[Translation: Please note that the following purports to be an excerpt translation from the Japanese original Notice of the 91st Ordinary General Meeting of Shareholders of Mitsubishi Materials Corporation prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.]

Stock Code: 5711
May 31, 2016

To Our Shareholders:

Akira Takeuchi, President Director
Mitsubishi Materials Corporation
3-2, Otemachi l-chome, Chiyoda-ku, Tokyo

NOTICE OF THE 91ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 91st Ordinary General Meeting of Shareholders of Mitsubishi Materials Corporation (the "Company") to be held as described below.

<Note: Shareholders outside Japan shall vote through their standing proxies except as specifically described below.>

If you are unable to attend the meeting, after reviewing the following documents entitled "Reference Materials for the General Meeting of Shareholders," please exercise your voting rights by either procedure described below.

[Exercise of voting rights in writing]
Please indicate your vote of approval or disapproval on the enclosed Voting Card and return the card to the Company by 6:00pm, June 28 (Tuesday). (Please use the enclosed "Voting Card/Registration Security Sticker.")

[Exercise of voting rights by electromagnetic method (through the Internet)]
<Note: Voting via the Internet other than through the ICJ platform is only available for registered shareholders in Japan and in Japanese language only. The ICJ platform is an electronic voting platform for institutional investors via the ProxyEdge® system of Broadridge. For further details, please consult with your custodian(s), nominee(s) and/or broker(s).>

Yours truly,

If you are able to attend, please submit the enclosed Voting Card to the reception desk on the day of the meeting.

Thank you for your cooperation.

Details

1. Date and Time: 10:00 am June 29, 2016 (Wednesday) (The reception starts at 9:00 am)

2. Place: Tsuru East, The Main Banquet Floor
Hotel New Otani
4-1 Kioicho, Chiyoda-ku, Tokyo, Japan
Please take note, the meeting will be held at a different room this time.

3. Meeting Agenda:

***Matters to be Reported*:**

(1) Reports on the business reports, consolidated financial statements and audit results of the consolidated financial statements by the Accounting Auditors and the Audit & Supervisory Board for the 91st fiscal year (April 1, 2015 to March 31, 2016).

(2) Reports on the financial statements for the 91st fiscal year (April 1, 2015 to March 31, 2016).

***Matters to be Resolved*:**

First Item of Business:	Partial Amendment to the Articles of Incorporation
Second Item of Business:	Consolidation of Shares
Third Item of Business:	Election of Nine (9) Directors
Fourth Item of Business:	Election of Two (2) Audit & Supervisory Board Members
Fifth Item of Business:	Amendment to the Amount of Remuneration for Directors
Sixth Item of Business:	Renewal of the Countermeasures to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)

4. Matters Concerning Exercise of Voting Rights

(1) If there is no indication of approval or disapproval of any of the Items on the Voting Card, the Company will deem such Item as approved.

(2) If you exercise your voting rights redundantly both by Voting Card and through the Internet, the Company will deem such through the Internet as valid.

(3) If you exercise your voting rights more than once through the Internet, the Company will deem the last exercise valid.

(4) If you wish to exercise your voting rights by proxy on the day of the meeting, you may appoint another single shareholder who has voting rights as your proxy. In such case, please submit a letter of proxy to the Company that certifies the authority of the shareholder acting as your proxy.

5. Items Posted on the Company's Website

(1) Notes on the consolidated financial statements and notes on the financial statements are posted on the Company's website shown below in accordance with the law and the Articles of Incorporation of the Company. They are not included in the attached materials.

The Audit & Supervisory Board Members and the Accounting Auditors have audited, as the consolidated financial statements and the financial statements, not only the respective documents which are stated in the attached materials but also notes on the consolidated financial statements and notes on the financial statements, which are posted on the Company's website.

(2) If any amendment to the business reports, consolidated financial statements, financial statements, or to the Reference Materials for the General Meeting of Shareholders is required, the Company will give such notice by posting it on the Company's website below:

http://www.mmc.co.jp/corporate/ja/ir/index.html

(Japanese language only)

Reference Materials for the General Meeting of Shareholders

First Item of Business: Partial Amendment to the Articles of Incorporation

1. Reasons for Amendments

(1) Since its introduction of the executive officer system in 2000, the Company has assigned from among its Directors and Executive Officers a person in charge of execution of business for each division (hereinafter, "Executive in Charge") under a system under which the President Director oversees the overall execution of business.

To enhance the maneuverability of the business execution system in order to attain greater global competitiveness, and to clarify the system, the Company proposes the following amendments to its Articles of Incorporation.

(a) To enable the appointment of the President from among the Executive Officers as well as the Directors, amendments are proposed as in Paragraph 2 of the revised Article 24 (Representative Directors and Directors /Officers with Executive Titles). Furthermore, amendments are proposed to Article 15 (Convenor and Chairman of General Meeting of Shareholders) and Article 25 (Convocation and Chairman of Board of Directors), revising these articles as the position of President Director becomes vacant when the President is appointed from among the Executive Officers.

(b) At present, Executives in Charge comprise both Directors (Directors with executive titles other than the Chairman Director and the President Director) and Executive Officers. The proposed revisions aim to clarify the Company's business execution system by in principle appointing a Director as an Executive Officer when the Executive in Charge is a Director, thereby creating a consistent system in which Executive Officers are in charge of business execution. Accordingly, to grant titles other than the Chairman and President only to Executive Officers, the proposed revision would abolish the titles of Executive Vice President Director and Managing Director in Article 24 (Representative Directors and Directors/Officers with Executive Titles) of the current Articles of Incorporation.

(c) In accordance with the proposal in (b) above to abolish certain Directors with executive titles, to enable the selection of Representative Director from among Directors other than Directors with executive titles, revisions are proposed as in Paragraph 1 of the revised Article 24 (Representative Directors and Directors /Officers with Executive Titles).

(d) To clarify the election method and roles of Executive Officers, the Company proposes the establishment of a new Article 30 (Executive Officers).

(2) Japanese stock exchanges have announced the Action Plan for Consolidating Trading Units, aiming to unify at 100 shares of common stock on Japanese stock exchanges the number of shares constituting one trading unit (share unit) in the aim of enhancing convenience to investors and other market participants. As the Company is listed on the Tokyo Stock Exchange, to respect this intention, on October 1, 2016, the Company proposes to change the number of shares constituting one share unit and, in accordance with the Second Item of Business (Consolidation of Shares), to amend the total number of shares authorized to be issued.

(a) An amendment is proposed to Article 5 (Total Number of Issuable Shares), revising this number from three billion four hundred million (3,400,000,000) shares to three hundred forty million (340,000,000) shares.
(b) An amendment is proposed to Article 7 (Number of Unit Shares -*Tangen Kabushiki*-) to revise the number of shares constituting one share unit from one thousand (1,000) shares to one hundred (100) shares.
(c) Supplementary provision is proposed to establish October 1, 2016, as the effective date for the amendments to Article 5 (Total Number of Issuable Shares) and Article 7 (Number of Unit Shares -*Tangen Kabushiki*-).

(3) In accordance with the new establishment of the revised Article 30 (Executive Officers), articles 30 through 45 of the current Articles of Incorporation are to be renumbered as articles 31 through 46.

