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(Stock Exchange Code 2379)  
May 10, 2019

**To Our Shareholders:**

Hideki Tomita  
Executive President and Chief  
Executive Officer  
DIP Corporation  
3-2-1 Roppongi, Minato-ku, Tokyo

## **NOTICE OF CONVOCAION OF THE 22ND ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

You are cordially invited to attend the 22nd Annual General Meeting of Shareholders of DIP Corporation (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via electromagnetic means such as the Internet, etc. (available only in Japanese). Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it, or input your vote on the website for exercising voting rights so that your vote is received by 6:30 p.m. on Tuesday, May 28, 2019, Japan time.

For the purpose of preserving natural resources, please bring this Notice with you when attending the meeting.

- 1. Date and Time:** Wednesday, May 29, 2019 at 10:00 a.m. Japan time (Reception starts at 9:30 a.m.)
- 2. Place:** “Tower Hall” at the Roppongi Academyhills located at  
49th Floor, Roppongi Hills Mori Tower, 6-10-1 Roppongi, Minato-ku, Tokyo
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 22nd Fiscal Year (March 1, 2018 - February 28, 2019) and results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. The Financial Statements for the Company’s 22nd Fiscal Year (March 1, 2018 - February 28, 2019)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendment to Articles of Incorporation
    - Proposal 3:** Election of Seven (7) Directors
    - Proposal 4:** Election of Three (3) Corporate Auditors
    - Proposal 5:** Election of One (1) Substitute Corporate Auditor
    - Proposal 6:** Amendment to Amount of Remuneration for Corporate Auditors
    - Proposal 7:** Delegation to the Board of Directors of the Company the Determination of Subscription Requirements for Stock Acquisition Rights Issued as Stock Options to the Employees of the Company

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Among the matters that should be provided in this Notice of Convocation, in accordance with relevant laws and regulations and Article 14 of the Company's Articles of Incorporation, the "Notes to the Consolidated Financial Statements" and the "Notes to the Financial Statements" are posted on the Company's website and not included in this Notice of Convocation.

Should the Business Report, Consolidated Financial Statements, Financial Statements, or Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's website (<https://www.dip-net.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### **Proposal 1:** Appropriation of Surplus

The proposal for the appropriation of surplus is as stated below.

Matters concerning the year-end dividends:

With respect to the year-end dividend for the 22nd fiscal year, considering the financial performance of the fiscal year under review, as well as the prospect of the future development of business, we would like to propose the year-end dividend as follows.

1. Type of dividend property

Cash

2. Matters concerning allocation and the total amount of dividend property

¥26 per common share of the Company

The total amount of dividend will be ¥1,483,937,286.

3. Effective date of dividends of surplus

May 30, 2019

**Proposal 2:** Partial Amendment to Articles of Incorporation

1. Reasons for the proposal

To prepare for the expansion and diversification of the Company's business domains, some business purposes shall be added to Article 2 (Purpose) of the current Articles of Incorporation.

2. Description of the amendment

Description of the amendment is as follows:

(Amended parts are underlined.)

Current	Proposed amendment
Chapter I. General Provisions	Chapter I. General Provisions
Article 1. (Omitted)	Article 1. (Same as current)
(Purpose)	(Purpose)
Article 2. The purpose of the Company shall be to engage in the following business.	Article 2. The purpose of the Company shall be to engage in the following business.
1. to 20. (Omitted)	1. to 20. (Same as current)
(Newly established)	<u>21. Investment and management of investment partnership assets</u>
(Newly established)	<u>22. Acquisition and owning of securities</u>
(Newly established)	<u>23. Consulting services for the management and capital policies of other business operators</u>
<u>21.</u> Development and sale of management tools using the Internet	<u>24.</u> Development and sale of management tools using the Internet
<u>22.</u> Planning, sale and sales administrative work outsourcing business involving products and services using information and communication technology	<u>25.</u> Planning, sale and sales administrative work outsourcing business involving products and services using information and communication technology
<u>23.</u> Planning, sale and sales administrative work outsourcing business involving products and services using new materials	<u>26.</u> Planning, sale and sales administrative work outsourcing business involving products and services using new materials
<u>24.</u> Any business incidental or related to the preceding items	<u>27.</u> Any business incidental or related to the preceding items
Articles 3. to 48. (Omitted)	Articles 3. to 48. (Same as current)

**Proposal 3:** Election of Seven (7) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the election of seven (7) Directors is proposed, decreasing the number of inside Directors by one (1) in accordance with a review of the management structure. The candidates for Directors are as follows:

Candidate No.	Name (Age)	Positions within the Company	Attendance at the Board of Directors' Meetings
1	[Reappointment] Hideki Tomita (52)	Executive President and Chief Executive Officer	100% (13 out of 13 meetings)
2	[Reappointment] Kazuhisa Iwata (55)	Director, Chief Operating Officer and General Manager of Personnel Recruiting Services Division	100% (13 out of 13 meetings)
3	[Reappointment] Katsumi Ueki (55)	Director, Chief Information Officer and General Manager of Service Development Division	100% (13 out of 13 meetings)
4	[Reappointment] Eiji Watanabe (49)	Director, Executive Officer and General Manager of Business Management Division	100% (13 out of 13 meetings)
5	[Reappointment] Michiyo Maehara (52) [Outside Director] [Independent Director]	Director	100% (10 out of 10 meetings)
6	[New appointment] Masatsugu Shidachi (51) [Outside Director] [Independent Director]	-	-
7	[New appointment] Eriko Tanabe (53) [Outside Director] [Independent Director]	-	-

(Notes) 1. The ages of Directors are as of the end of this General Meeting of Shareholders.

