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[ENGLISH TRANSLATION]
Notice of Meeting of Shareholders

June 1, 2020

Dear shareholders:

16-17 Nampeidai-cho, Shibuya-ku, Tokyo

FIELDS CORPORATION

Chairman, President and Group CEO:
Hidetoshi Yamamoto

NOTICE OF THE 32ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

1. **Date and time:** Wednesday, June 17, 2020, at 1:00 p.m.
(Doors will open at 12:15 p.m.)
2. **Venue:** Ballroom, B2F, Cerulean Tower Tokyu Hotel
26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo

(Please refer to the venue map at the end of this notice, and make sure to arrive at the right location.)

3. **Objectives of Meeting:**

Matters to be reported:

1. Report on the Business Report and the Consolidated Financial Documents for the 32nd fiscal period (commencing on April 1, 2019, and ending on March 31, 2020), and on the audit findings for the Consolidated Financial Documents for the 32nd fiscal period from the Accounting Auditor and the Board of Auditors
2. Report on the Financial Documents for the 32nd fiscal period (commencing on April 1, 2019, and ending on March 31, 2020)

Matters to be resolved:

- Proposal 1:** Disposition of Surplus
- Proposal 2:** Partial Changes to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors
- Proposal 4:** Election of Three (3) Auditors
- Proposal 5:** Decision Regarding Restricted Stock Compensation for Directors (Excluding Outside Directors)

4. Other determined matters, etc. in relation to convocation of the Meeting:

From the viewpoint of preventing the spread of COVID-19, we request shareholders to kindly refrain from coming to the venue on the day of this year's shareholders' meeting to the extent possible, and that shareholders instead exercise their voting rights in advance through the voting form or the Internet, etc.

Please refer to "Notification Concerning the Exercise of Voting Rights" on pages 3 and 4 with regard to the exercise of voting rights.

Disclosure through the Internet:

The following matters included in the documents to be provided with regard to the Meeting are provided by being posted on the Company's website in accordance with the laws and regulations and the Company's Articles of Incorporation. Accordingly, the documents to be provided in this notice of the Meeting correspond to part of the documents audited by the Auditors and the Accounting Auditor:

■ Business Report

- 1 Matters related to the current situation of the Company's Group
 - (7) Details of the major businesses
 - (8) Situation of the employees
 - (9) Major creditors
- 4 Situation of the Accounting Auditor
- 5 Systems and policies of the Company

■ Consolidated Financial Statements

Consolidated statements of changes in shareholders' equity, etc.
Notes to consolidated financial statements

■ Financial Statements

Statements of changes in shareholders' equity, etc.
Notes to non-consolidated financial statements

■ Audit Report

A transcript of the Accounting Auditor's audit report related to the consolidated financial statements

* In the event of any changes in the reference materials and documents to be provided with regard to the Meeting, such changes will be posted on the Company's website.

* The English translation of this notice and reference materials for the Meeting are available on the Company's website.

Company's website: <https://www.fields.biz/ir/e/>

Notification Concerning the Exercise of Voting Rights

Please refer to the reference materials for the Annual General Meeting of Shareholders, from page 6 onwards, and exercise your voting rights by either of the following methods:

If you are able to refrain from coming to the venue:

- Voting by Voting Form

Due date/time for voting:

We will accept forms which arrive by 6:00 p.m. on Tuesday, June 16, 2020

Please state your approvals/disapprovals concerning the proposals on the voting form enclosed herewith and send it to the Company's administrator of the shareholder registry by the due date/time for voting.

* In the event that the approvals/disapprovals concerning the respective proposals are not stated, the Company will handle such vote as a vote in favor of the respective proposals.

- Online Voting

Due date/time for the voting:

6:00 p.m. on Tuesday, June 16, 2020

Please access the voting website (<https://www.web54.net>) by your computer, smartphone or mobile phone, etc., and register your approvals/disapprovals concerning the proposals, by following the instructions on the screen and using the voting code and password stated on the voting form enclosed herewith. Please see the following page for details.

- "Smart Voting"

Due date/time for voting:

6:00 p.m. on Tuesday, June 16, 2020

Please read the "QR Code® for Logging into the Voting Website for Smartphones" located at the bottom right of the voting form enclosed herewith, using a smartphone or a tablet. Please see the following page for details.

If you prefer to come to the venue:

- Attending the General Meeting of Shareholders

Date/time of the General Meeting of Shareholders

1:00 p.m. on Wednesday, June 17, 2020

(Doors will open at 12.15 p.m.)