Revisions to Article 5 (Total Number of Issuable Shares) and Article 7 (Number of Unit Shares -*Tangen Kabushiki*-) and the new establishment of Supplementary Provision are conditional on the approval of the Second Item of Business: Consolidation of Shares as proposed.

2. Details of Amendments

The details of amendments are as follows.

(Underlining denotes amended parts.)

Current Articles of Incorporation	Proposed Amendments
(Total Number of Issuable Shares) Article 5 The total number of the Corporation's issuable shares shall be <u>three billion four hundred million (3,400,000,000)</u> shares.	(Total Number of Issuable Shares) Article 5 The total number of the Corporation's issuable shares shall be <u>three hundred forty million (340,000,000)</u> shares.
(Number of Unit Shares -*Tangen Kabushiki*-) Article 7 The number of unit shares of the Corporation shall be one <u>thousand (1,000)</u>.	(Number of Unit Shares -*Tangen Kabushiki*-) Article 7 The number of unit shares of the Corporation shall be one <u>hundred (100)</u>.
(Convenor and Chairman of General Meeting of Shareholders) Article 15 The general meeting of shareholders shall be convened by the President Director based on a resolution of the Board of Directors <u>and the President Director shall become the Chairman</u>, unless otherwise provided for by laws and regulations. In case that the President Director is prevented from so acting, another Director shall replace the President Director in the order previously determined by the Board of Directors.	(Convenor and Chairman of General Meeting of Shareholders) Article 15 The general meeting of shareholders shall be convened by the President Director based on a resolution of the Board of Directors, unless otherwise provided for by laws and regulations. In case that the President Director is prevented from so acting <u>or the position is vacant</u>, another Director shall replace the President Director in the order previously determined by the Board of Directors.
(Newly established)	<u>2 The General Meeting of Shareholders shall be chaired by the President Director. In case the President Director is prevented from so acting, another Director shall replace the President Director in the order previously determined by the Board of Directors. In case the position of President Director is vacant, President</u>

	Executive Officer shall replace the President Director. In case President Executive Officer is prevented from so acting, a Director shall replace the President Executive Officer in the order previously determined by the Board of Directors.
Chapter IV Directors and Board of Directors	Chapter IV Directors, Board of Directors and Executive Officers
(Representative Directors and Directors with Executive Titles) Article 24 The Corporation shall have one (1) President Director.	(Representative Directors and Directors/Officers with Executive Titles) Article 24 Representative Directors shall be appointed by a resolution of the Board of Directors.
2. The President Director shall be appointed by a resolution of the Board of Directors and shall be Representative Director.	2 One (1) President Director or President Executive Officer shall be appointed by a resolution of the Board of Directors, and the President Director shall be Representative Director.
3. The Corporation may have one (1) Chairman Director, and one (1) or more Executive Vice President Directors and Managing Directors.	3 The Corporation may have one (1) Chairman Director appointed by a resolution of the Board of Directors.
4. The Chairman Director, the Executive Vice President Directors and the Managing Directors shall be determined by a resolution of the Board of Directors.	(Deleted)
5. Representative Directors may, by a resolution of the Board of Directors, be selected from among the Directors with executive titles of the preceding Paragraph.	(Deleted)
(Convocation and Chairman of Board of Directors) Article 25 Meetings of the Board of Directors shall, except as otherwise provided for by laws and regulations, be convened by the Chairman Director, and the Chairman Director shall become the chairman. In case that the Chairman Director is prevented from so acting or the position is vacant, the President Director shall replace the Chairman Director, and in case that the President Director is prevented from so acting, another Director shall replace the Chairman Director in the order previously determined by the Board of Directors.	(Convocation and Chairman of Board of Directors) Article 25 Meetings of the Board of Directors shall, except as otherwise provided for by laws and regulations, be convened by the Chairman Director, and the Chairman Director shall become the chairman. In case that the Chairman Director is prevented from so acting or the position is vacant, the President Director shall replace the Chairman Director, and in case the President Director is prevented from so acting or the position is vacant, another Director shall replace the Chairman Director in the order previously determined by the Board of Directors.
(Newly established)	(Executive Officers) Article 30 Executive Officers may be appointed by a resolution of the Board of Directors to execute the business.

Article 30 to Article 45 (Omitted) (Newly established)	Article 31 to Article 46 (The same as Article 30 to Article 45 of the current Articles of Incorporation) Supplementary Provision October 1, 2016 shall be the effective date for the amendments to Article 5 and Article 7, after which time this supplementary provision shall expire.

Second Item of Business: Consolidation of Shares

1. Reason for the need to Consolidation of Shares

Approval of the First Item of Business (Partial Amendment to the Articles of Incorporation) will make possible a change in the number of shares constituting one share unit of the Company's shares. To maintain the Company's share unit trading price level following this change in the number of shares constituting one share unit, the Company proposes to conduct the Consolidation of Shares at a 10:1 ratio, taking into consideration the Tokyo Stock Exchange, Inc.'s desired level for unit investment (between fifty thousand yen (¥50,000) and five hundred thousand yen (¥500,000)).

2. Details of the Consolidation of Shares

(1) The ratio of the consolidation

Every ten (10) shares in the Company will be consolidated into one (1) share.

If any fractional shares arise as a result of the Consolidation of Shares, pursuant to the provisions of the Companies Act, the Company will sell all such fractional shares and distribute the proceeds to shareholders having fractional shares in proportion to their respective fractions.

(2) Effective date of the consolidation

October 1, 2016

(3) Conditions for the consolidation

This Consolidation of Shares is conditional upon the passage of the First Item of Business (Partial Amendment to the Articles of Incorporation) as proposed. We propose that any other procedurally necessary items be left to the discretion of the Board of Directors.

(4) Total number of issuable shares as of the effective date of the consolidation

Three hundred forty million (340,000,000) shares

(Note) Although the number of shares held by each shareholder as a result of this Consolidation of Shares will be reduced to 1/10th, the Company's assets and capital will remain unchanged. Accordingly, absent any other factors such as fluctuations in the market price of the shares, this change should have no effect on the value of the Company's stock held by shareholders.

Third Item of Business: Election of Nine (9) Directors

The term of office of all nine (9) Directors will expire at the close of this Ordinary General Meeting of Shareholders. It is hereby proposed that nine (9) Directors, including one additional Outside Director, be elected in order to enhance the Company's corporate governance.