2. As Director, Ms. Michiyo Maehara was newly elected and appointed as Director at the 21st Annual General Meeting of Shareholders held on May 30, 2018, the status of her attendance at the Board of Directors' meetings held after May 30, 2018 is stated.

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
1	Hideki Tomita (September 5, 1966) [Reappointment]	<p>April 1990      Joined Chisan Co., Ltd.</p> <p>November 1991      Joined Aichi golf service Co., Ltd.</p> <p>May 1992      Joined Forum Corporation</p> <p>March 1997      Established the Company</p> <p>Executive President of the Company</p> <p>October 2004      Chairman and Representative Director of E-engine Co., Ltd.</p> <p>June 2005      Director of Nadeshiko Career Corporation</p> <p>March 2006      Executive President and Chief Executive Officer of the Company</p> <p>Chairman and Representative Director of BOOK DESIGN Co., Inc.</p> <p>June 2006      Chairman and Representative Director of DIP AGENT Corporation</p> <p>May 2009      Executive and Chief Executive Officer of the Company</p> <p>May 2010      Executive President and Chief Executive Officer of the Company</p> <p>September 2010      Executive President and Chief Executive Officer and General Manager of Medical Business Division of the Company</p> <p>March 2011      Executive President and Chief Executive Officer of the Company (present)</p> <p>May 2018      President of DIP America, Inc. (present)</p> <p>[Reasons for nomination as a candidate for Director] Mr. Hideki Tomita, as founder of the Company, has been involved in the establishment and operation of all of the businesses in which the Company is engaged. As the person most familiar with the Company's businesses, he has extensive experience in business execution at the Company. In light of this experience, we have judged him to be suitable to lead the Company as Executive President and Chief Executive Officer, and have therefore nominated him as a candidate.</p>	1,854,700

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
2	Kazuhisa Iwata (October 1, 1963) [Reappointment]	<p>April 1986      Joined Sanpo Tsushin Co., Ltd.</p> <p>May 2000      Joined the Company</p> <p>June 2002      Director of the Company</p> <p>October 2004    Director of E-engine Co., Ltd.</p> <p>May 2005      Managing Director of the Company</p> <p>March 2006      Managing Director and Managing Executive Officer of the Company</p> <p>February 2007    Director and Managing Executive Officer in charge of Hatarako Net Business Division and Outsourcing Business Division of the Company</p> <p>September 2007    Director, Managing Executive Officer and General Manager of Outsourcing Business Division of the Company</p> <p>June 2008      Director, Managing Executive Officer, Manager of Agent Business and General Manager of Hatarako Net Business Division of the Company</p> <p>May 2009      Director, Senior Managing Executive Officer, Manager of Agent Business and General Manager of Hatarako Net Business Division of the Company</p> <p>September 2009    Director, Senior Managing Executive Officer and General Manager of Agent Business Division of the Company</p> <p>June 2010      Director, Senior Managing Executive Officer and General Manager of HR Solution Business Division of the Company</p> <p>March 2011      Director, Senior Managing Executive Officer and President of Hatarako Company of the Company</p> <p>May 2011      Director, Managing Executive Officer and President of Hatarako Company of the Company</p> <p>March 2012      Director, Managing Executive Officer and President of Agent Company of the Company</p> <p>March 2013      Director, Managing Executive Officer and General Manager of Media No.1 Business Division of the Company</p> <p>March 2014      Director and Chief Operating Officer and General Manager of Media Business Division of the Company</p> <p>April 2018      Director and Chief Operating Officer and General Manager of Personnel Recruiting Services Division of the Company (present)</p> <p>[Reasons for nomination as a candidate for Director]  Since joining the Company in May 2000, Mr. Kazuhisa Iwata has helped increase market share and improve the Company's performance in our core businesses Baitoru, Hatarako Net and Hatarako for Nurses, and has held executive positions in charge of each business. In light of his extensive experience in business execution at the Company, we have judged him to be suitable to direct the Company's business execution as Director and Chief Operating Officer, and have therefore nominated him as a candidate.</p>	214,000

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
3	Katsumi Ueki (May 29, 1964) [Reappointment]	<p>April 1987      Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)</p> <p>April 2006      Joined the Company, Executive Officer, Deputy General Manager of Service Planning Division and General Manager of System Planning Department of the Company</p> <p>September 2006      Executive Officer and General Manager of System Planning Division of the Company</p> <p>September 2007      Executive Officer and General Manager of Service Development Division of the Company</p> <p>May 2009      Managing Executive Officer and General Manager of Service Development Division of the Company</p> <p>October 2010      Managing Executive Officer and General Manager of System Planning Division of the Company</p> <p>March 2012      Managing Executive Officer, Chief Information Officer and General Manager of System Planning Division of the Company</p> <p>May 2012      Director, Managing Executive Officer, Chief Information Officer and General Manager of System Planning Division of the Company</p> <p>March 2013      Director, Managing Executive Officer, Chief Information Officer and General Manager of Service Development Division of the Company</p> <p>March 2014      Director, Chief Information Officer and General Manager of Service Development Division of the Company (present)</p> <p>[Reasons for nomination as a candidate for Director] Since joining the Company in April 2006, Mr. Katsumi Ueki has demonstrated his deep insight in the IT field and Internet marketing to manage the Company's Service Development Division, and has strongly promoted our media sales capabilities. Furthermore, Mr. Ueki has capabilities in new business development and abundant knowledge on organizational operations. We have therefore judged him to be suitable for the position of Company Director and Chief Information Officer, and have nominated him as a candidate.</p>	101,100



