed to date as Representative Director and Chief Executive Officer of Nitori Holdings Co., Ltd. His tenure as Director of the Company will have been five years and one month at the conclusion of this meeting.
4. Reasons for nomination as candidates for Outside Director and expected roles
 - i) Seiichi Kumagai has extensive knowledge and experience related to general management as Representative Director and President of NPC, INC. The Company requests his election as Outside Director based on its expectation that he will continue to supervise and give advice on the execution of duties by Directors from a professional perspective with respect to strategies in the housing market and the field of finance, in particular, using his knowledge and experience. His tenure as Outside Director of the Company will have been 12 years and two months at the conclusion of this meeting.

- ii) Hideaki Tsukuda has extensive knowledge and experience related to general management as Representative Director and President of Board Advisors Japan, Inc. The Company requests his election as Outside Director based on its expectation that he will continue to supervise and give advice on the execution of duties by Directors from a professional perspective with respect to the fields of ESG and human resources utilization, in particular, using his knowledge and experience. If he is elected, the Company intends to have him involved in the appointment of candidates for officers of the Company and the determination of compensation for officers from an objective and neutral position as a member of the Nominating and Compensation Committee. His tenure as Outside Director of the Company will have been three years at the conclusion of this meeting.
 - iii) Miwa Suto has a professional viewpoint as a certified public accountant and extensive knowledge and experience through her track record in researching companies and businesses and strategic consulting activities. The Company requests her election as Outside Director based on its expectation that she will supervise and give advice on the execution of duties by Directors from a professional perspective with respect to marketing and business management, in particular, using her knowledge and experience. Her tenure as Outside Director of the Company will have been one year at the conclusion of this meeting.
5. Toshiyuki Shirai has received remuneration, etc. as an officer in the past two years from Nitori Holdings Co., Ltd., which is a specified associated company of the Company, and is going to continue receiving this remuneration, etc. in the future.
 6. The Company has designated Seiichi Kumagai, Hideaki Tsukuda and Miwa Suto as Independent Directors pursuant to the stipulations of the Tokyo Stock Exchange, and has registered them as such with the exchange. If the reelection of the three persons is approved, the Company intends to continue to designate them as Independent Directors.
 7. The Company has entered into limited liability agreements with Toshiyuki Shirai, Seiichi Kumagai, Hideaki Tsukuda and Miwa Suto, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, to limit their liability as provided for in Article 423, Paragraph 1 of the same. The maximum amount of liability based on said agreement shall be the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, and if the reelection of the four persons is approved, the Company intends to continue the aforementioned agreement with them.
 8. The Company has entered into a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and a summary of the details of the directors and officers liability insurance contract is provided in the business report (in Japanese only). If the election of candidates for Directors is approved, they will be included in the insured person of the insurance contract. In addition, when the insurance contract is next renewed, it intends to be renewed with the same content.

Reference:

Expertise and experience of candidates for Directors (skill matrix)

No.	Name	Expertise and experience the candidates for Directors have							
		Company management	Personnel affairs	Sales and marketing	Legal affairs and risk management	ESG	Accounting and finance	IT Digital	Experience in architecture and industry
1	Katsutoshi Arai	●		●			●		
2	Kazuhito Yokota	●	●				●		
3	Takayuki Ushijima		●	●					●
4	Toshiyuki Shirai	●	●	●					
5	Seiichi Kumagai	●		●			●		
6	Hideaki Tsukuda	●	●			●			
7	Miwa Suto			●			●	●	
No.	Name	[Reference] Expertise and experience that current Audit and Supervisory Board Members have							
		Company management	Personnel affairs	Sales and marketing	Legal affairs and risk management	ESG	Accounting and finance	IT Digital	Experience in architecture and industry
1	Toshiki Hayase			●	●				●
2	Nobu Fukuda			●			●		
3	Yuki Ichikawa				●	●			
4	Tomoko Tsunoda	●					●		●

Proposal No. 3: Election of Two Substitute Audit and Supervisory Board Members

In order to prepare for cases where there is a shortfall in the number of Audit and Supervisory Board Members stipulated in laws and regulations, the Company proposes the election of two Substitute Audit and Supervisory Board Members in advance.