The candidates for Directors are as follows:

<table>
<tr><td rowspan="3">1</td><td>Hiroshi Yao (born August 2, 1946) [Reappointed]</td><td>Number of Company shares held
280,160</td></tr>
<tr><td>Personal History, Title and Position at the Company

Apr. 1969 Joined the Company
Jun. 2004 Managing Director
Jun. 2006 Executive Vice President; President, Universal Can Corporation
Apr. 2008 President, Mitsubishi Aluminum Co., Ltd.
Jun. 2010 President of the Company
Apr. 2015 Chairman (to present)</td><td rowspan="2"></td></tr>
<tr><td>Number/Rate of Attendance at Board Meetings (FY2016)
General: 12/12 (100%) Extraordinary: 4/4 (100%)</td></tr>
<tr><td colspan="3"><Reasons for nominating Mr. Yao as a candidate for Director>
Mr. Hiroshi Yao's primary experience stems from his involvement with the advanced materials & tools business before serving as President of Mitsubishi Materials U.S.A. Corp., and General Manager of the Corporate Planning Department of the Company. After being appointed Managing Director of the Company in 2004, he was in charge of accounting and finance, overseas operations and the aluminum business, as well as the president of significant subsidiaries. Mr. Yao was appointed President of the Company in June 2010 and Chairman in April 2015.
Mr. Yao has overseen the Company's proactive business alignment at the time of the 2007-2009 financial crisis and the Great East Japan Earthquake, the restructuring and reinforcement of the key businesses including U.S. cement and cemented carbide products, as well as the management of key operations. In addition, he has extensive knowledge and experience of the Company's businesses and operations, as well as insight into corporate management. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.</td></tr>
</table>

2	Akira Takeuchi (born December 4, 1954) [Reappointed]	Number of Company shares held 119,590
	Personal History, Title and Position at the Company Apr. 1977 Joined the Company Jun. 2009 Managing Director Apr. 2014 Executive Vice President Apr. 2015 President (to present)	Responsible for: General Operation of the Company
	Number/Rate of Attendance at Board Meetings (FY2016) General: 12/12 (100%) Extraordinary: 4/4 (100%)	

<Reasons for nominating Mr. Takeuchi as a candidate for Director>
Mr. Akira Takeuchi's primary experience stems from involvement in the general affairs and personnel departments, and he has served as General Manager of the Administration & Legal Affairs Division and the Legal & General Affairs Division. Following his appointment as Managing Director in 2009, he has been responsible for corporate communications, general affairs, the environment, human resources and the affiliated corporations business. He was appointed President in April 2015.
Mr. Takeuchi has promoted numerous overseas business development and domestic business restructuring efforts that have been central to the group's structure, played a role in strengthening its business foundations and overseen the overall operations of the Company. In addition, he has extensive knowledge and experience of the Company's business and operations, as well as insight into corporate management. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.

3	Osamu Iida (born May 20, 1957) [Reappointed]	Number of Company shares held 52,514
	Personal History, Title and Position at the Company Apr. 1980 Joined the Company Jun. 2010 General Manager, Naoshima Smelter & Refinery Jun. 2011 Executive Officer; Vice President, Metals Company Apr. 2013 Senior Executive Officer; President, Metals Company Jun. 2013 Managing Director; President, Metals Company Apr. 2014 Managing Director; President, Metals Company Apr. 2016 Executive Vice President; President, Metals Company (to present)	Responsible for: Assistant to the President; Corporate Production Engineering; Aluminum Business
	Number/Rate of Attendance at Board Meetings (FY2016) General: 12/12 (100%) Extraordinary: 4/4 (100%)	

<Reasons for nominating Mr. Iida as a candidate for Director>
Mr. Osamu Iida's primary experience stems from his involvement in the metals business, before serving as General Manager of the Metallurgy Department of the Metals Company and General Manager of the Naoshima Smelter & Refinery.
Following his appointment as Managing Director in June 2013, he has served as President of the Metals Company and been responsible for safety & health and corporate production engineering. He has been instrumental in establishing an earnings foundation in the recycling within the metals business and in promoting safe and stable operations. As a Corporate Strategy Committee member, he has taken part in overall management of the Company. He has extensive knowledge and experience related to the Company's business and operations. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.

4	Naoki Ono (born January 14, 1957) [Reappointed]	Number of Company shares held 36,604
	Personal History, Title and Position at the Company Apr. 1979 Joined Mitsubishi Mining & Cement Co., Ltd. Jun. 2009 General Manager, Higashitani Mine of the Company Jun. 2011 Vice Chairman, Mitsubishi Cement Corporation; Vice Chairman, MCC Development Corporation Jun. 2012 Executive Officer; Vice Chairman, Mitsubishi Cement Corporation; Vice Chairman, MCC Development Corporation Apr. 2014 Senior Executive Officer; President, Cement Company Jun. 2014 Managing Director; President, Cement Company Apr. 2016 Executive Vice President; President, Cement Company (to present)	Responsible for: Assistant to the President; Environment & CSR; Mineral Resources Important position of other organization(s) concurrently assumed: Outside Director, P.S. Mitsubishi Construction Co., Ltd.
	Number/Rate of Attendance at Board Meetings (FY2016) General: 12/12 (100%) Extraordinary: 4/4 (100%)	

<Reasons for nominating Mr. Ono as a candidate for Director>
Mr. Naoki Ono's primary experience stems from his involvement in departments related to the cement business. He has served as General Manager of the Higashitani Mine and Vice Chairman of Mitsubishi Cement Corporation in the United States. Following his appointment as Managing Director in June 2014, he has been instrumental as President of the Cement Company in achieving vertical integration in the ready-mixed concrete business, thereby expanding operations in the U.S. cement business, as well as promoting restructuring of the group's operations in response to changing external conditions. As a Corporate Strategy Committee member, he has taken part in overall management of the Company. He has extensive knowledge and experience related to the Company's business and operations. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.

5	Nobuo Shibano (born March 13, 1957) [Reappointed]	Number of Company shares held 41,070
	Personal History, Title and Position at the Company Apr. 1980 Joined Mitsubishi Mining & Cement Co., Ltd. Jun. 2010 General Manager, Finance & Accounting Div. of the Company Jun. 2011 Executive Officer; General Manager, Finance & Accounting Div. Jun. 2012 Executive Officer; Vice President, Electronic Materials & Components Company Apr. 2015 Senior Executive Officer Jun. 2015 Managing Director (to present)	Responsible for: Assistant to the President; Internal Audit; Finance & Accounting Important position of other organization(s) concurrently assumed: President, Materials' Finance Co., Ltd.
	Number/Rate of Attendance at Board Meetings (FY2016) General: 10/10 (100%) Extraordinary: 3/3 (100%)	
<Reasons for nominating Mr. Shibano as a candidate for Director> Mr. Nobuo Shibano's primary experience stems from his involvement in departments related to finance and accounting, and he has served as General Manager of the Finance and Accounting Department and Vice President of the Electronic Materials & Components Company. Following his appointment as Managing Director in June 2015, he has been responsible for internal audit and finance & accounting and been instrumental in improving the group's financial soundness and fostering dialogue with internal and external investors. As a Corporate Strategy Committee member, he has taken part in overall management of the Company. He has extensive knowledge and experience related to the Company's business and operations. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.		

6	Yasunobu Suzuki (born September 23, 1958) [Newly Appointed]	Number of Company shares held 32,620
	Personal History, Title and Position at the Company Apr. 1982 Joined the Company Jun. 2006 General Manager, Planning & Administration Dept., Metals Company Jun. 2011 Executive Officer; Vice President, Metals Company Oct. 2013 Executive Officer; Vice President, Metals Company; Executive Vice President, PT Smelting in Indonesia Apr. 2014 Executive Officer; Vice President, Metals Company; Executive Vice President, PT Smelting in Indonesia Apr. 2015 Senior Executive Officer; General Manager, Corporate Strategy Div.(to present)	
<Reasons for nominating Mr. Suzuki as a candidate for Director> Mr. Yasunobu Suzuki's primary experience stems from his involvement in departments related to the metals business, and he has served as General Manager of the Raw Materials Department of the Metals Company, as well as Executive Vice President of PT Smelting in Indonesia. Following his appointment as Senior Executive Officer in April 2015, as General Manager of the Corporate Strategy Division, he has been instrumental in promoting the Company's current medium- to long-term management plan, drafting and implementing various M&A strategies based on this plan. As a Corporate Strategy Committee member, he has taken part in overall management of the Company. He has extensive knowledge and experience related to the Company's business and operations. The Company believes he will enhance the Board of Directors' role in making important decisions about the Company and supervising management. For these reasons, the Company endorses his appointment to the position of Director.		