Please bring the voting form enclosed herewith and submit it to the front desk.

* The means of exercising voting rights by an agent will be limited to entrustment to one (1) shareholder with a voting right. In such case, we ask for your understanding that it will be necessary to submit a document proving the representation right.

Handling of overlapping voting rights

- If any voting right is used through more than one method, such as by way of the voting form and online voting (including "Smart Voting"), the online vote (including "Smart Voting") will be treated as valid.
- If any voting right is exercised more than once through the internet (including "Smart Voting"), the latter or last vote exercised will be treated as valid.

If you have any inquiries, please contact:

Administrator of Shareholder Registry, Sumitomo Mitsui Trust Bank, Limited., Securities Agent Division
Inquiries concerning voting: 0120-652-031 (9:00 a.m. to 9:00 p.m.)
Other inquiries: 0120-782-031 (9:00 a.m. to 5:00 p.m. on weekdays)

To Institutional Investors:

Voting rights may be exercised through the “Electronic Voting Platform” operated by ICJ, Inc., if you have signed up for the use of the platform in advance.

<p>- Online Voting</p> <p>(i) Access the voting website. https://www.web54.net</p> <p>(ii) Log into the website. Please type in voting code stated on the voting form enclosed herewith.</p> <p>(iii) Please type in the password. Please type in password stated on the voting form enclosed herewith</p> <p>Thereafter, please register your approvals and disapprovals by following the instructions on the screen.</p>	<p>- “Smart Voting”</p> <p>(i) Access the voting website for smartphones. Please read the “QR Code® for Logging into the Voting Website for Smartphones” located at the bottom right of the voting form enclosed herewith, using a smartphone or a tablet. *“QR Code®” is a registered trademark of DENSO WAVE INCOPORATED.</p> <p>(ii) Open the voting website. The voting website will be displayed by clicking the URL. There are two (2) methods that may be used to exercise voting rights. If you wish to vote in favor of all of the Company’s proposals >> Go to (iv) If you wish to give separate instructions for each proposal >> Go to (iii)</p> <p>(iii) If you wish to give separate instructions for each proposal Please register your approvals/disapprovals regarding each proposal, following the instructions on the screen.</p> <p>(iv) If you wish to vote in favor of all of the Company’s proposals If you confirm that there are no errors on the confirmation screen, please push the button</p>
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	<p>“Exercise my vote in the above content”, and your voting will be complete.</p> <p>(!) If you wish to modify your instructions after registering them with your approvals/disapprovals, you will have to reread the QR Code® with your device, and enter “your voting code” and “password” stated on your voting form enclosed herewith. (You may also directly access the voting website (https://www.web54.net) from your computer and vote.)</p>
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* The Shareholders shall bear any connection fees, telecommunications fees, etc. which arise when using the voting website.

* Depending on your Internet environment, the telecommunication service that you have subscribed to or the type of your telecommunication device, you may not be able to use the voting website.

Reference Materials for the Annual General Meeting of Shareholders

Reference Materials for the Annual General Meeting of Shareholders

Proposal 1: Disposition of Surplus

Proposal 2: Partial Changes to the Articles of Incorporation

Proposal 3: Election of Seven (7) Directors

Proposal 4: Election of Three (3) Auditors

Proposal 5: Decision Regarding Restricted Stock Compensation for Directors (Excluding Outside Directors)

Reference Materials for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Disposition of Surplus

We consider improving corporate value to be a crucial management issue, and make it a basic policy to pay appropriate dividends commensurate with our profits.

On the other hand, we consider that, due to the rapid changes in market environment, stabilizing the financial capacity in medium- and long-term perspectives, and giving the priority to secure funds for investment toward expansion of profits will lead to the maximization of the return to shareholders, including the future increase in corporate value.

Therefore, the actual amount of dividends will be 10 yen per share, which is the same amount as the estimated dividends disclosed in the “Summary of Financial Information and Consolidated Business Results for the Year Ended March 31, 2019” dated May 15, 2019.

