

Securities identification code: 2491

March 7, 2016

To our shareholders:

Jin Kagawa
Representative Director, President and CEO

ValueCommerce Co., Ltd.

Ark Hills South Tower
1-4-5 Roppongi, Minato-ku, Tokyo 106-0032 Japan

NOTICE OF THE 20TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 20th Ordinary General Meeting of Shareholders of ValueCommerce Co., Ltd. (the “Company”) which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or the Internet.

Please indicate your approval or disapproval of the proposals on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail or enter your approval or disapproval on the voting site designated by the Company (<http://www.evotep.jp/>) to reach us no later than 6:00 p.m., Wednesday, March 23, 2016 (Japan Standard Time).

Meeting Details

- 1. Date and time:** Thursday, March 24, 2016 at 2:00 p.m. (Japan Standard Time)
- 2. Venue:** Safran, B2F Ivy Hall, Aogaku Kaikan
4-4-25 Shibuya, Shibuya-ku, Tokyo
- 3. Purposes:**
 - Items to be reported:**
 1. Business Report and Consolidated Financial Statements for the 20th Term (from January 1, 2015 to December 31, 2015), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board.
 2. Separate Financial Statements by the Parent for the 20th Term (from January 1, 2015 to December 31, 2015)
 - Items to be resolved:**
 - Proposal 1:** Partial amendments to the Articles of Incorporation
 - Proposal 2:** Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 3:** Election of three (3) Directors who are Audit and Supervisory Committee Members
 - Proposal 4:** Election of one (1) substitute Director who is Audit and Supervisory Committee Member
 - Proposal 5:** Establishment of the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 6:** Establishment of the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial amendments to the Articles of Incorporation

1. Reason for proposal

1. The Company proposes to amend its business objectives in Article 2 of the current Articles of Incorporation to respond to future diversification of business operations as the management environment undergoes significant changes.
2. The Company wishes to make the transition to a Company with Audit and Supervisory Committee from the perspective of further improving corporate governance, and proposes to establish new provisions concerning the Company with Audit and Supervisory Committee and Audit and Supervisory Committee Members required for making the transition to a Company with Audit and Supervisory Committee, and to delete the provisions concerning the Audit & Supervisory Board and Audit & Supervisory Board Members.
3. Due to the change in the scope of officers, etc. who are able to conclude agreements limiting liability as a result of the amendment to the Companies Act, the Company proposes to amend Article 31, Paragraph 2 of the current Articles of Incorporation to enable also non-executive directors to fully serve their expected roles by concluding agreements limiting liability. The amendment has been approved by the Audit & Supervisory Board Members.
4. The Company proposes to make the necessary amendments to the numbering of articles to accommodate the above amendments.

2. Details of the amendments

The details of the amendments are as follows.

Note that the amendments to the Articles of Incorporation within this proposal shall take effect from the time of the conclusion of this General Meeting.

(Amended parts are underlined)

Current Articles of Incorporation	Proposed amendment
Chapter 1 General Provisions Article 1 (Omitted) (Objectives) Article 2 The Company will engage in the following businesses. 1. through 13. (Omitted) 14. <u>All operations associated with the preceding items.</u>	Chapter 1 General Provisions Article 1 (Unchanged) (Objectives) Article 2 The Company will engage in the following businesses. 1. through 13. (Unchanged) 14. <u>Other legal business activities</u>