7	[Candidate for Outside Director] [Independent Director] [Reappointed] Yukio Okamoto (born November 23, 1945)	Number of Company shares held 139,155
	Personal History, Title and Position at the Company Apr. 1968 Joined the Ministry of Foreign Affairs of Japan (MOFA) Jan. 1991 Resigned from MOFA Mar. 1991 Representative Director, Okamoto Associates, Inc. (to present) Jun. 2000 Director of the Company (to present)	Important position of other organization(s) concurrently assumed: Representative Director, Okamoto Associates, Inc. Outside Director, Nippon Yusen Kabushiki Kaisha (NYK Line) Outside Director, NTT DATA Corporation
	Number/Rate of Attendance at Board Meetings (FY2016) General: 12/12 (100%) Extraordinary: 4/4 (100%)	

<Reasons for nominating Mr. Okamoto as a candidate for Outside Director>

Mr. Yukio Okamoto is a specialist in international affairs and also has extensive knowledge in general management. The Company believes that he will be instrumental in monitoring the management of the Company and providing effective advice as Outside Director, and thus endorses his election to the position. At the close of this Ordinary General Meeting of Shareholders, Mr. Okamoto's term of office will be 16 years.

<Violation of laws or the Articles of Incorporation or other improper conduct at other companies in which the candidate has held office as a director, executive officer, or audit & supervisory board member in the past five years>

From September to December 2012, it was revealed that equipment that contains or may contain polychlorinated biphenyls (PCBs) was improperly disposed of at multiple locations of Mitsubishi Motors Corporation, of which Mr. Yukio Okamoto was an Outside Auditor until June 2014.
In addition, NYK Line, a company for which Mr. Okamoto serves as an Outside Director, received a cease and desist order and a surcharge payment order from the Japan Fair Trade Commission in March 2014 for a violation of the Anti-Monopoly Act in relation to its specially designated vehicles transportation business. And in December 2014, NYK Line entered into a plea agreement with the U.S. Department of Justice, agreeing to pay a fine based on charges that it violated U.S. anti-trust laws in connection with ocean shipping services for cars and trucks. In December 2015, NYK Line was notified by the National Development and Reform Commission of China that the company had violated China's anti-monopoly law.
Mr. Okamoto was not involved in these matters, and has routinely advised that attention be paid to compliance with laws and regulations. Furthermore, since these matters came to light, Mr. Okamoto has worked hard to further reinforce these companies' legal compliance systems, including issuing instructions for conducting a thorough investigation and preventing a recurrence.
Meanwhile, in and after April 2016 it came to light that Mitsubishi Motors Corporation had improperly manipulated measurements to show better fuel performance on its mini cars, and used methods other than those specified under Japanese legislation when measuring rolling resistance, etc. A special investigation committee composed of outside experts has been formed to investigate the matter.

<Business relationships with other organization(s) in which positions are concurrently assumed, etc.>

(1) There is no business relationship between the Company and Okamoto Associates, Inc.
(2) There is a business relationship for the transportation of coal between the Company and NYK Line.
(3) There is a business relationship for the provision of IT services between the Company and NTT DATA Corporation.

8	[Candidate for Outside Director] [Independent Director] [Reappointed] Takashi Matsumoto (born November 25, 1952)	Number of Company shares held 11,896
	Personal History, Title and Position at the Company Apr. 1976 Joined the Ministry of Finance Japan (MOF) Jul. 2003 Counselor, Minister's Secretariat, MOF Jul. 2004 Deputy Director General, Budget Bureau, MOF Jul. 2007 Director General for Economic, Fiscal and Social Structure, Cabinet Office of Japan (CAO) Jul. 2009 Director General, CAO Jan. 2012 Vice Minister, CAO Jan. 2014 Advisor, CAO Jul. 2014 Senior Advisor, Dai-Ichi Life Research Institute Inc. (to present) Jun. 2015 Director of the Company (to present)	Important position of other organization(s) concurrently assumed: Senior Advisor, Dai-Ichi Life Research Institute Inc. Outside Director, Innotech Corporation Outside Director, Gunosy Inc.
	Number/Rate of Attendance at Board Meetings (FY2016) General: 9/10 (90%) Extraordinary: 3/3 (100%)	

<Reasons for nominating Mr. Matsumoto as a candidate for Outside Director>

Mr. Takashi Matsumoto has knowledge of administrative and fiscal policy, finance and other general aspects of the economy gained through his experience in key positions at the MOF and CAO. The Company believes that he will be instrumental in monitoring the management of the Company and providing effective advice as Outside Director, and thus endorses his election to the position. Although Mr. Matsumoto does not have experience of managing a company directly, he has experience and extensive expertise as a national government official. The Company, therefore, believes that he will fulfill his duties as Outside Director in an appropriate manner. At the close of this Ordinary General Meeting of Shareholders, Mr. Matsumoto's term of office as Outside Director will be one year.

<Business relationships with other organization(s) in which positions are concurrently assumed, etc.>

(1) There is no business relationship between the Company and Dai-Ichi Life Research Institute Inc.
(2) There is no business relationship between the Company and Innotech Corporation.
(3) There is no business relationship between the Company and Gunosy Inc.

9	[Candidate for Outside Director] [Independent Director] [Newly appointed] Mariko Tokuno (born October 6, 1954)	Number of Company shares held 0
	Personal History, Title and Position at the Company Jan. 1994 Joined Louis Vuitton Japan K.K Apr. 2002 Senior Director, Sales Administration Mar. 2004 Vice President, Tiffany & Co., Japan Inc. Aug. 2010 President and Representative Director, Christian Dior K.K. Sep. 2013 President, Representative Director and CEO, Ferragamo Japan K.K. (to present)	Important position of other organization(s) concurrently assumed: President, Representative Director and CEO, Ferragamo Japan K.K.; Outside Director, Happinet Corporation
<Reasons for nominating Ms. Tokuno as a candidate for Outside Director> Ms. Mariko Tokuno has insight into international corporate strategy and general management gained through her extensive experience as a manager of the Japanese operations of leading international firms. The Company, therefore, believes that she will be instrumental in monitoring the management of the Company and providing effective advice as Outside Director and thus endorses her election to the position.		
<Business relationships with other organization(s) in which positions are concurrently assumed, etc.> (1) There is no business relationship between the Company and Ferragamo Japan K.K. (2) There is no business relationship between the Company and Happinet Corporation.		