Matters regarding Year-end dividends:

1. Assets subject to dividend
Cash
2. Matters concerning allotment of dividends and their total amount
10 yen per common share of the Company
Total amount of dividend assets: 331,837,000 yen
3. Effective date of dividends of surplus
June 18, 2020

Proposal 2: Partial Changes to the Articles of Incorporation

1) Reasons for the Proposal

- (i) In order to clarify the management responsibilities of the Directors in each business year, the Company has until now set the term of office of the Directors to one (1) year. However, in order to strongly promote our business development based on our medium- to long-term plan, the term of office of the Directors under Article 19 of the current Articles of Incorporation will be changed from one (1) year to two (2) years.
- (ii) Along with (i) (change to the term of office of Directors) above, Article 37 of the current Articles of Incorporation will be deleted, and a provision that enables the Company to acquire treasury stock by a resolution of the Board of Directors, in order to continue to achieve a flexible capital policy (Article 9 of the Proposed Changes), as well as a provision that enables the Company to implement policies for flexible shareholder returns (Article 39 of the Proposed Changes) will be newly established, together with other required changes.

2) Details of the Changes

The details of the changes are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Changes
(Newly established)	(Acquisition of Treasury Stock) <u>Article 9 The Company may acquire its treasury stock through market transactions, etc. by a resolution of the Board of Directors pursuant to the provisions of Article 165, Paragraph 2 of the Companies Act.</u>
Articles <u>9-18</u> (Contents Omitted)	Articles <u>10-19</u> (same as the current version)
(Term of Office) Article <u>19</u> The term of office for the Directors shall be until the closing of the Ordinary General Meeting of Shareholders for the last business year ending within <u>one (1) year</u> after their appointment.	(Term of Office) Article 20 The term of office of the Directors shall be until the closing of the Ordinary General Meeting of Shareholders for the last business year ending within <u>two (2) years</u> after their appointment. <u>2. The term of office of a Director who has been appointed as an additional or a substitute member shall be until the end of the term of office of the other Board members who are currently in office.</u>
(Newly established)	

<p>Articles 20-36 (Contents Omitted)</p> <p><u>(Decision-Making Body for Matters such as Dividends of Surplus and Acquisition of Treasury Stock)</u> <u>Article 37 The Company may decide on the matters set forth in the respective items under Article 459, Paragraph 1 of the Companies Act, such as dividends of surplus and the acquisition of treasury stocks, by a resolution of the Board of Directors, except in cases where otherwise set forth in the laws and regulations.</u></p> <p>(Base Date for Dividends of Surplus) Article 38 38.1 The Company's base date for end-of-term dividends shall be March 31 each year. <u>38.2 The Company's base date for mid-term dividends shall be September 30 each year.</u> <u>38.3 Other than where set forth in the preceding two paragraphs, the Company may distribute dividends of surplus by setting a base date.</u></p> <p>(Newly established)</p> <p>Article <u>39</u> (Content Omitted)</p> <p>(Newly Established)</p>	<p>Articles <u>21-37</u> (same as the current version)</p> <p>(Deleted)</p> <p>(Base Date for Dividends of Surplus) Article 38 The Company's base date for end-of-term dividends shall be March 31 each year.</p> <p>(Deleted)</p> <p>(Deleted)</p> <p><u>(Mid-Term Dividends)</u> <u>Article 39 The Company may distribute mid-term dividends by a resolution of the Board of Directors, with the base date set to September 30 each year.</u></p> <p>Article <u>40</u> (same as the present version)</p> <p><u>Supplementary Provision: Notwithstanding the provisions in Article 20, the terms of office of the Directors appointed at the General Meeting of Shareholders held on June 20, 2019, shall be until the end of the Ordinary General Meeting of Shareholders held in 2020. This supplementary provision shall be deleted upon the passage of such date.</u></p>
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Proposal 3: Election of Seven (7) Directors

The terms of offices of all of the seven (7) Directors will expire as of the closing of this Annual General Meeting of Shareholders. Accordingly, we have decided to add one (1) Outside Director to the Board, in order to enhance the management supervising function and propose that seven (7) Directors be elected. The candidates for such positions are as follows:

Candidate No.	Name	Positions and Duties at the Company (as of April 1, 2020)	Status of Attendance at Meetings of Board of Directors (Attendance Rate)
1 (Re-elected)	Hidetoshi Yamamoto	Chairman, President and Group CEO	14/15 (93.33%)
2 (Re-elected)	Ei Yoshida	Senior Managing Director	15/15 (100%)
3 (Re-elected)	Kenichi Ozawa	Director; Division Manager, Group Strategy Division	15/15 (100%)
4 (Re-elected)	Hiroyuki Yamanaka	Director; Division Manager, Headquarter Administration Division	15/15 (100%)
5 (Re-elected)	Kenkichi Yoshida	Director	14/15 (93.33%)
6 (Re-elected)	Shigesato Itoi (Outside, Independent Officer)	Outside Director	13/15 (86.67%)
7 (Newly Elected)	Yoriko Aelvoet (Outside, Independent Officer, Female Officer)	Outside Auditor	14/15(93.33%)