Current Articles of Incorporation	Proposed amendment
Article 3 (Omitted)	Article 3 (Unchanged)
(Organs)	(Organs)
Article 4 The Company shall have a General Meeting of Shareholders, Directors and the following organs.	Article 4 The Company shall have a General Meeting of Shareholders, Directors and the following organs.
1. Board of Directors	1. Board of Directors
2. <u>Audit & Supervisory Board Member</u>	2. <u>Audit and Supervisory Committee</u>
3. <u>Audit & Supervisory Board</u>	(Deleted)
4. <u>Accounting Auditor</u>	3. <u>Accounting Auditor</u>
Article 5 through Article 8 (Omitted)	Article 5 through Article 8 (Unchanged)
(Acquisition of Own Shares)	(Acquisition of Own Shares)
Article 9 Pursuant to Article 165, Paragraph 2 of the Companies Act, the Company may acquire its own shares by market transactions stipulated in Paragraph 1 of the same article by resolution of the Board of Directors.	Article 9 [This Article will be amended to make minor modifications to the wording in Japanese. No modification of English translation of this Article is necessary to reflect the amended Japanese wording.]
Article 10 through Article 11 (Omitted)	Article 10 through Article 11 (Unchanged)
(Rules on the Handling of Shares)	(Rules on the Handling of Shares)
Article 12 Handling of the exercise of rights of shareholders of the Company, handling of other shares and share options, fees therefor, and procedures for exercising the rights of shareholders shall be governed by laws, regulations and the provisions of these Articles of Incorporation, in addition to the Rules on Handling of Shares stipulated by the Board of Directors.	Article 12 [This Article will be amended to make minor modifications to the wording in Japanese. No modification of English translation of this Article is necessary to reflect the amended Japanese wording.]
Article 13 through Article 17 (Omitted)	Article 13 through Article 17 (Unchanged)
(Minutes)	(Minutes)
Article 18 <u>An overview of the course of proceedings and results of the General Meeting of Shareholders, along with matters stipulated by laws and regulations,</u> shall be listed or recorded in the minutes.	Article 18 <u>The proceedings of the General Meeting of Shareholders shall be listed or recorded in the minutes in accordance with laws and regulations.</u>

Current Articles of Incorporation	Proposed amendment
Chapter 4 Directors, Representative Director and Board of Directors	Chapter 4 Directors, Representative Director and Board of Directors
(Number of Directors)	(Number of Directors)
Article 19 The Company shall have no more than eleven Directors.	Article 19 <u>1. The Company shall have no more than eleven Directors.</u>
(Newly established)	<u>2. No more than five of the Directors under the preceding paragraph shall be Directors who are Audit and Supervisory Committee Members.</u>
(Election of Directors)	(Election of Directors)
Article 20	Article 20
1. The Company's Directors shall be elected at the General Meeting of Shareholders.	1. The Company's Directors shall be elected at the General Meeting of Shareholders, <u>differentiating between Directors who are Audit and Supervisory Committee Members and other Directors.</u>
2. (Omitted)	2. (Unchanged)
3. (Omitted)	3. (Unchanged)
(Newly established)	<u>4. The Company may elect substitute Directors who are Audit and Supervisory Committee Members at the General Meeting of Shareholders in preparation for a case where the number of Directors who are Audit and Supervisory Committee Members stipulated by laws and regulations will not be reached.</u>
(Newly established)	<u>5. The resolution pertaining to the election of the substitute Directors who are Audit and Supervisory Committee Members shall be effective for the period until the commencement of the final Ordinary General Meeting of Shareholders concerning the business year ending within two years of the resolution.</u>
(Directors' Term of Office)	(Directors' Term of Office)
Article 21 The term of office of Directors shall be until the conclusion of the final Ordinary General Meeting of Shareholders concerning the business year ending within one year of election.	Article 21 <u>1. The term of office of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be until the conclusion of the final Ordinary General Meeting of Shareholders concerning the business year ending within one year of election.</u>

Current Articles of Incorporation	Proposed amendment
(Newly established)	<u>2. The term of office of Directors who are Audit and Supervisory Committee Members shall be until the conclusion of the final Ordinary General Meeting of Shareholders concerning the business year ending within two years of election.</u>
(Newly established)	<u>3. The term of office of a Director who is an Audit and Supervisory Committee Member elected as a substitute for a Director who is an Audit and Supervisory Committee Member who retires before the expiry of the term of office shall be until the expiry of the term of office of the retired Director who is an Audit and Supervisory Committee Member.</u>
Article 22 (Omitted)	Article 22 (Unchanged)
(Notice of Calling Meetings of the Board of Directors)	(Notice of Calling Meetings of the Board of Directors)
Article 23	Article 23
1. A notice of calling a meeting of the Board of Directors shall be issued to Directors <u>and Audit & Supervisory Board Members</u> no later than three days prior to the day of the meeting. However, this period may be shortened if urgently required.	1. A notice of calling a meeting of the Board of Directors shall be issued to Directors no later than three days prior to the day of the meeting. However, this period may be shortened if urgently required.
2. A meeting of the Board of Directors may be held without going through the calling procedures if consent is obtained from all Directors <u>and Audit & Supervisory Board Members</u> .	2. A meeting of the Board of Directors may be held without going through the calling procedures if consent is obtained from all Directors.
(Method of Resolutions by the Board of Directors)	(Method of Resolutions by the Board of Directors)
Article 24 A resolution of the Board of Directors shall be made by a majority of Directors present at the meeting where the majority of Directors are present.	Article 24 A resolution of the Board of Directors shall be made by a majority of Directors present at the meeting where the majority of Directors <u>eligible to participate in the vote</u> are present.
Article 25 (Omitted)	Article 25 (Unchanged)
(Minutes of Meetings of the Board of Directors)	(Minutes of Meetings of the Board of Directors)