Note 1: There are no special interests between any of the candidates and the Company.
Note 2: Number of Company shares held by candidates includes shares held by candidates through the Mitsubishi Materials Executive Stock Ownership Plan.
Note 3: Mr. Yukio Okamoto, Mr. Takashi Matsumoto and Ms. Mariko Tokuno are candidates for appointment as Outside Directors.
Note 4: A provision of the Articles of Incorporation allows the Company to execute with Directors (excluding those who are Executive Director, etc.) agreements limiting liability for damages in accordance with Article 427, Paragraph 1 of the Companies Act. In accordance with the provision, the Company has executed a limited liability agreement with Mr. Yukio Okamoto and Mr. Takashi Matsumoto as described below, and will execute such limited liability agreement with Ms. Mariko Tokuno, a candidate for the new Outside Director, if she assumes the said position. If this item of business is approved and resolved and Mr. Yukio Okamoto and Mr. Takashi Matsumoto assume the position of Outside Director, such limited liability agreement will continue to be effective.
With respect to liability as described in Article 423, Paragraph 1 of the Companies Act, if the Director (excluding those who are Executive Director, etc.) performs his or her duty in good faith and without gross negligence, the Director shall be liable to the Company for damages only to the extent of minimum liability as set out in Article 425, Paragraph 1 of the Companies Act. The Company shall indemnify the Director for damages in excess of the amount of above minimum liability.
Note 5: The Company has notified the Tokyo Stock Exchange, Inc., that Mr. Yukio Okamoto and Mr. Takashi Matsumoto are Independent Directors (Outside Directors who are unlikely to have conflicts of interest with general shareholders) in accordance with the regulations. The Company will also notify the above stock exchange that Ms. Mariko Tokuno is an Independent Director.

Fourth Item of Business: Election of Two (2) Audit & Supervisory Board Members

The term of office of Mr. Keisuke Yamanobe and Mr. Akihiko Minato as Audit & Supervisory Board Members will expire at the close of this Ordinary General Meeting of Shareholders. It is hereby proposed that total two (2) Audit & Supervisory Board Members be elected.

The Company has obtained the consent of the Audit & Supervisory Board on this Item of Business.

The candidates for Audit & Supervisory Board Members are as follows:

1	[Candidate for Audit & Supervisory Board Member] Hiroshi Kubota (born November 23, 1958) [Newly Appointed]	Number of Company shares held 16,633
	Personal History, Title and Position at the Company Apr. 1981 Joined Mitsubishi Mining & Cement Co., Ltd. Jun. 2009 Assistant to the General Manager, Internal Audit Dept., Business Ethics Div. of the Company Jun. 2011 General Manager, Internal Audit Dept., Business Ethics Div. Apr. 2012 General Manager, Business Ethics Div. Jun. 2012 General Manager, Internal Audit Dept. Apr. 2014 General Manager, Internal Audit Dept., Fellow (to present)	

<Reasons for nominating Mr. Kubota as a candidate for Audit & Supervisory Board Member>

Mr. Hiroshi Kubota's primary experience stems from his involvement in departments related to finance and accounting. He has served at Mitsubishi Cement Corporations in the United States and the Southeast Asian Business Support Center (now Mitsubishi Materials Southeast Asia Co., Ltd.).

Following his appointment as General Manager of the Internal Audit Department, Business Ethics Division in 2011, he was appointed General Manager of the Internal Audit Department in 2012. He has been instrumental in introducing internal audit consulting procedures and establishing an audit system for overseas operations, thereby developing a high level of specialization and proficiency in general management auditing. Mr. Kubota has extensive knowledge and experience related to the Company's business and operations, and specialized insight in finance and accounting. As an Audit & Supervisory Board Member, the Company believes he will appropriately monitor the Company's management. For these reasons, the Company endorses his appointment to the position of Audit & Supervisory Board Member.

2	[Candidate for Outside Audit & Supervisory Board Member] [Independent Auditor] [Newly Appointed] Katsuhiko Ishizuka (born February 15, 1961)	Number of Company shares held 0
	Personal History, Title and Position at the Company Apr. 1984 Joined The Mitsubishi Bank, Ltd. (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.) May 2011 Executive Officer and General Manager, Corporate Planning Div., Mitsubishi UFJ Financial Group, Inc.(MUFG); Executive Officer and General Manager, Planning Div. (in charge of special missions), The Bank of Tokyo-Mitsubishi UFJ, Ltd.(BTMU) May 2012 Executive Officer and General Manager, Planning Div., BTMU; Executive Officer and Manager, Corporate Planning Div., MUFG May 2014 Managing Executive Officer and General Manager, Planning Div., BTMU ; Executive Officer and Manager, Corporate Planning Div., MUFG May 2015 Managing Executive Officer and General Manager, Transaction Banking Division, BTMU May 2016 Managing Executive Officer, BTMU	
<Reasons for nominating Mr. Ishizuka as a candidate for outside Audit & Supervisory Board Member> From his experience in management at a financial institution, Mr. Katsuhiko Ishizuka has insight in finance, accounting and other aspects of corporate management. As an outside Audit & Supervisory Board Member, the Company believes he will appropriately monitor the Company's management. For these reasons, the Company endorses his appointment to the position of outside Audit & Supervisory Board Member.		
<Business relationships with other organization(s) in which positions are concurrently assumed, etc.> (1) The Company has a business relationship with The Bank of Tokyo-Mitsubishi UFJ, Ltd. related to procurement of funds, etc. (2) Mr. Katsuhiko Ishizuka is involved in business execution at a financial institution with which the Company conducts business. However, taking into consideration the fact that the Company's dependence on this financial institution for the procurement of funds is low and the substitution potential with other financial institutions, the Company believes he does not meet the characteristics of "business executive at a principal business partner" specified in the standards for independence by the Tokyo Stock Exchange, Inc. As he is also not in conflict with these standards in other aspects, the Company believes he is sufficiently independent and judges him unlikely to have conflicts of interest with general shareholders. (3) Mr. Ishizuka is scheduled to step down from his position as Senior Executive Officer at The Bank of Tokyo-Mitsubishi UFJ, Ltd., on June 28, 2016.		

Note 1: There are no special interests between both of the candidates and the Company.

Note 2: Mr. Katsuhiko Ishizuka is a candidate for appointment as an Outside Audit & Supervisory Board Member.

Note 3: A provision of the Articles of Incorporation allows the Company to execute with Audit & Supervisory Board Members agreements limiting liability for damages in accordance with Article 427, Paragraph 1 of the Companies Act. In accordance with the provision, the Company will execute such limited liability agreement with Mr. Hiroshi Kubota and Mr. Katsuhiko Ishizuka, candidates for the new Audit & Supervisory Board Members, if they assume the said position.

With respect to liability as described in Article 423, Paragraph 1 of the Companies Act, if the Audit & Supervisory Board Member performs his duty in good faith and without gross negligence, the Audit & Supervisory Board Member shall be liable to the Company for damages only to the extent of minimum liability as set out in Article 425, Paragraph 1 of the Companies Act. The Company shall indemnify the Audit & Supervisory Board Member for damages in excess of the amount of above minimum liability.

Note 4: The Company will notify the Tokyo Stock Exchange, Inc., that Mr. Katsuhiko Ishizuka is an Independent Officer (an Outside Audit & Supervisory Board Member with no conflict of interest with general shareholders) in accordance with the regulations.

Fifth Item of Business: Revision of Amount of Remuneration for Directors

It was resolved at the 82nd Ordinary General Meeting of Shareholders held on June 28, 2007, that the amount of remuneration to Directors should not exceed forty nine million yen (¥49,000,000) per month (excluding salaries as employees for Directors who also serve as employees), including remuneration not exceeding four million yen (¥4,000,000) per month for Outside Directors.