1	Re-elected
<p>Hidetoshi Yamamoto (October 29, 1955)</p>	
<p>Number of shares of the Company held by the candidate 8,875,000 shares</p>	

Background and Positions and Duties at the Company	
June 1988	Representative Director and President at the time of incorporation, FIELDS
June 2007	Representative Director and Chairman, FIELDS
May 2018	Chairman, President and Group CEO (current position)
<p>Important concurrent positions: Director and Chairman, BOOOM Corporation Director and Chairman, Digital Frontier Inc. Representative Director and President, Total Workout premium management Inc. Director, Hobonichi Co., Ltd. (Outside Director)</p>	
<p>Reason for Nominating the Candidate for Director Mr. Hidetoshi Yamamoto, a founder of the Company, has been leading the business by directing the management of the Company Group with strong leadership since its foundation. He has been playing a significant role in conducting decision-making and the business operations of the Company Group through his high level of expertise and knowledge regarding the business of the Company and related industries. The Board of Directors nominates him as a candidate for Director based on its judgment that he would be an appropriate resource for improving the Company's corporate value.</p>	

2	Re-elected
<p>Ei Yoshida (May 5, 1962)</p>	
<p>Number of shares of the Company held by the candidate - shares</p>	

Background and Positions and Duties at the Company	
April 1987	Joined Nittaku Enterprise
November 2000	Managing Executive Officer, Nittaku Enterprise
May 2005	Managing Director, G&E Corporation
June 2007	President, G&E Corporation
March 2010	Representative Director and President at the time of incorporation, SOUGOU MEDIA INC.
April 2016	Joined FIELDS as Corporate Officer; Division Manager, Pachinko/Pachislot Business Management Division, FIELDS
June 2016	Senior Managing Director; Division Manager, Pachinko/Pachislot Business Management Division, FIELDS
April 2019	Senior Managing Director; Division Manager, Business Management Division, FIELDS
April 2020	Senior Managing Director, FIELDS (current position)
<p>Important concurrent positions: Director, FutureScope Corp. Director, PachinkoPachislot Information Station, Inc. Director, SOUGOU MEDIA INC. Director, G&E Corporation</p>	
<p>Reason for Nominating the Candidate for Director Mr. Ei Yoshida has been effective in playing important roles and carrying out the duties of both promotion and supervision of the Pachinko/Pachislot business, through his abundant experience and high level of expertise in the Pachinko/Pachislot industry. The Board of Directors nominates him as a candidate for Director based on its judgment that he would be an appropriate resource for improving the Company's corporate value.</p>	

4	Re-elected
Hiroyuki Yamanaka (December 23, 1967)	
Number of shares of the Company held by the candidate 30,000 shares	

Background and Positions and Duties at the Company	
May 1989	Joined FIELDS
April 2000	Director; Division Manager, Administration Division, FIELDS
June 2006	Director; Division Manager, Planning and Administration Division, FIELDS
May 2018	Director; Division Manager, Administration Department, FIELDS
April 2019	Director; Division Manager, Headquarter Administration Division and General Manager, Management Department, FIELDS
April 2020	Director; Division Manager, Headquarter Administration Division, FIELDS (current position)
<p>Important concurrent positions: President, LUCENT, INC. Auditor, BOOOM Corporation. Auditor, FutureScope Corp. Auditor, PachinkoPachislot Information Station, Inc.</p>	
<p>Reason for Nominating the Candidate for Director Mr. Hiroyuki Yamanaka has been effective in playing important roles and carrying out the duties of both management and supervision as a person in charge of the accounting and finance department, through his abundant experience and knowledge in the fields of accounting and finance. The Board of Directors nominates him as a candidate for Director based on its judgment that he would be an appropriate resource for the continuous improvement of the Company's corporate value.</p>	

6	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Re-elected</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div>
	<p>Shigesato Itoi (November 10, 1948)</p>
	<p>Number of shares of the Company held by the candidate 80,000 shares</p>