No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
4	Eiji Watanabe (March 7, 1970) [Reappointment]	<p>April 1991      Joined SRL, Inc.</p> <p>August 2006    Joined the Company</p> <p>January 2008    Joined Recruit Agent Co., Ltd. (currently Recruit Career Co., Ltd.)</p> <p>September 2008    Joined the Company</p> <p>March 2009      Manager of Business Planning Office of the Company</p> <p>March 2011      Executive Officer and Manager of President's Office of the Company</p> <p>March 2012      Executive Officer, Manager of President's Office of the Company and Deputy General Manager of Management Division of the Company</p> <p>March 2013      Executive Officer and General Manager of Management Division of the Company</p> <p>March 2014      Executive Officer and General Manager of Business Management Division of the Company</p> <p>May 2014        Director, Executive Officer and General Manager of Business Management Division of the Company (present)</p> <p>January 2019    Treasurer and Secretary of DIP America, Inc. (present)</p> <p>[Reasons for nomination as a candidate for Director] Mr. Eiji Watanabe has worked in PR, IR, finance and accounting related operations within the Company, and currently serves as General Manager of Business Management Division, following posts as Manager of Business Planning Office and Deputy General Manager of the Management Division. Mr. Watanabe thus has extensive business experience in the Company's corporate divisions, in addition to knowledge related to the general business as well as management and business operations. We have therefore judged him to be suitable for the position of the Director in charge of the Business Management Division, and have nominated him as a candidate.</p>	44,500

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
5	Michiyo Maehara (April 21, 1967) [Reappointment]	<p>April 1988      Joined Recruit Human Resource Center Co., Ltd. (currently Recruit Career Co., Ltd.)</p> <p>April 2005      Executive Officer of Recruit Human Resource Center Co., Ltd.</p> <p>April 2008      President of Recruit Executive Agent Co., Ltd.</p> <p>April 2011      Executive Officer of Recruit Doctor's Career Co., Ltd. (currently Recruit Medical Career Co., Ltd.)</p> <p>August 2015    Joined Japan Human Resources Co., Ltd.</p> <p>January 2017   Representative Director of Liasu search Inc. (present)</p> <p>May 2018      Director of the Company (present)</p> <p>[Significant concurrent position]</p> <p>Representative Director of Liasu search Inc.</p> <p>[Reasons for nomination as a candidate for Outside Director]</p> <p>After having extensively promoted establishment of management bases in businesses related to personnel recruiting services, Ms. Michiyo Maehara currently serves as Representative Director of Liasu search Inc., which provides employee training programs and recruitment consulting. Believing that, as a female Director, she can be expected to give effective advice in response to changes in the business environment of the Company which promotes diversification of human resources, and the recent social situations, such as diversity management, we have judged her to be suitable for the position of Outside Director of the Company, and have nominated her as a candidate.</p> <p>Ms. Maehara's term of office as Outside Director of the Company will be one year, as of the conclusion of this Annual General Meeting of Shareholders.</p>	100

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
6	Masatsugu Shidachi (January 2, 1968) [New appointment]	<p>April 1991      Joined TOPPAN PRINTING CO., LTD.</p> <p>July 1997        Joined P.O.V. Associates Co., Ltd.</p> <p>November 1998    Joined Yahoo Japan Corporation</p> <p>October 2002     Manager of Listing Business Department of Yahoo Japan Corporation</p> <p>November 2004    Director of Yume no Machi Souzou Iinkai Co., Ltd.</p> <p>June 2005        Director of e-Seikatsu Co., Ltd.</p> <p>April 2006        Manager of Regional Services Business Department of Yahoo Japan Corporation</p> <p>July 2008         Chief of Search Engine Business Department and Manager of Regional Services Business Department of Yahoo Japan Corporation</p> <p>August 2008      Manager of Search Engine Business Department of Yahoo Japan Corporation</p> <p>April 2009        General Manager of R&amp;D Group and Platform Development Division of Yahoo Japan Corporation</p> <p>April 2012        Corporate Officer and President of BS Business Group of Yahoo Japan Corporation</p> <p>June 2012        Director of IDC Frontier Inc. Director of FirstServer, Inc.</p> <p>July 2012        Corporate Officer and President of Marketing Solution Company of Yahoo Japan Corporation</p> <p>April 2013        Corporate Officer and President of Media Services Company of Yahoo Japan Corporation</p> <p>April 2015        Corporate Officer and President of Data &amp; Science Solution Group of Yahoo Japan Corporation Director of FirstServer, Inc.</p> <p>April 2017        Corporate Officer and President of President's Office of Yahoo Japan Corporation President and Representative Director of IDC Frontier Inc. Chairman and Representative Director of FirstServer, Inc.</p> <p>April 2018        Corporate Officer, President of Chairman's Office and President of Corporate Group Business Promotion Office of Yahoo Japan Corporation</p> <p>April 2019        Corporate Group CIO of Yahoo Japan Corporation (present) [Significant concurrent position] Corporate Group CIO of Yahoo Japan Corporation</p> <p>[Reasons for nomination as a candidate for Outside Director] Having been in charge of multiple divisions centering on the online advertising and marketing fields at Yahoo Japan Corporation, which develops its business multilaterally, Mr. Masatsugu Shidachi can be expected to provide useful advice for the Company's business development by utilizing his extensive knowledge on internet-related businesses. He has also served as Representative Director at multiple corporations, and has extensive management experience. Believing therefore that, as an Outside Director, he can be expected to give effective advice and perform oversight and supervisory functions for the Company, we have judged him to be suitable for the position of Outside Director of the Company, and have nominated him as a candidate.</p>	0