Given recent efforts to enhance corporate governance by increasing the number of Outside Directors, the Company proposes revising this amount to not exceed forty nine million yen (¥49,000,000) per month, including remuneration not exceeding six million yen (¥6,000,000) per month for Outside Directors.

The proposed revision will continue to exclude from Director remuneration salaries as employees for Directors who also serve as employees, as was the case previously.

If the Third Item of Business (Election of nine (9) Directors) is approved as proposed, the Company will have nine directors (including three (3) Outside Directors).

Sixth Item of Business: Renewal of the Countermeasures to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures)

At the 88th Ordinary General Meeting of Shareholders, convened June 27, 2013, the Company obtained the consent of shareholders to renew the Countermeasures to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures) (This plan is hereinafter referred to as the "current anti-takeover plan"). The current anti-takeover plan expires as of the close of this Ordinary General Meeting of Shareholders.

With the current anti-takeover plan expiring, the Company has been considering the question of updating the current anti-takeover plan, including the question of whether to renew the plan at all, in consideration of trends in the business concerning an anti-takeover plan after its introduction. As a result of these deliberations, the Company has judged that continuation of the plan is necessary to protect and enhance corporate value, shareholder's common interests, and thus medium- to long-term shareholder value (these values are hereinafter collectively referred to as "medium- to long-term shareholder value"), as described in 1. below, in the event of a large-scale share acquisition that threatens shareholder value (defined in 3. (1) (a) below). Furthermore, in the Company's view the current system of tender offer in Japan does not provide the necessary time and procedures for shareholders to collect sufficient information and decide whether to agree to a large-scale share acquisition, opening the possibility of damage to medium- to long-term shareholder value. As such, at the meeting of the Board of Directors, convened May 12, 2016, based on the Company's basic policy with respect to persons controlling the Company's policy decisions on finances and operations (as stipulated in Article 118, Item 3 of the enforcement regulations of the Companies Act; hereinafter referred to as "the Basic Policy"), the Company decided to conduct a renewal of the current anti-takeover plan (hereinafter referred to as "the Renewal"), incorporating partial revisions, subject to the consent of shareholders at this Ordinary General Meeting of Shareholders. The revised anti-takeover plan shall hereinafter be referred to as "the new anti-takeover plan."

As such, the Directors ask shareholders to approve the Renewal. If approved, the new anti-takeover plan will be effective until the conclusion of the 94th Ordinary General Meeting of Shareholders, scheduled to convene in June 2019.

The main change to the current anti-takeover plan is that the new anti-takeover plan eliminates certain patterns deemed significantly detrimental to medium- to long-term shareholder value.

1. Objectives of the New Anti-takeover Plan

Control over the Company is in principle to be determined by free-market transactions in the shares of the Company. Judgments as to whether to respond to proposals for large-scale share acquisition of the Company's shares must in principle respect the free will of all individual shareholders.

However, certain large-scale share acquisitions may be considered contrary to medium- to long-term

shareholder value in that they may significantly harm medium- to long-term shareholder value, effectively compel shareholders to sell their shares, fail to offer the Board of Directors of the company enough time and information to present a substitute proposal to shareholders, or include a necessity for negotiation with acquirers for more favorable trade terms. Moreover, the Company is striving to create value as a complex business group. Any large-scale share acquirer of the Company's shares must correctly recognize the business environment in which the Company operates, understand the sources of the Company's corporate value, and protect and enhance that value over the medium- to long-term. Failure to do so may damage medium- to long-term shareholder value.

Needless to say, shareholders have the freedom to decide their own investment activities, and that right must be respected. In the Company's view, however, the current system of tender offer in Japan does not provide the necessary time and procedures for shareholders to decide whether to agree to a large-scale share acquisition, opening the possibility of damage to medium- to long-term shareholder value.

For the above reasons, the Board of Directors has decided to renew the current anti-takeover plan with certain revisions, to protect and enhance medium- to long-term shareholder value.

The possibility of arbitrary countermeasures by the Board of Directors must be excluded. In accordance with the Independent Committee Regulations (please refer to Appendix 1 for an overview), an Independent Committee is established, consisting solely of persons independent from the management team responsible for executing the operations of the Company. The Board of Directors respects to the maximum degree the recommendations of the Independent Committee. Also, to ensure transparency, information is disclosed to shareholders in a timely manner. For the names and brief curricula vitae of the members of the Independent Committee at the Renewal, please refer to Appendix 2.

A list of current major shareholders in the Company and their details as of March 31, 2016 can be found in Appendix 3. At this time the Company is not aware of any moves to make large-scale share acquisition of the Company's shares, nor is it aware of receiving any proposals for the same.

2. Basic Policy on the New Anti-takeover Plan

To protect and enhance medium- to long-term shareholder value, the Company has established procedures that must be strictly followed by any persons making or attempting to make large-scale share acquisition of the Company's shares, as described below. The details of the new anti-takeover plan are published in a timely manner by the Tokyo Stock Exchange, Inc. (TSE), in the business reports and other disclosure documents of the Company, and on the Company's website. The Company warns persons making or attempting to make large-scale share acquisition of the Company's shares that such persons must strictly follow certain procedures; that in certain cases the Company may take countermeasures against such efforts; and in certain cases the Company will take countermeasures against such efforts. This is the Company's Countermeasures to Large-Scale Acquisition of the Company's Shares (Takeover Defense Measures).

3. Details of the New Anti-takeover Plan

(1) Procedures for the New Anti-takeover Plan

(a) Large-scale share acquisition, etc. subject to the new anti-takeover plan

The new anti-takeover plan is applicable whenever a large-scale share acquisition of the Company's shares or similar action (hereinafter referred to as "a large-scale share acquisition"), corresponding to ① or ② below, is initiated (unless approved in advance by the Board of Directors). A person who initiates or attempts to initiate a large-scale share acquisition (hereinafter referred to as an "acquirer") must first complete the procedures stipulated in the new anti-takeover plan.

① Acquisition of outstanding shares issued by the Company[1] ending holdings[3] of 20% or more by keepers of shares[2]

② Acquisition by the tender offer that causes the holdings[6] by the tender offer[5] of an acquirer and special related persons[7] of that acquirer to total 20% or more of shares issued by the Company[4]

(b) Submission of letter of intent to the Company

Before executing a large-scale share acquisition, an acquirer must submit to the Board of Directors a written declaration in Japanese, in the format stipulated by the Company, stating that the acquirer will comply strictly with the procedures stipulated in the new anti-takeover plan (hereinafter referred to as a "letter of intent").

An overview of the content of the letter of intent is as follows.

(i) Overview of the acquirer[8]

(ii) The number of the Company's shares currently held by the acquirer, and all transactions in the Company's shares over the 60-day period before submission of the letter of intent

(iii) Overview of the large-scale share acquisition proposed by the acquirer[9]

(c) Submission of information

When an acquirer submits a letter of intent as in (b) above, the acquirer must provide the Company with sufficient information in Japanese, to enable shareholders to judge the large-scale share acquisition, using the procedure described below (hereinafter referred to as the "necessary information").

Firstly, within 10 business days[10] of submission of the letter of intent (not counting the first day), the Company sends the acquirer an "information list," which describes the information that must be supplied in the original submission. The acquirer then provides the Company with sufficient information in accordance with the information list.