Background and Positions and Duties at the Company	
December 1979	Representative Director at the time of incorporation, Tokyo Itoi Shigesato Office Co., Ltd. (currently, Hobonichi Co., Ltd.) (current position)
June 2001	Director (Outside), FIELDS (current position)
Important concurrent positions:	
Representative Director and President, Hobonichi Co., Ltd.	
Reason for Nominating the Candidate for Outside Director	
<p>Mr. Shigesato Itoi has been providing the Company with significant and helpful advice on our creative and management index based on his broad range of achievements, abundant experience and his original ideas as a copy-writer and essayist. The Board of Directors nominates him as a candidate for Outside Director, based on its judgment that he would be an appropriate resource for providing the Company with appropriate coaching and supervision on its management and business. It should be noted that his term of office as an Outside Director will reach nineteen (19) years as of the closing of this Annual General Meeting of Shareholders.</p>	

7	Newly Elected
	Outside
	Independent Officer
	Female Officer
<p>Yoriko Aelvoet (February 26, 1962)</p>	
<p>Number of shares of the Company held by the candidate</p> <p style="text-align: right;">- shares</p>	

Background and Positions and Duties at the Company
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April 1984 Joined Mainichi Communications Inc.
September 1986 Joined Procter & Gamble Far East Inc.
September 1989 Marketing Director, etc., Buena Vista Home
 Entertainment Inc.
October 2001 General Manager and Vice President, Disney
 Publishing Worldwide, Walt Disney International
 Japan Ltd.
November 2005 General Manager and Vice President for Japan &
 Korea, Warner Bros. Consumer Products, Warner
 Japan Entertainment Inc
December 2015 President, Bottega Tigre Inc. (current position)
June 2018 Outside Auditor, FIELDS (current position)

Important concurrent position:
President, Bottega Tigre Inc.

■Reason for Nominating the Candidate for Outside Director
Ms. Yoriko Aelvoet has been involved in the contents business for a considerably long period of time, and has a high level of expertise and knowledge based on her strong managerial accomplishments and abundant experience. Backed up with such experience and knowledge, she has been auditing and supervising the management of the Company for two (2) years, as an Outside Auditor. The Board of Directors nominates her as a candidate for Outside Director, expecting that she will provide the Company with further coaching, based on her experience and knowledge, as well as her diverse perspective.

- Note 1. The Company has a transactional relationship concerning the development of pachinko/pachislot with BOOOM Corporation, at which Mr. Kenkichi Yoshida, a candidate for Director of the Company, is the Representative Director. The Company has no special interests with any of the other candidates listed above.
- Note 2. The matters concerning Mr. Shigesato Itoi, a candidate for Director, are as follows:
- (1) Mr. Itoi is a candidate for Outside Director. The Company has designated Mr. Itoi as an Independent Officer prescribed by the Company and has registered him as such with the Tokyo Stock Exchange, Inc. Therefore, if the reelection of Mr. Itoi is approved by the shareholders, we plan to re-designate him as an Independent Officer.
 - (2) Mr. Itoi has been the Outside Director of the Company, and the Company has executed an agreement with him for limitation of liability under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum limit for liability for damage under such agreement shall be either 3,000,000 yen or the minimum liability amount prescribed by the relevant laws and regulations, whichever is higher. In the case of his reelection being approved, the Company intends to renew the aforementioned agreement, so that Mr. Itoi may continue to fully perform his expected duties as an Outside Director.
- Note 3. The matters concerning Ms. Yoriko Aelvoet, a candidate Director, are as follows:
- (1) Ms. Aelvoet is currently the Company's Outside Auditor, and she will retire from her post as an Outside Auditor, due to the expiration of the term of office, as of the closing of this Annual General Meeting of Shareholders. Ms. Aelvoet will have served as the Company's Outside Auditor for two (2) years as of the closing of this Annual General Meeting of Shareholders.
 - (2) Ms. Aelvoet is a candidate to become the Company's Outside Director. The Company has designated her as an Independent Officer, and has registered her with the Tokyo Stock Exchange, Inc. Therefore, if the election of Ms. Aelvoet is approved by the shareholders, we plan to re-designate her as an Independent Officer.
 - (3) Ms. Aelvoet is currently the Company's Outside Auditor and has executed an agreement with the Company for limitation of liability under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum limit of the liability for damage under such agreement shall be either 3,000,000 yen or the minimum liability amount prescribed by the relevant laws and regulations, whichever is higher. In the case of her election being approved, the Company intends to execute a similar agreement, so that Ms. Aelvoet may fully perform her expected duties as an Outside Director.