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
7	Eriko Tanabe (December 2, 1965) [New appointment]	<p>April 1988      Joined Nihon Takuken Co., Ltd.</p> <p>November 1991      Joined TEMPSTAFF CO., LTD. (currently PERSOL TEMPSTAFF CO., LTD.)</p> <p>April 2011      General Manager of Internet Planning Office, IT Head Office of TEMPSTAFF CO., LTD.</p> <p>[Reasons for nomination as a candidate for Outside Director] Having engaged in multiple projects centering on the IT field at TEMPSTAFF CO., LTD. (currently PERSOL TEMPSTAFF CO., LTD.), including the construction of websites and online systems provided by the said company, Ms. Eriko Tanabe has extensive management experience. In addition, she can utilize her unique perspective as a woman on businesses related to personnel recruiting services and the internet for the Company's management and product development. Believing therefore that she can be expected to give effective advice and perform oversight and supervisory functions for the Company, as well as promote diversity management including the advancement of women in the workplace, we have judged her to be suitable for the position of Outside Director of the Company, and have nominated her as a candidate.</p>	0

(Notes)

1. Ms. Michiyo Maehara concurrently serves as Representative Director of Liasu search Inc. While Liasu search Inc. engages in human resources placement business, its targets for introducing personnel are different from the Company and Liasu search Inc. does not effectively compete with the Company.
2. There are no special interests between candidates and the Company.
3. Director candidate Ms. Michiyo Maehara's name on her family register is Ms. Michiyo Nishiyama.  
Director candidate Ms. Eriko Tanabe's name on her family register is Ms. Eriko Ariyama.
4. Mr. Masatsugu Shidachi and Ms. Eriko Tanabe are new candidates for Directors.
5. Ms. Michiyo Maehara is an Outside Director candidate and has been designated and registered as an Independent Director with Tokyo Stock Exchange, Inc. in accordance with its regulations. In addition, Mr. Masatsugu Shidachi and Ms. Eriko Tanabe are Outside Director candidates and are scheduled to be designated and registered as Independent Directors with Tokyo Stock Exchange, Inc. in accordance with its regulations. Each candidate is scheduled to be registered as Independent Director if they are appointed or reappointed as Outside Director upon approval of the proposal by resolution.
6. As for Outside Director candidate Ms. Michiyo Maehara, the Company has concluded a liability limitation agreement, which limits her liability for damages to the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act, with her. If her reappointment is approved, the Company intends to enter into the agreement with her. Furthermore, as for Outside Director candidates Mr. Masatsugu Shidachi and Ms. Eriko Tanabe, the Company intends to enter into similar liability limitation agreements with them if their appointment is approved.

**Proposal 4:** Election of Three (3) Corporate Auditors

The terms of office of Corporate Auditors Messrs. Koichi Kobayashi, Akihiko Motiduki and Kenichi Kito will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, in order to strengthen and enhance the audit structure, the election of three (3) Corporate Auditors, including one (1) newly appointed Corporate Auditor, is proposed. The Board of Corporate Auditors has given its prior consent to this proposal. The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Past experience, positions and assignment within the Company	Number of shares of the Company held
1	Tsuneyo Otomo (August 2, 1959) [New appointment]	<p>April 1983      Joined Sapporo Misawa Homes Co., Ltd.  October 1983      Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)  April 1992      Manager of PR Planning Department of Recruit Co., Ltd.  October 1994      Manager of Direct Marketing Business Department of Recruit Co., Ltd.    April 2002      Executive Officer of Recruit Staffing Co., Ltd.  April 2004      Managing Director of Recruit From A Casting Co., Ltd.  October 2005      Joined the Company, Managing Executive Officer  March 2006      Executive Officer and Vice President and Chief Operating Officer of the Company    April 2006      Director of BOOK DESIGN Co., Inc.  May 2006      Chairman and Representative Director of E-engine Co., Ltd.  May 2006      Director, Executive Officer and Vice President and Chief Operating Officer of the Company    June 2006      Director of DIP AGENT Corporation  May 2007      Executive Vice President and Chief Operating Officer of the Company    May 2009      Executive President and Chief Operating Officer of the Company    May 2010      Executive Chief Operating Officer of the Company  December 2010      Executive Chief Operating Officer and General Manager of Partner Business of the Company    March 2011      Executive Chief Operating Officer and President of Medical Company of the Company    May 2011      Director and Supreme Advisor of the Company  May 2013      Director and Chief Operating Officer of the Company  March 2014      Director, Chief Human Officer and General Manager of Personnel Division of the Company    May 2014      Director in charge of strategy promoting, Chief Human Officer and General Manager of Personnel Division of the Company    April 2019      Director in charge of strategy promoting of the Company (present)</p> <p>[Reasons for nomination as a candidate for Corporate Auditor]  Since joining the Company in October 2005, Mr. Tsuneyo Otomo has a proven record of strong leadership in guiding the Company's businesses through holding many important posts, as well as extensive experience in the job advertising business. For him to utilize his experience in the auditing of the Company's overall management, we have elected him as a candidate for Corporate Auditor. We judge that he can properly perform the duties of a Corporate Auditor, considering his deep insight in the supervision of corporate management.</p>	183,300