If the Board of Directors duly judges that the information provided by the acquirer in accordance with the information list is not sufficient to enable shareholders to judge the content and aspects of the large-scale share acquisition, and to the Board of Directors to evaluate and examine it, the Board of Directors may separately request that the acquirer provide additional information.

The Board of Directors requests that the acquirer submit the necessary information and establishes a 60-day period from the date the request is sent (not counting the first day) as the period in which the acquirer must submit the information (hereinafter referred to as the "information submission request period"). When the information submission request period has ended, the Board of Directors' evaluation period (here and hereinafter, defined in (e) below) begins. However, if the acquirer requests an extension

based on a reasonable cause, the information submission request period may be extended up to a maximum of 30 days (not counting the first day) as necessary. Alternatively, if the Board of Directors judges that the information already submitted by the acquirer satisfies the requirements of the necessary information, the Board of Directors may immediately provide the notice of completed information (defined in (d) below) to the acquirer and begin the Board of Directors' evaluation period, even before the information submission request period expires. Also, the Board of Directors may set a different period within which to submit the necessary information, according to circumstances or need.

Regardless of the details and aspects of the large-scale share acquisition, in principle each of the information items listed below is included in the information list.

① Details[12] about the acquirer and the acquirer's corporate group (in the case of joint keepers[11], special related persons and funds, including union members and other members)
② The purpose (detailed description of the purpose listed in the letter of intent), methods and details[13] of the large-scale share acquisition
③ Basis of calculation[14] of the price of the large-scale share acquisition
④ Sources of funds[15] for the large-scale share acquisition
⑤ Existence of any notification of intent with respect to the large-scale share acquisition to any third parties, details of that notification, and an overview of said third parties
⑥ Detailed information on any loan agreements, collateral agreements, sell-back agreements, agreements to sell or other important agreements or decisions with respect to shares held by the acquirer (hereinafter referred to as "collateral and/or other agreements"), including types of agreements, counterparties to agreements, and number of shares affected by such agreements, if any
⑦ Detailed information on any plans to agree with any third parties to form collateral and/or other agreements with respect to the Company's shares that the acquirer intends to acquire through the larges-scale share acquisition, including types of agreements, counterparties to agreements, and number of shares affected by such agreements
⑧ The Company or group company management policies, operating plans, capital policies and dividend policies to be introduced after the large-scale share acquisition
⑨ Policies to be introduced after the large-scale share acquisition with respect to treatment of stakeholders, including the Company employees, labor unions, business partners, customers and regional communities
⑩ Specific measures to avoid conflicts of interest with other shareholders

(d) Disclosure

The Company discloses the fact of any proposals for large-scale share acquisition by acquirers, along with overviews of those proposals. Also, if the overview of the necessary information and other information includes information the Company deems necessary for shareholders to judge said proposals, the Company discloses said information with timing it deems appropriate.

If the Board of Directors deems that the necessary information submitted by the acquirer is sufficient, the Board of Directors promptly provides notification of that judgment to the acquirer (hereinafter referred to as "notice of completed information") and discloses said notification.

(e) Setting of Board of Directors' evaluation period

After the Board of Directors has provided the notice of completed information, or after the information submission request period expires, the Board of Directors begins evaluation and examination of the large-scale share acquisition. The period in which the Board of Directors evaluates, examines, negotiates about,

forms opinions about and/or submits an alternative proposal (hereinafter referred to as the "Board of Directors' evaluation period") consists of period ① or ② below (in each case, not counting the first day).

① Maximum of 60 days in the case of a tender offer acquisition of all the Company's shares using cash only (denominated in Japanese yen)

② Maximum of 90 days in the case of all other large-scale share acquisition

Notwithstanding the above maximums, in either of cases ① and ② above, the Board of Directors' evaluation period may be extended if the Board of Directors deems such extension necessary, or if the Board of Directors receives a recommendation to extend from the Independent Committee. In this case, the acquirer shall be notified of the specific period of extension and reason for extension, and the matter shall be disclosed to shareholders. Also, said extension shall not exceed 30 days (not counting the first day).

During the Board of Directors' evaluation period, the Board of Directors fully evaluates and examines the necessary information submitted by the acquirer, while retaining if necessary the counsel of an appropriate outside specialist or other advisor. The Board of Directors carefully forms an opinion from the perspective of protecting and enhancing medium- to long-term shareholder value and notifies the acquirer of its opinion, while disclosing said opinion to shareholders in an appropriate and timely manner. If necessary, the Board of Directors may negotiate with the acquirer regarding conditions and methods of the large-scale share acquisition, and may submit an alternative proposal to the shareholders.

(f) Consulting with the Independent Committee

If the acquirer fails to comply strictly with the procedures stipulated in (b) through (e) above and (j) below, or if the large-scale share acquisition by the acquirer is judged to be significantly detrimental to medium- to long-term shareholder value, the Board of Directors may judge, from the point of view of protecting and enhancing medium- to long-term shareholder value, that countermeasures are appropriate. In such a case, the Board of Directors consults with the Independent Committee regarding whether or not to initiate countermeasures.

(g) Recommendations of the Independent Committee on initiating countermeasures

If the Board of Directors has inquiries for the Independent Committee regarding whether or not to initiate countermeasures, the Independent Committee follows the procedures below to offer the Board of Directors its recommendation on this question. The Independent Committee can, at the Company's expense, obtain advice from third parties independent of the management team responsible for the execution of the Company's operations (including investment banks, securities firms, financial advisers, certified public accountants, lawyers, consultants and other specialists). If the course of action the Independent Committee recommends to the Board of Directors corresponds to either ① or ② below, the Board of Directors promptly discloses the fact of the recommendation, an overview of it, and other information as it judges appropriate.

① The Independent Committee recommends initiating countermeasures

If the acquirer fails to comply strictly with the procedures stipulated in (b) through (e) above and (j) below, or if the large-scale share acquisition by the acquirer is judged to be significantly detrimental to medium- to long-term shareholder value and if the Independent Committee determines that initiating

countermeasures would be effective at maintaining or enhancing medium- to long-term shareholder value, the Independent Committee will recommend that the Board of Directors initiate countermeasures. The large-scale share acquisition will be deemed significantly detrimental to medium- to long-term shareholder value, in principle, if the acquisition is judged to conform, or is reasonably suspected to conform, to any of the patterns listed in Appendix 4.

② The Independent Committee recommends not initiating countermeasures

Except as stipulated in ① above, the Independent Committee shall recommend that no countermeasures be initiated.

(h) Decision of the Board of Directors

The Board of Directors will respect the recommendations of the Independent Committee in (g) above to the maximum degree, drawing on the recommendations of the Independent Committee to decide whether to initiate countermeasures from the perspective of protecting and enhancing medium- to long-term shareholder value.

When reaching this decision, whether its decision is to initiate countermeasures or not to do so, the Board of Directors discloses an overview of its decision and other information as it deems appropriate.

(i) Convening of general meeting of shareholders to confirm intent

In either of the cases below, unless extraordinary circumstances render it difficult or impossible to convene a general meeting of shareholders, the Board of Directors convenes a general meeting of shareholders as soon as practicable, to table a resolution on the initiation of countermeasures (hereinafter the general meeting of shareholders in this case is referred to as a "general meeting of shareholders to confirm intent").

① When the Independent Committee offers its recommendation regarding the initiation of countermeasures, the Independent Committee makes it a condition to obtain the prior approval of the general meeting of shareholders.