Proposal 4: Election of Three (3) Auditors

As of the end of this year's General Meeting of Shareholders, the terms of office of all (three (3)) of the Auditors will expire. Accordingly, we propose that three (3) Auditors be elected. The Company has obtained the consent of the Board of Auditors regarding this proposal. The candidates to become Auditors are as follows:

Candidate No.	Name	Positions and Duties at the Company (as of April 1, 2020)	Status of Attendance at Meetings of Board of Auditors (Attendance Rate)	Status of Attendance at Meetings of Board of Directors (Attendance Rate)
1	Re-elected Kenichi Ikezawa	Outside Independent Officer	Outside Auditor (Full-time)	15/15 (100%)
2	Re-elected Yoshika Furuta	Outside Independent Officer	Outside Auditor	15/15 (100%)
3	Newly-elected Masakazu Kurihara		Director	— 15/15 (100%)

1	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Re-elected</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div>
Kenichi Ikezawa (December 4, 1947)	
Number of shares of the Company held by the candidate 1,000 shares	

Background and Positions and Duties at the Company
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<p>April 1973</p> <p>April 1978</p> <p>June 1988</p> <p>May 1990</p> <p>May 1994</p> <p>September 1997</p> <p>September 1998</p> <p>December 2000</p> <p>June 2001</p> <p>January 2009</p> <p>June 2012</p>	<p>Joined Sony Corporation</p> <p>Accounting and Financial Director, Sony France S.A.</p> <p>Senior Manager, Budget Section, Accounting Department, Sony Corporation</p> <p>Accounting and Financial Director, Sony Corp. of America</p> <p>Administrative Director, Sony Corporation of Hong Kong Ltd.</p> <p>General Manager, International Accounting Department, Sony Corporation</p> <p>General Manager, Accounting Department, Sony Corporation</p> <p>Joined Benesse Corporation as a General Manager of Strategy and Planning Department</p> <p>Joined Hermès Japon Co., Ltd. as a Corporate Officer, Administrative General Manager</p> <p>Joined Oki Data Corporation as an Advisor</p> <p>Outside Auditor, FIELDS (current position)</p>
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Reason for Nominating the Candidate for Outside Auditor

Mr. Kenichi Ikezawa has been involved in accounting and finance practices for a considerably long time, and has sufficient knowledge concerning group internal control backed up by his knowledge and insights, etc. cultivated through his career, and the Board of Directors nominates him as a candidate to become the Company's Outside Auditor, considering that he would be able to continue to conduct business audit and accounting audit, as well as provide advice to the management, from an independent standpoint. It should be noted that his term of office as the Company's Outside Auditor will reach eight (8) years as of the closing of this Annual General Meeting of Shareholders.

2	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Re-elected</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div>
	<p>Yoshika Furuta (December 10, 1942)</p>
	<p>Number of shares of the Company held by the candidate - shares</p>

Background and Positions and Duties at the Company	
July 1980	Chief Clerk, Trial Section 1, Direct Tax Department, National Tax Agency
July 1990	Special Officer for Research on Tax, Coordination Division, Tax Bureau, Ministry of Finance
July 1995	Appeals Judge, National Tax Tribunal
July 1999	Deputy Assistant Regional Commissioner, First Taxation Department, Tokyo Regional Taxation Bureau
July 2000	District Director, Kyobashi Tax Office
August 2001	Chief, Yoshika Furuta Certified Public Tax Accountant Office (current position)
June 2003	Outside Auditor, FIELDS (current position)
Important concurrent positions:	
Chief, Yoshika Furuta Certified Public Tax Accountant Office	
Reason for Nominating the Candidate for Outside Auditor	
<p>Mr. Yoshika Furuta has a depth of experience in national tax practice, and the Board of Directors nominates him as a candidate to become an Outside Auditor, considering that he would be able to continue to conduct business audit and accounting audit, as well as provide advice to the management, from an independent standpoint. It should be noted that his term of office as the Company's Outside Auditor will reach seventeen (17) years as of the closing of this Annual General Meeting of Shareholders.</p>	

