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May 26, 2017

Company: DyDo Group Holdings, Inc.
Representative: Tomiya Takamatsu, President
(Code 2590 on the First Section of the Tokyo Stock Exchange)
Inquiries: Naokazu Hasegawa, Corporate Officer
and General Manager of Corporate Communication Department

Notice on the Finalization of the Introduction of a Performance-based Incentive Program

Meeting on February 26, 2016, the Board of Directors of DyDo DRINCO, Inc., (currently DyDo Group Holdings, “the Company”) approved the introduction of a performance-based incentive program (“the Program”) implemented through a trust agreement with Resona Bank, Limited, (“the Agreement”) establishing a trust (“the Trust”) as part of its transition to a holding company structure. This notice describes the finalization of the Program by the 41st Annual General Meeting of Shareholders on April 15, 2016, in the form of performance-based delivery of company stock.

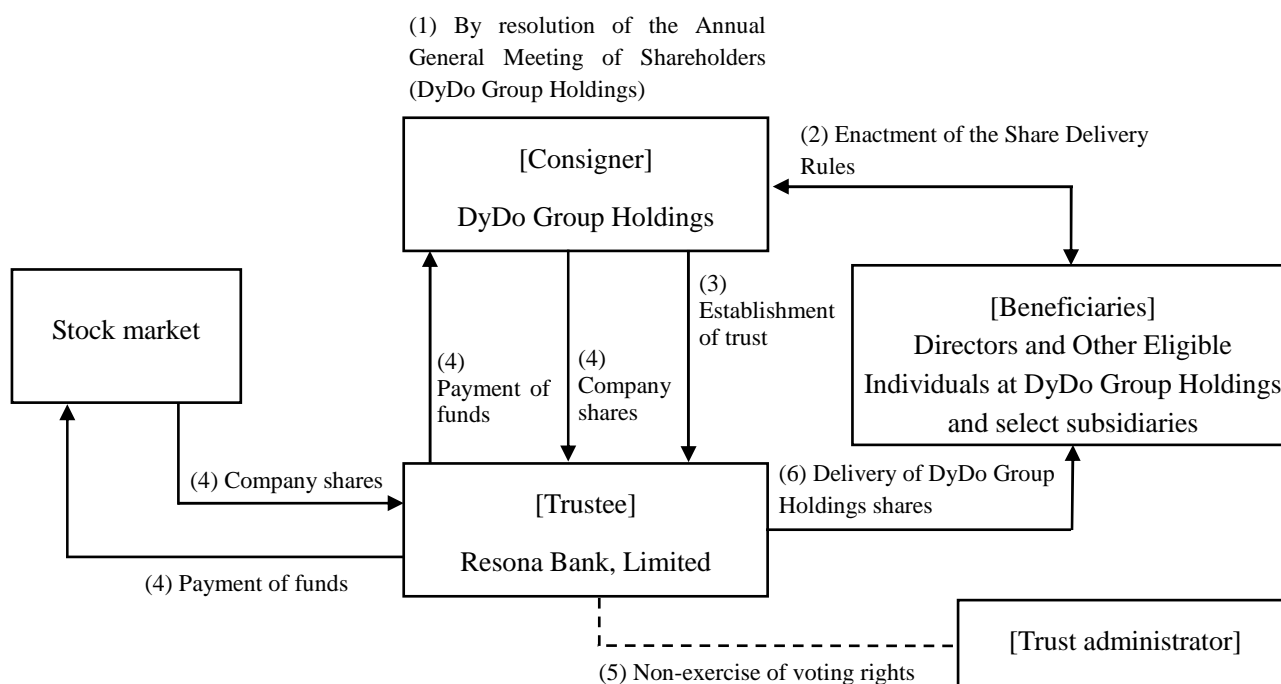
1. Overview of the Program

- | | |
|---|---|
| (1) Name | Share delivery trust for officers |
| (2) Consigner | DyDo Group Holdings, Inc. |
| (3) Trustee | Resona Bank, Limited |
| (4) Beneficiary | Directors (not including outside directors or non-executive directors) and corporate officers of the Company and directors (not including outside directors or non-executive directors) and operating officers of select subsidiaries who meet eligibility requirement (collectively, “Directors and Other Eligible Individuals”) |
| (5) Trust administrator | A third party with no interest in the Company |
| (6) Date of execution of the Agreement | June 1, 2017 (tentative) |
| (7) Date on which funds are to be placed in trust | June 1, 2017 (tentative) |
| (8) Duration of the Trust | From June 1, 2017, (tentative) until the Trust ends |

2. Assets to be acquired by the Trust

- | | |
|---|---|
| (1) Type of shares acquired | DyDo Group Holdings common stock |
| (2) Funds to be placed in trust for use in acquiring shares | ¥550,000,000 (upper limit) |
| (3) Method of acquisition of shares | Purchase via stock market |
| (4) Dates of acquisition of shares | From June 1, 2017 to August 31, 2017, (tentative) |

3. Trust mechanism



- (1) Officer compensation following the introduction of the Program by the Company and select subsidiaries will be subject to the approval of the Company's Annual General Meeting of Shareholders and the annual general meeting of shareholders of each subsidiary, respectively.
- (2) The Board of Directors of the Company and select subsidiaries will enact the Share Delivery Rules under the Program to facilitate its introduction.
- (3) The Company will establish the Trust with Directors and Other Eligible Individuals as the beneficiaries by placing in trust funds not to exceed the amount approved by its Annual General Meeting of Shareholders (see [1] above). The Company will retain the right to place in trust additional funds, not to exceed that amount.
- (4) The Trust will utilize the funds placed in trust (see [3] above) to acquire shares of company stock from the Company (in which case they will be treated as treasury stock) or from the stock market.
- (5) The Trust will not exercise the voting rights associated with the shares it holds for the duration of the trust.
- (6) For the duration of the Trust, Directors and Other Eligible Individuals will receive points in proportion to their position and performance in accordance with the Share Delivery Rules (see [2] above). Directors and Other Eligible Individuals who meet the eligibility requirements outlined in the Share Delivery Rules, for example retirement, will receive a delivery of company shares in proportion to the number of points they have received.