Current Articles of Incorporation	Proposed amendment
<p>Article 26 <u>An overview of the course of proceedings and results of meetings of the Board of Directors, along with matters stipulated by laws and regulations,</u> shall be listed or recorded in the minutes, and the Directors <u>and Audit & Supervisory Board Members</u> who are present shall affix their names and seals or digital signatures to these.</p> <p>(Representative Director and Directors with Titles)</p> <p>Article 27</p> <ol style="list-style-type: none"> 1. The Representative Director shall be elected by resolution of the Board of Directors. 2. The Board of Directors shall, by resolution, elect one President, and may elect Chairman and several Vice Presidents, Senior Managing Directors and Managing Directors as required from among the Directors. <p>(Execution of Operations)</p> <p>Article 28</p> <ol style="list-style-type: none"> 1. The President shall preside over the business of the Company, <u>and Senior Managing Directors, Managing Directors</u> and other Directors shall divide duties on this and provide assistance to the President. 2. If the President is absent or unable to act, another Director determined shall act on behalf of the President according to the order specified in advance by the Board of Directors. <p>(Rules of the Board of Directors)</p>	<p>Article 26 <u>The proceedings of meetings of the Board of Directors shall be listed or recorded in the minutes in accordance with laws and regulations</u> and the Directors who are present shall affix their names and seals or digital signatures to these.</p> <p>(Representative Director and Directors with Titles)</p> <p>Article 27</p> <ol style="list-style-type: none"> 1. The Representative Director shall be elected <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by resolution of the Board of Directors. 2. The Board of Directors shall, by resolution, elect one President, and may elect Chairman and several Vice Presidents, Senior Managing Directors and Managing Directors as required from among the Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u>. <p>(Execution of Operations)</p> <p>Article 28</p> <ol style="list-style-type: none"> 1. The President shall preside over the business of the Company, and other Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall divide duties on this and provide assistance to the President. 2. If the President is absent or unable to act, another Director <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> determined shall act on behalf of the President according to the order specified in advance by the Board of Directors. <p>(Rules of the Board of Directors)</p>

Current Articles of Incorporation	Proposed amendment
<p>Article 29 Matters related to the Board of Directors shall be governed by laws and regulations, <u>and</u> matters stipulated in these Articles of Incorporation, in addition to the Rules of the Board of Directors stipulated by the Board of Directors.</p>	<p>Article 29 Matters related to the Board of Directors shall be governed by laws and regulations, <u>or</u> matters stipulated in these Articles of Incorporation, in addition to the Rules of the Board of Directors stipulated by the Board of Directors.</p>
(Remuneration, etc. of Directors)	(Remuneration, etc. of Directors)
<p>Article 30 Directors' remuneration and other economic benefit received from the Company as consideration for the execution of duties (<u>hereinafter referred to as "remuneration, etc."</u>) shall be determined by resolution of the General Meeting of Shareholders.</p>	<p>Article 30 Directors' remuneration and other economic benefit received from the Company as consideration for the execution of duties (hereinafter referred to as "remuneration, etc.") shall be determined by resolution of the General Meeting of Shareholders, <u>differentiating between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>
(Directors' Exemption from Liability)	(Directors' Exemption from Liability)
<p>Article 31</p> <ol style="list-style-type: none"> 1. (Omitted) 2. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with <u>Outside</u> Directors limiting their liability for damages arising due to failure to perform their duties. However, the amount of limit of liability for damages based on the agreement shall be the amount stipulated by laws and regulations. 	<p>Article 31</p> <ol style="list-style-type: none"> 1. (Unchanged) 2. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Directors (<u>excluding those who are Executive Directors, etc.</u>) limiting their liability for damages arising due to failure to perform their duties. However, the amount of limit of liability for damages based on the agreement shall be the amount stipulated by laws and regulations.
(Newly established)	<p><u>(Delegation of Decisions on the Execution of Important Operations)</u></p>
	<p>Article 32 Pursuant to the provision of Article 399-13, Paragraph 6 of the Companies Act, the Board of Directors may delegate all or part of decisions on the execution of important operations (excluding matters listed in the items of Paragraph 5 of the same article) to a Director by resolution of the Board of Directors.</p>