No.	Name (Date of birth)	Past experience and positions within the Company	Number of shares of the Company held
2	Koichi Kobayashi (February 23, 1961) [Reappointment]	<p>April 1983      Joined CHUO ACCOUNTING OFFICE</p> <p>March 1986      Registered as certified public accountant</p> <p>August 1999      Registered as certified tax accountant</p> <p>September 1999      Director of Kobayashi Accounting Office (present)</p> <p>May 2007      Corporate Auditor of the Company</p> <p>May 2010      Full-Time Corporate Auditor of the Company (present)</p> <p>[Significant concurrent position]</p> <p>Director of Kobayashi Accounting Office</p> <p>[Reasons for nomination as a candidate for Outside Corporate Auditor]</p> <p>In order for Mr. Koichi Kobayashi to utilize the expertise and experience, etc. he has accumulated over many years as a certified public accountant and certified tax accountant on the auditing of the Company's overall management, we have nominated him as a candidate for Outside Corporate Auditor. We judge that he can properly perform the duties of an Outside Corporate Auditor, considering his thorough familiarity with corporate finance, legal and tax affairs as a certified public accountant and certified tax accountant, and his ample insight on the oversight and supervision of corporate management.</p> <p>Mr. Kobayashi's term of office as Outside Corporate Auditor of the Company will be twelve years, as of the conclusion of this Annual General Meeting of Shareholders.</p>	25,300

No.	Name (Date of birth)	Past experience and positions within the Company	Number of shares of the Company held
3	Akihiko Motiduki (November 26, 1968) [Reappointment]	<p>April 1992      Joined The Daiwa Bank, Limited (currently Resona Bank, Limited)</p> <p>October 1995    Joined Tohmatsu Consulting LLC (currently Deloitte Tohmatsu Consulting LLC)</p> <p>July 1999        Registered as certified public accountant</p> <p>April 2002       Joined GAGA Corporation</p> <p>December 2002   Corporate Auditor of GAGA Cross Media Marketing (currently Kinema-Junposha. Co. Ltd)</p> <p>January 2005    Joined the Company</p> <p>June 2005        Corporate Auditor of Nadeshiko Career Corporation</p> <p>March 2006      Director of E-engine Co., Ltd.</p> <p>June 2006        Director of DIP AGENT Corporation</p> <p>July 2007        Joined Ernst and Young Transaction Advisory Services Co., Ltd. (currently Ernst &amp; Young Transaction Advisory Services Co., Ltd.)</p> <p>March 2010      Representative of Mochizuki C.P.A. Office (present)</p> <p>April 2011       Corporate Auditor of FLOLEAD</p> <p>May 2011        Corporate Auditor of the Company (present)</p> <p>December 2012   Corporate Auditor of IBC: Internetworking &amp; Broadband Consulting Co., Ltd. (present)</p> <p>September 2013   Director of Japan Society for Negotiation Studies (present)</p> <p>February 2014   Director of MINORI Inc. (present)</p> <p>August 2018     Corporate Auditor of Basic Capital Management (present)</p> <p>[Significant concurrent positions]</p> <p>Representative of Mochizuki C.P.A. Office; Corporate Auditor of IBC: Internetworking &amp; Broadband Consulting Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Corporate Auditor]</p> <p>In order for Mr. Akihiko Motiduki to utilize the expertise and experience, etc. he has accumulated over many years as a certified public accountant on the auditing of the Company's overall management, we have nominated him as a candidate for Corporate Auditor. We judge that he can properly perform the duties of a Corporate Auditor, considering his thorough familiarity with audit, accounting and financial affairs as a certified public accountant, and his ample insight on the oversight and supervision of corporate management.</p> <p>Mr. Motiduki's term of office as Corporate Auditor of the Company will be eight years, as of the conclusion of this Annual General Meeting of Shareholders.</p>	29,000

(Notes)

1. There are no special interests between the Company and candidates Messrs. Tsuneyo Otomo, Koichi Kobayashi, and Akihiko Motiduki.
2. Mr. Koichi Kobayashi is a candidate for Outside Corporate Auditor and has been designated and registered as an Independent Director with Tokyo Stock Exchange, Inc. in accordance with its regulations. He is scheduled to continue to be registered as Independent Director if he is reappointed as Outside Corporate Auditor upon approval of the proposal by resolution.
3. Mr. Tsuneyo Otomo is a new candidate for Corporate Auditor.
4. As for Corporate Auditor candidates Messrs. Koichi Kobayashi and Akihiko Motiduki, the Company has concluded liability limitation agreements, which limit their liability for damages to the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act, with them. If their reappointment is approved, the Company intends to enter into the agreements with them. Furthermore, as for Corporate Auditor candidate Mr. Tsuneyo Otomo, the Company intends to enter into a similar liability limitation agreement with him if his appointment is approved.