<p>3 Newly Elected</p> <p>Masakazu Kurihara (January 12, 1960)</p> <p>Number of shares of the Company held by the candidate - shares</p>	<p style="text-align: center;">Background and Positions and Duties at the Company</p> <p>April 1983 Joined System Communications, Inc. October 1987 Joined DENTSU INC. May 2007 Joined FIELDS as a Corporate Officer; Division Manager, Communications and Marketing Division June 2008 Director; Division Manager, Product Division, FIELDS April 2010 Managing Director; Division Manager, Development Division, FIELDS April 2011 Managing Director; Division Manager, Contents Division, FIELDS April 2014 Managing Director, FIELDS May 2018 Director; Group Management Strategy Division April 2019 Director; Division Manager, Group Strategy Division and General Manager, Strategy Planning Department April 2020 Director (current position)</p> <p>Important concurrent positions: Director, Digital Frontier Inc. Director, No9 Inc. * Plans to resign from Director positions at both companies in June 2020.</p> <p>Reason for Nominating the Candidate for Auditor The Board of Directors nominates Mr. Masakazu Kurihara as a candidate to become the Company's Auditor, expecting that the utilization of his abundant experience and wide range of knowledge regarding the contents business and IP business strategy for business audits will lead to the enhancement of the audit.</p>
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Note 1. There are no special interests between the respective candidates and the Company.

Note 2. Matters concerning Mr. Kenichi Ikezawa and Mr. Yoshika Furuta, each a candidate to become the Company's Auditors, are as follows:

- (1) Both candidates are candidates to become Outside Auditors. The Company has designated them as Independent Officers and has registered them as such with the Tokyo Stock Exchange, Inc. Therefore, if their reelection is approved by the shareholders, we plan to re-designate them as Independent Officers.
- (2) Both candidates are currently Outside Auditors of the Company, and the Company has executed an agreement with each of them for limitation of liability under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum limit of the liability for damage under such agreement shall be either 3,000,000 yen or the minimum liability amount prescribed by the relevant laws and regulations, whichever is higher. In the case of their reelection being approved, the Company intends to renew the aforementioned agreement, so that they may continue to fully perform their expected duties as Outside Auditors.

Note 3. Matters concerning Mr. Masakazu Kurihara, a candidate to become the Company's Auditor, are as follows:

- (1) Mr. Kurihara is currently one of the Company's Directors, who will be retiring from this post at the end of this Annual General Meeting of Shareholders, due to the expiration of his term of office. Mr. Kurihara's term of office as a Director of the Company will reach twelve (12) years as of the closing of this Annual General Meeting of Shareholders.
- (2) Mr. Kurihara is a candidate to become the Company's Auditor, and the Company intends to execute an agreement with him for limitation of liability under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum limit of the liability for damage under such agreement shall be either 3,000,000 yen or the minimum liability amount prescribed by the relevant laws and regulations, whichever is higher. In the case of his election being approved, the Company intends to execute the aforementioned agreement, so that he may fully perform his expected duties as an Auditor.

Proposal 5: Decision Regarding Restricted Stock Compensation for Directors (Excluding Outside Directors)

At the 26th Annual General Meeting of Shareholders of the Company held on June 18, 2014, it was approved that the compensation amount for Directors of the Company would be within the maximum annual compensation amount of not more than 1,100,000,000 yen (including not more than 50,000,000 yen for Outside Directors).

For the purpose of more strongly incentivizing the Company's Directors (excluding Outside Directors; hereinafter, the "Eligible Directors") to contribute to improving the mid- and long-term performance and to sustainably improving corporate value, as well as further enhancing value sharing with shareholders, the Company wishes to newly introduce a restricted stock compensation plan (the "Plan"), under which the Company will allot to the Eligible Directors shares of the Company's common stock that will be subject to a certain transfer restriction period and to provisions concerning the grounds, etc. for the Company to acquire the same without consideration.

Accordingly, after having generally taken various matters into account, including the contribution of the Eligible Directors to the Company, we propose that the aggregate amount of monetary compensation claims granted under the Plan be set within the scope of the aforementioned amount of compensation for Directors. The Company has decided to grant compensation under the Plan to its Directors after having generally taken various matters into account, including the contributions of the Eligible Directors to the Company, and the Company considers the contents thereof to be reasonable.

The Company currently has seven (7) Directors (including one (1) Outside Director), and such number of Directors will be seven (7) Directors (including two (2) Outside Directors) if Proposal 3 is approved. Therefore, the number of Eligible Director will be five (5).

Specific Contents of Restricted Stock Compensation

1. Allotment of and Payment for Restricted Stock

Based on a resolution of the Board of Directors, the Company will grant monetary compensation claims to the Eligible Directors, within the scope of the aforementioned maximum compensation amount. Shares of the Company's common stock will be issued or disposed of to each Eligible Director as a result of all of such Eligible Director's monetary compensation claims being contributed to the Company in the form of property contributed in kind.