Current Articles of Incorporation	Proposed amendment
Chapter 5 <u>Audit & Supervisory Board Members, and Audit & Supervisory Board</u> (Newly established)	Chapter 5 <u>Audit and Supervisory Committee</u> (<u>Notice of Calling Meetings of the Audit and Supervisory Committee</u>) Article 33 1. <u>A notice of calling a meeting of the Audit and Supervisory Committee shall be issued to Audit and Supervisory Committee Members no later than three days prior to the day of the meeting. However, this period may be shortened if urgently required.</u> 2. <u>A meeting of the Audit and Supervisory Committee may be held without going through the calling procedures if consent is obtained from all Audit and Supervisory Committee Members.</u> (<u>Rules of the Audit and Supervisory Committee</u>)
(Newly established)	Article 34 <u>Matters related to the Audit and Supervisory Committee shall be governed by laws and regulations, or matters stipulated in these Articles of Incorporation, in addition to the Rules of the Audit and Supervisory Committee stipulated by the Audit and Supervisory Committee.</u> (Deleted)
(<u>Number of Audit & Supervisory Board Members</u>)	(Deleted)
Article 32 <u>The Company shall have no fewer than three Audit & Supervisory Board Members.</u> (<u>Election of Audit & Supervisory Board Members</u>)	(Deleted)
Article 33 1. <u>The Company's Audit & Supervisory Board Members shall be elected at the General Meeting of Shareholders.</u> 2. <u>A resolution to elect an Audit & Supervisory Board Member shall be made by a majority of shareholding rights where shareholders holding no less than one third of the voting rights of shareholders eligible to exercise voting rights present at the meeting.</u>	
(<u>Term of Office of Audit & Supervisory Board Members</u>)	(Deleted)

Current Articles of Incorporation	Proposed amendment
<u>(Term of Office of Audit & Supervisory Board Members)</u> <u>Article 34</u> 1. <u>The term of office of Audit & Supervisory Board Members shall be until the conclusion of the final Ordinary General Meeting of Shareholders concerning the business year ending within four year of election.</u> 2. <u>The term of office of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who retires before the expiry of the term of office shall be until the expiry of the term of office of the retired Audit & Supervisory Board Member.</u> <u>(Full-time Audit & Supervisory Board Members)</u>	(Deleted)
<u>Article 35</u> <u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Members by resolution.</u>	(Deleted)
<u>(Calling Meetings of the Audit & Supervisory Board)</u>	(Deleted)
<u>Article 36</u> <u>A notice of calling a meeting of the Audit & Supervisory Board shall be issued to Audit & Supervisory Board Members no later than three days prior to the day of the meeting. However, this period may be shortened if urgently required.</u>	(Deleted)
<u>(Rules of the Audit & Supervisory Board)</u> <u>Article 37</u> <u>Matters related to the Audit & Supervisory Board shall be governed by laws and regulations, and matters stipulated in these Articles of Incorporation, in addition to the Rules of the Audit & Supervisory Board stipulated by the Audit & Supervisory Board.</u>	(Deleted)
<u>(Method of Resolutions by the Audit & Supervisory Board)</u>	(Deleted)