**Proposal 5: Election of One (1) Substitute Corporate Auditor**

The effective term of election of the Substitute Corporate Auditor Ms. Rie Hayashi will expire at the conclusion of this Annual General Meeting of Shareholders.

In order to prepare for a contingency in which the number of Corporate Auditors of the Company falls below the number stipulated by laws and regulations, in accordance with Article 329, Paragraph 3 of the Companies Act, it is proposed that one (1) Substitute Corporate Auditor be elected beforehand. The Board of Corporate Auditors has given its prior consent to this proposal. The candidate for Substitute Corporate Auditor is as follows:

Name (Date of birth)	Past experience and positions within the Company	Number of shares of the Company held
Rie Hayashi (September 9, 1968) [Reappointment]	December 1997 Registered as certified tax accountant September 2000 Established Hayashi Wakabayashi Accounting Office December 2006 Representative Partner of Certified Public Tax Accountant's ATS (present) [Significant concurrent position] Representative Partner of Certified Public Tax Accountant's ATS [Reasons for nomination as a candidate for Substitute Outside Corporate Auditor] As Ms. Rie Hayashi is thoroughly familiar with corporate tax affairs from her business experience as a certified tax accountant, and has ample insight regarding corporate governance, we expect her to be able to provide timely and necessary suggestions as an Outside Corporate Auditor, and have nominated her as a candidate for Substitute Corporate Auditor. For the above reasons, we judge that she can properly perform the duties of an Outside Corporate Auditor.	0

(Notes)

1. There are no special interests between candidate Ms. Rie Hayashi and the Company.
2. Ms. Rie Hayashi shall be elected as a Substitute Outside Corporate Auditor.
3. Ms. Rie Hayashi is a candidate for Substitute Outside Corporate Auditor. She is scheduled to be designated and registered as an Independent Director with Tokyo Stock Exchange, Inc. in accordance with its regulations, if she is appointed as Outside Corporate Auditor upon approval of the proposal by resolution.
4. As for Substitute Outside Corporate Auditor candidate Ms. Rie Hayashi, the Company intends to enter into a liability limitation agreement, which limits her liability for damages to the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act, with her if she is appointed as Corporate Auditor.



**Proposal 6:** Amendment to Amount of Remuneration for Corporate Auditors

At the 18th Annual General Meeting of Shareholders held on May 23, 2015, it was resolved that the amount of remuneration for Corporate Auditors of the Company shall be within ¥50,000 thousand per annum, and this resolution is still valid today. However, on the back of rapid changes in the business environment, the contents of audits have become more complex and diverse, and considering increased roles and responsibilities of Corporate Auditors, as well as a range of other factors, we propose an amendment to the amount of remuneration for Corporate Auditors.

Regarding the amount of remuneration to be paid, we propose that the amount of remuneration for Corporate Auditors be amended to within ¥100,000 thousand per annum.

There are currently four (4) Corporate Auditors. If Proposal 4 is approved as originally proposed, there will be no change to the number of Corporate Auditors.

**Proposal 7:** Delegation to the Board of Directors of the Company the Determination of Subscription Requirements for Stock Acquisition Rights Issued as Stock Options to the Employees of the Company

In accordance with the provisions of Article 236, 238 and 239 of the Companies Act, an approval is requested for the delegation to the Board of Directors of the Company the determination of subscription requirements for stock acquisition rights issued as stock options to the employees of the Company.

1. Reasons for the necessity for inviting persons to subscribe for stock acquisition rights on exceptionally advantageous terms

The Company would like to issue stock acquisition rights without compensation to the employees of the Company, for the purpose of motivating their sense of contribution for enhancement of corporate value of the Company and further boosting staff morale over the long term.

2. Details and maximum number of stock acquisition rights for which the subscription requirements may be determined pursuant to the matters resolved at this Annual General Meeting of Shareholders

- (1) Maximum number of stock acquisition rights for which the subscription requirements may be determined based on such delegation

Maximum number of stock acquisition rights as described in (3) below shall be 1,800.

Maximum number of shares that can be granted by exercise of stock acquisition rights shall be 180,000 shares of common stock of the Company. If the number of grantable shares (as defined below) is adjusted as described in (3) 1) below, the number of grantable shares after adjustment multiplied by the aforementioned maximum number of stock acquisition rights shall be the maximum number of grantable shares.

- (2) Cash payment to be made in exchange for stock acquisition rights

No cash payment shall be required for the stock acquisition rights for which the subscription requirements may be determined based on such delegation.

- (3) Details of stock acquisition rights for which the subscription requirements may be determined based on such delegation

- 1) Class and number of shares underlying the stock acquisition rights

The class of shares underlying the stock acquisition rights shall be the common stock of the Company, and number of shares underlying each stock acquisition right (hereinafter “number of grantable shares”) shall be 100.