The amount to be paid for each share of common stock to be newly issued or disposed of by the Company will be determined by the Board of Directors, within a scope constituting an amount that is not particularly favorable to the Eligible Director subscribing for the relevant shares of common stock, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of a resolution by the Board of Directors concerning the issuance or disposal of such restricted stock (or, if no trading takes place on such immediately preceding business day, based on the closing price on the most recent trading day prior thereto).

In addition, the issuance or disposal of the aforementioned shares of common stock to the Eligible Directors shall be subject to their consent to the aforementioned in-kind contribution, and their execution of a restricted stock allotment agreement with the Company which contains the terms set forth in Section 3 below.

2. Maximum Total Number of Shares of Common Stock to be Issued or Disposed

The total number of shares of common stock to be issued or disposed of by the Company shall not exceed 314,500 shares in any given year.

However, if the Company conducts a stock split (including, without limitation, an allotment of common stock without consideration) or a reverse stock split of its common stock on or after the date

of the resolution concerning this Proposal, or if any adjustment to the aforementioned total number of shares of common stock must otherwise be made in a manner similar to any of the foregoing circumstances, the Company shall be entitled to reasonably adjust the aforementioned total number of shares of restricted stock.

3. Terms of Restricted Stock Allotment Agreement

In the event of any issuance or disposal of shares of the Company's common stock under the Plan, a restricted stock allotment agreement ("Allotment Agreement") shall be entered into between the Company and each relevant Eligible Director, based on a resolution of the Board of Directors. Each Allotment Agreement shall contain the following terms:

(1) Contents of Transfer Restriction

An Eligible Director shall not be permitted to transfer, pledge, mortgage, provide as an *inter vivos* or testamentary gift, or otherwise dispose of the shares of the Company's common stock allotted to him/her pursuant to the relevant Allotment Agreement (the "Allotted Shares") to any third party for a period of two (2) years (the "Transfer Restriction Period") after the delivery thereof (the "Transfer Restriction").

(2) Company's Acquisition of Allotted Shares Without Consideration

If any Eligible Director to whom the Allotted Shares are allotted resigns, retires or is terminated from all of his/her Director and Executive Officer positions at the Company and its subsidiaries up to the close of the second Annual General Meeting of Shareholders of the Company held after the commencement date of the relevant Transfer Restriction Period, the Company will naturally acquire the Allotted Shares pertaining to such Eligible Director without consideration, unless there is any reason which the Board of Directors considers to be justifiable.

Furthermore, if, as of the expiration of the Transfer Restriction Period specified in (1), the Transfer Restriction for any of the Allotted Shares has not been lifted in accordance with the provisions concerning the grounds for lifting the Transfer Restriction as set forth in (3) below, the Company will naturally acquire such Allotted Shares without consideration.

(3) Lifting of Transfer Restriction

Provided that the Eligible Director to whom the Allotted Shares are allotted has continuously held the relevant Director or Executive Officer position at the Company or its subsidiaries until the close of the second Annual General Meeting of Shareholders of the Company held after the commencement date of the relevant Transfer Restriction Period, the Company will lift the Transfer Restriction for all of the Allotted Shares as of the expiration of the Transfer Restriction Period.

However, if such Eligible Director resigns, retires or is terminated from all of his/her Director and Executive Officer positions at the Company and its subsidiaries prior to the close of the second annual general meeting of shareholders of the Company held after the commencement date of the relevant Transfer Restriction Period for any reason which the Board of Directors considers to be justifiable, the number of the Allotted Shares regarding which the Transfer Restriction is to be lifted and the timing to lift such Transfer Restriction will be reasonably adjusted as necessary.

(4) Handling in the Event of Organizational Restructuring or Other Similar Circumstances

If, during the Transfer Restriction Period, a proposal for any merger agreement under which the Company is to become an absorbed company, or a proposal for any stock-for-stock exchange or stock transfer plan, or other organizational restructuring, etc. under which the Company is to become a wholly-owned subsidiary is approved by the Company's General Meeting of Shareholders (or by the Board of Directors, if the approval of the general meeting of shareholders is not required for such organizational restructuring, etc.), then the Company will, based on a resolution of the Board of Directors, lift the Transfer Restriction before the effective date of such

organizational restructuring, etc., for the number of the Allotted Shares reasonably determined in view of the period from the commencement date of the Transfer Restriction Period until the date of approval for such organizational restructuring, etc.

In such case, immediately after the lifting of the Transfer Restriction in accordance with the above provisions, the Company will naturally acquire (without consideration) the Allotted Shares regarding which the Transfer Restriction has not been lifted.