Current Articles of Incorporation	Proposed amendment
<p><u>Article 38</u> <u>A resolution of the Audit & Supervisory Board shall be made by a majority of Audit & Supervisory Board Members.</u></p> <p><u>(Minutes of the Audit & Supervisory Board)</u></p>	(Deleted)
<p><u>Article 39</u> <u>An overview of the course of proceedings and results of meetings of the Audit & Supervisory Board, along with matters stipulated by laws and regulations, shall be listed or recorded in the minutes, and the Audit & Supervisory Board Members who are present shall affix their names and seals or digital signatures to these.</u></p> <p><u>(Remuneration, etc. of Audit & Supervisory Board Members)</u></p>	(Deleted)
<p><u>Article 40</u> <u>Remuneration, etc. of Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.</u></p> <p><u>(Audit & Supervisory Board Members' Exemption from Liability)</u></p>	(Deleted)
<p><u>Article 41</u></p> <p><u>1. Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including those persons who were Audit & Supervisory Board Members) from liability for damages arising due to failure to perform their duties, to the extent possible under laws and regulations.</u></p> <p><u>2. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with Outside Audit & Supervisory Board Members limiting their liability for damages arising due to failure to perform their duties. However, the amount of limit of liability based on the agreement shall be the amount stipulated by laws and regulations.</u></p>	

Current Articles of Incorporation	Proposed amendment
Chapter 6 Accounting Article <u>42</u> through Article <u>45</u> (Omitted) (Newly established)	Chapter 6 Accounting Article <u>35</u> through Article <u>38</u> (Unchanged) <u>Supplementary Provisions</u> <u>(Transitional Measures Concerning Audit & Supervisory Board Members' Exemption from Liability)</u> <u>Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including those persons who were Audit & Supervisory Board Members) from liability for damages arising due to failure to perform their duties prior to the partial amendment to the Articles of Incorporation resolved at the 20th Ordinary General Meeting of Shareholders taking effect, to the extent possible under laws and regulations.</u>

Proposal 2: Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)

If Proposal 1 “Partial amendments to the Articles of Incorporation” is approved, the Company will become a Company with Audit and Supervisory Committee. Furthermore, the term of office of all five (5) directors will expire upon the conclusion of this General Meeting. Accordingly, the Company proposes that four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members) be elected.

This proposal shall take effect on the condition that Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	[Reelection] Jin Kagawa (Age: 47) (September 24, 1968)	<p>April 1991 Joined Aida Engineering, Ltd.</p> <p>May 1992 Joined Nikkan Kogyo Shimbun Ltd.</p> <p>October 2003 Joined Yahoo Japan Corporation</p> <p>October 2009 General Manager of Product Planning Department, Advertisement Division, Media Business Supervision Unit, Yahoo Japan Corporation</p> <p>May 2010 General Manager of Product Planning Department, Advertisement Division, Media Business Supervision Unit and General Manager of Advertisement Support Department, Advertisement Division, Yahoo Japan Corporation</p> <p>July 2012 General Manager of Research Analysis Department, Business Promotion Division, Marketing Solutions Company, Yahoo Japan Corporation</p> <p>September 2012 Director of Crocos, Inc.</p> <p>March 2013 Director and Executive Vice President, ValueCommerce Co., Ltd.</p> <p>January 2014 Representative Director, President and CEO, ValueCommerce Co., Ltd. (present position)</p>	5,600
<p><u>Reason for election of the candidate for Director</u></p> <p>Jin Kagawa has appropriately fulfilled his role as Representative Director, President and Chief Executive Officer with his abundant experience and knowledge in the planning and development of advertising products in the Internet industry and powerful leadership and decisiveness required for ensuring the Company continues to grow in the rapidly changing Internet industry. For the above reasons, the Company requests you to reelect him as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