However, after the date on which stock acquisition rights are allotted (hereinafter the “allotment date”), if the Company conducts share split (including gratis allotment of shares of common stock of the Company; hereinafter the same with reference to share split) or share consolidation of its common stock, the number of grantable shares shall be adjusted by using the following formula.

$$\begin{array}{l} \text{The number of} \\ \text{grantable shares after} \\ \text{adjustment} \end{array} = \begin{array}{l} \text{The number of grantable} \\ \text{shares before adjustment} \end{array} \times \begin{array}{l} \text{Ratio of share split/share} \\ \text{consolidation} \end{array}$$

In addition to the above, after the allotment date, the Company shall be able to make adjustment to the number of grantable shares to a reasonable extent, if such adjustment is deemed appropriate.

Any fraction of less than one share generated as a result of the aforementioned adjustment shall be discarded.

- 2) The amount of assets to be contributed upon the exercise of stock acquisition rights

The amount of assets to be contributed upon the exercise of stock acquisition rights shall be the amount calculated by multiplying the paid-in amount per share (hereinafter the “exercise price”) to be granted upon the exercise of each stock acquisition right by the number of grantable shares.

Exercise price shall be either the average of the closing prices of common stocks of the Company (hereinafter the “Closing Price”) regularly transacted on the Tokyo Stock Exchange on each day (excluding those days when the Closing Price is not quoted) of the month prior to the month to which the allotment date belongs (fractions of less than ¥1 shall be rounded up), or the Closing Price on the allotment date (or on the date immediately preceding the allotment date, if no Closing Price is quoted on such date), whichever is higher. However, the exercise price shall be subject to the adjustments as follows.

I. Exercise price shall be adjusted by the following formula, if the Company conducts share split or share consolidation of its common stock after the allotment date, and any fraction of less than ¥1 resulting from such adjustment shall be rounded up.

$$\text{Exercise price after the adjustment} = \text{Exercise price before the adjustment} \times \frac{1}{\text{Ratio of share split/share consolidation}}$$

II. With respect to its common stock, in case where the Company conducts issuance of new shares, or disposal of treasury shares at a price below market price after the allotment date (excluding sale of treasury shares based on the provisions of Article 194 of the Companies Act (Demand for Sale of Shares Less Than One Unit by Holders of Shares Less Than One Unit), conversion of securities to be converted or securities that can be converted to common stock of the Company, or exercise of the stock acquisition rights (including those attached to bonds with stock acquisition rights) which can claim grant of common stock of the Company), exercise price shall be adjusted by the following formula, where any fraction of less than ¥1 resulting from such adjustment shall be rounded up.

$$\text{Exercise price after the adjustment} = \text{Exercise price before the adjustment} \times \frac{\text{Number of outstanding shares} + \frac{\text{Number of new shares issued} \times \text{paid-in amount per share}}{\text{Market price}}}{\text{Number of outstanding shares} + \text{Number of new shares issued}}$$

In the above formula, “number of outstanding shares” is defined as the total number of outstanding shares of common stock of the Company, less the number of shares of common stock held by the Company as its treasury shares, and in the event of disposal of treasury shares, “number of new shares issued” should read “number of treasury shares subject to disposal.”

III. In addition to the above, when it is appropriate to make adjustments to the exercise price, including the circumstances in which the Company conducts gratis allotment of other classes of shares to ordinary shareholders, or dividend payout in the form of shares in other companies to ordinary shareholders after the allotment date, the Company may adjust the exercise price within a reasonable extent, upon consideration of conditions for such allotment or dividend payout.

3) Period in which stock acquisition right can be exercised

Three years beginning on the day after five years since the allotment date.

4) Matters related to increase in capital and capital reserve as a result of the issuance of shares associated with the exercise of stock acquisition rights

I. The amount of increase in capital as a result of the issuance of shares associated with the exercise of stock acquisition rights, shall be 50% of the maximum amount of an increase in capital, etc., as calculated in accordance with Article 17, Paragraph 1 of the Ordinance for Corporate Accounting, and any fractions of less than ¥1 resulting from such calculation shall be rounded up.

II. The amount of increase in capital reserve as a result of the issuance of shares associated with the exercise of stock acquisition rights shall be the maximum amount of an increase in capital, etc., as stated in I. above, less the amount of increase in capital as set out also in I. above.

5) Restriction on the acquisition of stock acquisition rights through transfer

Acquisition of stock acquisition rights through transfer shall be subject to the approval based on the resolution of the Board of Directors.

6) Terms for acquisition of stock acquisition rights

Subject to the approval of the following proposals I, II, III, IV or V, at the General Meeting of Shareholders of the Company (or subject to the resolution at the Board of Directors of the Company

where resolution at the General Meeting of Shareholders is not required), the Company shall be able to acquire the stock acquisition rights without compensation on the date determined separately by the Board of Directors.