Please note that the election of candidate Noriyuki Nakanishi is proposed as a substitute for the incumbent Full-Time Audit and Supervisory Board Member Toshiki Hayase, and the election of candidate Kanae Fukushima is proposed as a substitute for Outside Audit and Supervisory Board Members.

In addition, the consent of the Audit and Supervisory Board has been obtained in regard to this proposal.

The candidates for substitute Audit and Supervisory Board Member are as follows:

(Values provided for number of shares are current as of March 31, 2022)

No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Noriyuki Nakanishi (December 7, 1964)	<p>Apr. 1991 Joined Kyodo Oil Co., Ltd. (currently ENEOS Corporation)</p> <p>June 1999 Joined Waseda Co., Ltd.</p> <p>Mar. 2003 Joined Benex Co., Ltd.</p> <p>Sept. 2008 Joined Yasuragi Co., Ltd. (currently KATITAS Co., Ltd.)</p> <p>June 2010 Chief of General Affairs and HR Section, General Affairs Department, the Company</p> <p>June 2011 Executive Officer, General Manager of General Affairs Department, the Company</p> <p>Nov. 2011 Executive Officer, General Manager of Administration Department, the Company (current position)</p>	37,600 shares
2	Kanae Fukushima (March 30, 1974) Candidate for Substitute Outside Audit and Supervisory Board Member	<p>Apr. 1998 Joined Legal Training and Research Institute of Japan, Supreme Court of Japan</p> <p>Apr. 2000 Assistant Judge of Tokyo District Court</p> <p>Aug. 2004 Assistant Judge of Yokohama District / Family Court, Odawara Branch</p> <p>Apr. 2005 Assistant Judge of Naha District / Family Court</p> <p>Apr. 2008 Assistant Judge of Tokyo District Court</p> <p>Apr. 2010 Judge of Tokyo District Court</p> <p>Apr. 2012 Judge of Kobe District Court</p> <p>Apr. 2014 Judge of Tokyo High Court</p> <p>Apr. 2016 Professor of the Legal Training and Research Institute of Japan</p> <p>Apr. 2019 Joined Utsunomiya, Shimizu & Haruki (current position)</p> <p>June 2020 Substitute Statutory Auditor, Solasto Corporation (current position)</p> <p>June 2021 Substitute Audit and Supervisory Board Member, the Company (current position)</p>	- shares

Notes:

1. There is no special interest between Noriyuki Nakanishi and the Company and Kanae Fukushima and the Company.
2. Kanae Fukushima is a candidate for substitute Outside Audit and Supervisory Board Member.
3. Reasons for nomination as candidates for substitute Audit and Supervisory Board Member
 - i) The reason for nominating Noriyuki Nakanishi as a candidate for substitute Audit and Supervisory Board Member is that the Company expects that he will utilize the extensive experience and broad insight he has cultivated in the fields of general affairs and legal affairs in auditing.
 - ii) The reason for nominating Kanae Fukushima as a candidate for substitute Outside Audit and Supervisory Board Member is that the Company expects that she will utilize her professional knowledge and experience as an attorney who is a former judge in auditing the Company. Even though she does not have experience of participating directly in corporate management, based on the aforementioned reasons, the Company has judged that she will be able to appropriately execute her duties as Outside Audit and Supervisory Board Member.

4. If Noriyuki Nakanishi and Kanae Fukushima assume office as Audit and Supervisory Board Members, the Company intends to enter into limited liability agreements with them pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act to limit their liability as provided for in Article 423, Paragraph 1 of the same. The maximum amount of liability based on this agreement shall be the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.
5. The Company has entered into a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and a summary of the details of the directors and officers liability insurance contract is provided in the business report (in Japanese only). If Noriyuki Nakanishi and Kanae Fukushima assume the office of Audit and Supervisory Board Member, they will be included among the insured persons of the insurance contract.
6. Kanae Fukushima has met the requirements for Independent Audit and Supervisory Board Member pursuant to the stipulations of the Tokyo Stock Exchange, and, if she has assumed the office of Audit and Supervisory Board Member, the Company intends to designate her as Independent Audit and Supervisory Board Member.