2	[Reelection] Masatomo Endo (Age: 45) (April 24, 1970)	April 1993	Joined Kumagai Gumi Co., Ltd.	2,700
		May 2005	Joined Yahoo Japan Corporation	
July 2010	General Manager of Group Planning Department, Business Strategy Division, Yahoo Japan Corporation			
April 2011	General Manager of Corporate Planning Department, Business Strategy Division, Yahoo Japan Corporation			
March 2013	Director of ValueCommerce Co., Ltd.			
October 2013	General Manager of M&A Strategy Department, Office of CFO, Yahoo Japan Corporation			
January 2014	Director and General Manager of Corporate Division, ValueCommerce Co., Ltd.			
	March 2014	Director and CFO, General Manager of Corporate Division, ValueCommerce Co., Ltd. (present position)		
<u>Reason for election of the candidate for Director</u> Masatomo Endo has abundant experience and knowledge in finance, corporate planning, M&A and other operations, and has appropriately fulfilled his role as Director and Chief Financial Officer by working to strengthen the business foundations required for the Company to expand its business. For the above reasons, the Company requests you to reelect him as a Director.				
3	[New election] Masanori Yako (Age: 42) (August 8, 1973)	May 2002	Joined Rakuten, Inc.	-
		March 2012	Joined Lawson, Inc. as Senior Manager of i Business Division	
December 2012	Joined Yahoo Japan Corporation			
April 2013	Service Manager of Shopping Services, Consumer Company, Yahoo Japan Corporation			
October 2013	General Manager of Service Planning Department, Shopping Company, Yahoo Japan Corporation			
April 2015	General Manager of Advertise Planning Department, Organization Structuring Division, Shopping Company, Yahoo Japan Corporation			
October 2015	Temporarily transferred to ValueCommerce Co., Ltd. (until present) as General Manager of Yahoo Business Development Division			
	January 2016	Executive Officer and General Manager of e- Commerce Promotion Division, ValueCommerce Co., Ltd. (present position)		
<u>Reason for election of the candidate for Director</u> Masanori Yako has abundant experience and knowledge in the Internet industry and the e-commerce industry, and has appropriately fulfilled his role as an Executive Officer by overseeing the e-Commerce Promotion Division for developing businesses related to e-commerce required for the operation of the Company's business. For the above reasons, the Company requests you to elect him as a Director.				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
4	[New election] Takao Ozawa (Age: 44) (February 29, 1972)	<p>April 1995 Joined CSK Corporation (currently SCSK Corporation)</p> <p>August 1999 Founder and President of Bizseek, Inc.</p> <p>March 2003 Joined Rakuten, Inc. as Corporate Officer in Charge of Auctions</p> <p>January 2005 Director and General Manager of Business Division, Rakuten Baseball, Inc.</p> <p>September 2006 Director of Ozawa Research Institute (present position)</p> <p>September 2012 Board Member and COO of YJ Capital Inc.</p> <p>April 2013 Head of CFO Office, Yahoo Japan Corporation</p> <p>August 2013 Outside Director of ASKUL Corporation (present position)</p> <p>October 2013 Corporate Officer, Executive Vice President, and President of Shopping Company, Yahoo Japan Corporation (present position)</p> <p>April 2014 CEO of YJ Capital Inc.</p> <p>January 2015 Board Member of YJ Capital Inc. (present position)</p>	-
<p><u>Reason for election of the candidate for Director</u></p> <p>Takao Ozawa is well versed in the Internet industry and has abundant experience and achievements as an entrepreneur, in addition to a broad range of knowledge on the creation of new businesses. The Company requests you to elect him because, it has been determined that he will be able to provide valuable advice and suggestions concerning management in general based on the high level of expertise he has attained through his practical experience if he is appointed as a Director of the Company.</p>			