- I. Proposal for the approval of a merger agreement where the Company will be dissolved
- II. Proposal for the approval of a company split agreement or a company split plan where the Company will be the split company
- III. Proposal for the approval of a share exchange agreement or share transfer plan where the Company will become a wholly-owned subsidiary
- IV. Proposal for the approval of the amendment to the Articles of Incorporation for establishing a provision which requires the Company's consent on the acquisition of the shares as the whole of the shares issued by the Company through transfer
- V. Proposal for the approval of the amendment to the Articles of Incorporation for establishing a provision which requires the Company's consent with respect to the acquisition of the class of shares to be granted upon the exercise of the stock acquisition rights through transfer, or a provision with respect to the acquisition of the whole of such class of shares by the Company, based on the resolution of the General Meeting of Shareholders.

- 7) Policies for determining the details of the grant of stock acquisition rights of the reorganized company under the process of reorganization

In the case where the Company conducts merger (only the cases where the Company is dissolved due to the merger), absorption-type company split or incorporation-type company split (only the cases where the Company is the split company, respectively), or share exchange or share transfer (only the cases where the Company is a wholly-owned company, respectively) (hereinafter collectively "reorganization transaction"), it shall grant the respective stock acquisition rights of the Stock Company listed in Article 236, Paragraph 1, Item 8, (a) to (e) of the Companies Act (hereinafter the "reorganized company"), to the holders of the stock acquisition rights remaining (hereinafter the "residual stock acquisition rights") immediately before the effective date of the reorganization (the date on which the merger becomes effective in the case of a merger, the date on which the Stock Company incorporated through the consolidation-type merger is established in the case of a consolidation-type merger, the date on which absorption-type company split becomes effective in the case of an absorption-type company split, the date on which the Stock Company incorporated through incorporation-type company split is established in the case of an incorporation-type company split, the date on which share exchange becomes effective in the case of a share exchange, and the date on which the wholly-owning parent company incorporated through the share transfer is established in the case of a share transfer). However, the aforementioned shall be subject to establishment of the provisions for the merger agreement, the consolidation-type merger agreement, the absorption-type company split agreement, the incorporation-type company split agreement, the share exchange agreement or the share transfer plan, respectively, to the effect that stock acquisition rights of the reorganized company are to be granted in accordance with the following guidelines.

- I. Number of stock acquisition rights of the reorganized company to be granted  
The same number of stock acquisition rights as the residual stock acquisition rights held by the holders of the stock acquisition rights shall be granted, respectively.
- II. Classes of shares of the reorganized company underlying the exercise of stock acquisition rights  
Shares of common stock of the reorganized company.
- III. Number of shares of the reorganized company underlying the exercise of stock acquisition rights  
To be determined in the same manner as described in 1) above in consideration of the conditions for the reorganization transaction, etc.
- IV. The amount of assets to be contributed upon the exercise of stock acquisition rights  
The amount of assets to be contributed upon the exercise of each stock acquisition right to be granted shall be the amount calculated by multiplying the adjusted amount paid-in after considering the

exercise price determined in 2) above and the conditions of the reorganization, by the number of shares of the reorganized company underlying the exercise of the stock acquisition rights, as determined in accordance with III. above.

V. Period in which stock acquisition rights can be exercised

The period beginning on the first day of the period when stock acquisition rights as set out in 3) above can be exercised, or the effective date of the reorganization, whichever is later, and ending on the day on which the period when the stock acquisition rights as set out in 3) above can be exercised is terminated.

VI. Matters related to increases in capital and capital reserve in case of the issuance of shares associated with the exercise of stock acquisition rights

To be determined in the same manner as in 4) above.

VII. Restriction on the acquisition of stock acquisition rights through transfer

Acquisition of stock acquisition rights through transfer shall be subject to approval by the resolution of the Board of Directors of the reorganized company.

VIII. Terms of acquisition of stock acquisition rights

To be determined in the same manner as in 6) above.

IX. Other conditions for the exercise of stock acquisition rights

To be determined in the same manner as in 9) below.

8) Handling of a fraction of less than one share generated as a result of the exercise of stock acquisition rights

Any fraction of less than one share in the number of shares to be granted to a holder of stock acquisition rights who have exercised his/her stock acquisition rights, shall be discarded.

9) Other conditions for the exercise of stock acquisition rights

I. Holders of stock acquisition rights shall be able to exercise the stock acquisition rights as long as they remain in the positions within the Company or its subsidiaries either as officers or employees at the time of such exercise. However, this shall not apply to holders losing positions as officers or employees of the Company or its subsidiaries for reasons such as retirement of officers upon expiration of the terms of office, retirement of employees at the mandatory retirement age or for other justifiable reasons.

II. In the case where holders of stock acquisition rights relinquish such rights, the holders shall no longer be able to exercise the stock acquisition rights.

III. In the event of death of a holder of stock acquisition rights, after the death of the holder of stock acquisition rights, as such holder can no longer be able to exercise the whole of the stock acquisition rights yet to be exercised, which shall be wholly relinquished at that point in time, and heirs to the holder shall not inherit such stock acquisition rights.

IV. A holder of stock acquisition rights shall not transfer, establish security interest over, bequeath or otherwise dispose whole or part of the stock acquisition rights to a third party.

V. Other conditions shall be prescribed under the stock acquisition rights allotment agreement concluded between the Company and the holders of stock acquisition rights, based on the resolution at this General Meeting of Shareholders and the resolution by the Board of Directors on the issuance of the stock acquisition rights.