Notes:

1. Jin Kagawa, Masatomo Endo, Masanori Yako and Takao Ozawa's positions and responsibilities for the past five years and the present in Yahoo Japan Corporation, which is the Company's parent company, are shown in the career summaries above.
2. If the election of Takao Ozawa is approved, on the condition that Proposal 1 "Partial amendments to the Articles of Incorporation" is approved, the Company intends to conclude an agreement limiting minimum liability with him that limits his liability to the limit stipulated by laws and regulations pursuant to Article 427, Paragraph 1 of the Companies Act.
3. There are no special interests between the candidates and the Company.

Proposal 3: Election of three (3) Directors who are Audit and Supervisory Committee Members

If Proposal 1 “Partial amendments to the Articles of Incorporation” is approved, the Company will become a Company with Audit and Supervisory Committee. Accordingly, the Company proposes that three (3) Directors who are Audit and Supervisory Committee Members be elected.

The Audit & Supervisory Board has given its consent to this proposal.

This proposal shall take effect on the condition that Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.

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

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>[Outside Director] [New election]</p> <p>Takahiro Goto (Age: 67) (January 9, 1949)</p>	<p>April 1971 Joined Nippon Kokan Ltd. (currently JFE Steel Corporation)</p> <p>July 1992 General Manager of Fund Office, Accounting Department, NKK Trading (currently JFE Shoji Trade Corporation)</p> <p>June 2002 Director of NKK Trading</p> <p>August 2004 Junior Managing Director of JFE Shoji Holdings, Inc. (currently JFE Shoji Trade Corporation)</p> <p>June 2006 Statutory Auditor of Kawasho Foods Corporation</p> <p>Statutory Auditor of Kawasho Semiconductor Corporation (currently JFE Shoji Electronics Corporation)</p> <p>Statutory Auditor of Kawasho Real Estate Corporation (currently JFE Shoji Trade Corporation)</p> <p>June 2009 Statutory Auditor of Gecoss Corporation</p> <p>June 2011 Adviser (part time), Gecoss Corporation</p> <p>March 2012 Outside Statutory Auditor (full time) of ValueCommerce Co., Ltd. (present position)</p>	2,000
<p><u>Reason for election of the candidate for Director</u></p> <p>Takahiro Goto has many years of operational experience in an operating company, and also has considerable experience concerning finance and accounting. He also has expert knowledge as an Audit & Supervisory Board Member of other companies, and experience in corporate management, and the Company requests you to elect him because it has been determined that he will audit and supervise the execution of the Company's operations from an impartial position based on the high level of expertise he has attained through his practical experience if he is appointed as an Outside Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p>[Outside Director] [New election]</p> <p>Takao Nakamura (Age: 50) (August 25, 1965)</p>	<p>April 1989 Joined Bank of Japan</p> <p>February 1996 Board Director of Digital Garage, Inc.</p> <p>June 1999 President of Infoseek, Inc.</p> <p>December 2008 Registered as an Attorney-at-Law</p> <p>January 2009 Joined Torikai Law Office</p> <p>March 2009 Outside Director of PA Co., Ltd. (present position)</p> <p>December 2009 Outside Director of Paraca Inc. (present position)</p> <p>May 2015 Statutory Auditor of UUUM, Inc.</p> <p>August 2015 Outside Director of UUUM, Inc. (present position)</p> <p>September 2015 Statutory Auditor of OpenRunways, Inc. (present position)</p> <p>January 2016 Partner, Wadakura Gate Law Office (present position)</p>	-
<p><u>Reason for election of the candidate for Director</u></p> <p>Takao Nakamura has abundant knowledge of the law as an attorney, and experience in corporate management, and the Company requests you to elect him because it has been determined that he will audit and supervise the execution of the Company's operations from an impartial position based on the high level of expertise he has attained as an expert if he is appointed as an Outside Director of the Company.</p>			
3	<p>[New election]</p> <p>Shingo Yoshii (Age: 68) (August 23, 1947)</p>	<p>April 1971 Joined Sumitomo Corporation</p> <p>April 2003 Executive Officer, General Manager of Media Division and General Manager of Cable TV Department, Sumitomo Corporation</p> <p>April 2005 Managing Executive Officer and General Manager of Media, Electronics & Network Business Unit, Sumitomo Corporation</p> <p>June 2005 Representative Director and Managing Executive Officer, Sumitomo Corporation</p> <p>April 2007 Representative Director, Managing Executive Officer, and General Manager of Media, Network & Lifestyle Retail Business Unit, Sumitomo Corporation</p> <p>April 2008 Representative Director, Assistant to President and CEO, Sumitomo Corporation</p> <p>June 2008 Standing Outside Corporate Auditor, Yahoo Japan Corporation</p> <p>March 2009 Outside Statutory Auditor of ValueCommerce Co., Ltd. (present position)</p> <p>June 2015 Outside Director of Yahoo Japan Corporation (present position)</p>	-
<p><u>Reason for election of the candidate for Director</u></p> <p>Shingo Yoshii has abundant experience and knowledge of group company governance and corporate management, and the Company requests you to elect him because it has been determined that he will audit and supervise the execution of the Company's operations from an impartial position based on the high level of expertise he has attained through his practical experience if he is appointed as a Director of the Company.</p>			

Notes:

1. Takahiro Goto and Takao Nakamura are candidates for Outside Director.
2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements limiting liability with Takahiro Goto and Shingo Yoshii that limit their liability to the limit stipulated by laws and regulations. If the election of both is approved, the Company intends to continue the agreements. Note that the

conclusion of the agreement limiting liability of Shingo Yoshii is conditional upon the approval of Proposal 1 “Partial amendments to the Articles of Incorporation.”

If the election of Takao Nakamura is approved, the Company intends to conclude the same type of agreement limiting liability with him.

3. The Company has submitted notification of Takahiro Goto as an independent officer to the Tokyo Stock Exchange, and he will continue to be an independent officer if elected. Furthermore, Takao Nakamura satisfies the requirements for an independent officer based on the provisions of the Tokyo Stock Exchange, and the Company intends to submit notification of him as an independent officer to the Exchange. Takao Nakamura is an attorney at Wadakura Gate Law Office, and although the Company and the Law Office have a business relationship in which services are provided based on a legal counsel agreement, services as legal counsel are provided by a different attorney at the Law Office. The transaction amount is less than 10 million yen per year, and does not have a material impact on independence.
4. There are no special interests between the candidates and the Company.

Proposal 4: Election of one (1) substitute Director who is Audit and Supervisory Committee Member

The Company will become a Company with Audit and Supervisory Committee when Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.

The Company proposes that one (1) substitute Director who is Audit and Supervisory Committee Member be elected to prepare for a case where the number of Audit and Supervisory Committees Members falls below the number stipulated by laws and regulations.

The Audit & Supervisory Board has given its consent to this proposal.

This proposal shall take effect on the condition that Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.

The candidate for substitute Director who is Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company’s shares owned
[Substitute Outside Director] Makoto Suzuki (Age: 49) (April 21, 1966)	October 1991 Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) March 2004 Founder and Director of Makoto Suzuki Accountant Office (Certified Public Accountant and Certified Public Tax Accountant) (present position) June 2004 Outside Statutory Auditor of ValueCommerce Co., Ltd. April 2005 President of Max Accounting Inc. (present position) September 2007 Expert Adviser of the Taxation Policy Committee in the Japanese Institute of Certified Public Accountants (present position) June 2015 Outside Corporate Auditor of Universal Entertainment Corporation (present position)	-
	<u>Reason for election of the candidate for substitute Director</u> Makoto Suzuki has abundant knowledge of finance and tax matters as well as accounting as a certified public accountant and tax accountant, and experience in corporate management, and the Company requests you to elect him because it has been determined that he will audit and supervise the execution of the Company’s operations from an impartial position based on the high level of expertise he has attained as an expert if he is appointed as an Outside Director of the Company.	

Notes:

1. Makoto Suzuki is a candidate for substitute Outside Director.
2. If Makoto Suzuki is appointed as an Outside Director, the Company intends to conclude an agreement limiting liability as an Outside Director of the Company pursuant to Article 427, Paragraph 1 of the Companies Act. The amount of limit of liability for damages based on the agreement shall be the liability limit amount stipulated by laws and regulations.
3. There are no special interests between the above candidate and the Company.
4. Makoto Suzuki was an Outside Audit & Supervisory Board Member of the Company in the past.

Proposal 5: Establishment of the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members)

If Proposal 1 “Partial amendments to the Articles of Incorporation” is approved, the Company will become a Company with Audit and Supervisory Committee.

The amount of remuneration of the Company’s Directors was approved to be within 200 million yen per year (not including wages as an employee) at the 5th Ordinary General Meeting of Shareholders held on March 29, 2001 and this has continued to the present day, but with the transition to a Company with Audit and Supervisory Committee, the Company would like to abolish this and stipulate a new amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members), and set the amount of remuneration to be within 200 million yen per year in consideration of circumstances such as the remuneration of Directors to date and recent economic conditions. The amount of remuneration for Directors other than Audit and Supervisory Committee Members will not include the employee wages of employees who also serve as Directors. There are currently five (5) Directors (two (2) of whom are Outside Directors), but if Proposal 1 “Partial amendments to the Articles of Incorporation” and Proposal 2 “Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)” are approved as proposed, there will be four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members).

This proposal shall take effect on the condition that Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.

Proposal 6: Establishment of the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members

If Proposal 1 “Partial amendments to the Articles of Incorporation” is approved, the Company will become a Company with Audit and Supervisory Committee. Therefore, the Company wishes to set the amount of remuneration for Directors who are Audit and Supervisory Committee Members to be within 30 million yen per year in consideration of circumstances such as recent economic conditions. The number of Directors who are Audit and Supervisory Committee Members regarding this proposal will be three (3) if Proposal 1 “Partial amendments to the Articles of Incorporation” and Proposal 3 “Election of three (3) Directors who are Audit and Supervisory Committee Members” are approved as proposed.

This proposal shall take effect on the condition that Proposal 1 “Partial amendments to the Articles of Incorporation” takes effect.