② The Board of Directors judges that it is appropriate to confirm the intent of shareholders.

The Board of Directors decides whether or not to initiate countermeasures in accordance with the decision of the general meeting of shareholders to confirm intent.

(j) Timing of start of large-scale share acquisition

If the Board of Directors decides to convene the general meeting of shareholders to confirm intent, the acquirer may not begin the large-scale share acquisition until the Board of Directors has reached a decision on initiating countermeasures based on the decision of the general meeting of shareholders to confirm intent. If the general meeting of shareholders to confirm intent is not convened, the acquirer may only begin the large-scale share acquisition after the Board of Directors' evaluation period is complete.

(k) Cancellation or withdrawal of countermeasures

Even if the Board of Directors decides to initiate countermeasures according to the procedures in (h) or (i) above, the Board of Directors shall consult with the Independent Committee regarding the cancellation or withdrawal of countermeasures in the following cases.

① The acquirer cancels or withdraws the large-scale share acquisition.
② The circumstances on which the decision to initiate countermeasures or not is based have changed, and the maintenance of countermeasures is not appropriate from the perspective of protecting and enhancing medium- to long-term shareholder value.

Based on inquiries from the Board of Directors, the Independent Committee examines whether or not to maintain countermeasures and submits its recommendations to the Board of Directors. The Board of Directors promptly discloses this recommendation in accordance with the recommendation in (g) above.

The Board of Directors respects the recommendations of the Independent Committee to the maximum degree. If the Board of Directors judges, drawing on the recommendations of the Independent Committee, that maintaining countermeasures is not appropriate from the perspective of protecting and enhancing medium- to long-term shareholder value, the Board of Directors will cancel or withdraw the countermeasures and promptly disclose that fact.

(2) Specific Details of Countermeasures in the New Anti-takeover Plan

In principle the countermeasures initiated by the Board of Directors based on the decisions described in (1) (h) and (i) consist of the allotment of share options (hereinafter referred to as "the share options") without contribution. However, if it judges that it is appropriate to initiate other countermeasures as recognized under the Companies Act and other laws and regulations, as well as under the Articles of Incorporation, the Board of Directors may use other countermeasures as appropriate.

An overview of the allotment of the share options without contribution is provided in Appendix 5.

Also, to ensure flexibility in initiating countermeasures by means of the allotment of the share options without contribution, the Board of Directors plans to register the issue of the share options.

(3) Effective Term, Abolition and Change of the New Anti-takeover Plan

The new anti-takeover plan is effective until the conclusion of the 94th Ordinary General Meeting of Shareholders, scheduled for June 2019.

In the following cases, however, the new anti-takeover plan will be abolished before the effective term expires.
① A motion to abolish the new anti-takeover plan is approved at a general meeting of shareholders.
② The Board of Directors decides to abolish the new anti-takeover plan.

Also, in the event of formal events such as the revision of relevant laws and regulations, the new anti-takeover plan may be changed, if such change does not violate the Basic Policy. After 2017, the question of whether to continue, abolish or change the new anti-takeover plan shall be decided at the first meetings of the Board of Directors after the close of annual ordinary general meetings of shareholders.

If the new anti-takeover plan is abolished, the Company will promptly disclose the abolition and other information as deemed appropriate by the Board of Directors, in accordance with the appropriate laws and regulations and the regulations of the securities exchanges.

4. Reasonableness of the New Anti-takeover Plan

(1) The new anti-takeover plan satisfies all policies and other requirements for anti-takeover plans.

The new anti-takeover plan fully satisfies the three principles stipulated in *Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder's Common*

Interests, published jointly on May 27, 2005 by the Ministry of Economy, Trade and Industry (METI) and Ministry of Justice (MOJ). These three principles are; protecting and enhancing corporate value and the interests of shareholders as a whole; prior disclosure and shareholders' will; and ensuring the necessity and reasonableness. The new anti-takeover plan also takes into account, and is reasonable in view of, the information on various practical duties and controversies regarding anti-takeover plans including *State of Anti-takeover Plans in View of Recent Changes in the Business Environment*, published June 30, 2008 by the Corporate Value Study Group within METI. Furthermore, the new anti-takeover plan conforms to the regulations of the TSE.

(2) The purpose of the new anti-takeover plan is to protect and enhance medium- to long-term shareholder value.

The new anti-takeover plan is to protect and enhance medium- to long-term shareholder value, in that, as stated in 1 above, when a move to effect a large-scale share acquisition of the Company's shares occurs, the new anti-takeover plan secures the necessary information and time to enable shareholders to judge whether to respond to the bid for large-scale share acquisition and the Board of Directors to table an alternative proposal, and that the new anti-takeover plan also enables the Board of Directors to negotiate over the acquisition for shareholders.

(3) The new anti-takeover plan respects the shareholder's intent.

To confirm the intent of shareholders regarding the Renewal, the Company's renewal of the anti-takeover plan is subject to approval by shareholders at the general meeting of shareholders.

Also, in certain cases, the Board of Directors will confirm the intent of shareholders regarding whether or not to initiate the countermeasures specified in the new anti-takeover plan, at a general meeting of shareholders to confirm intent.

Moreover, the new anti-takeover plan is effective until the conclusion of the 94th Ordinary General Meeting of Shareholders, scheduled for June 2019. Moreover, even before the expiration, as stated in 3 (3) above, the new anti-takeover plan will be abolished immediately if the general meeting of shareholders approves a motion to abolish the new anti-takeover plan.

In addition, the term of office of the Directors of the Company is one year. As such, the intent of shareholders may be solicited through the election of the Directors, even during the effective term of the new anti-takeover plan.

For all the above reasons, the framework under which the new anti-takeover plan is implemented well reflects the intent of shareholders regarding the introduction or abolition of the new anti-takeover plan.

(4) Disclosure and careful attention to the judgment of highly independent outside parties

The Independent Committee consists of at least three members, appointed from a slate of Outside Directors, Outside Audit & Supervisory Board members and outside experts. All of these committee members are independent from the management team that executes the operations of the Company.

The Company discloses to shareholders overviews of the judgments of the Independent Committee as necessary. To ensure that the new anti-takeover plan supports medium- to long-term shareholder value, the Company establishes a framework for transparent operation of the new anti-takeover plan.

(5) Setting of reasonable and objective conditions for initiation of countermeasures

As stated in 3 (1) (g), (h) and (i) above, the new anti-takeover plan is designed so that countermeasures will not be initiated unless certain reasonable and objective conditions are fully met in order to prevent arbitrary initiation of countermeasures by the Board of Directors.

(6) The new anti-takeover plan is not a "dead-hand" or "slow-hand" anti-takeover plan

As stated in 3 (3) above, the new anti-takeover plan can be abolished at any time by the Board of Directors, which consists of Directors appointed at the general meeting of shareholders. As such, the new anti-takeover plan does not constitute a "dead-hand" anti-takeover plan[16]. Similarly, because the term of office of each Director is one year, the new anti-takeover plan does not constitute a "slow-hand" anti-takeover plan[17].

5. Impact on Shareholders and Investors

(1) Impact on shareholders and investors at the time of the Renewal

The Renewal does not by itself trigger the issue of the share options. As such, the new anti-takeover plan has no direct, tangible impact on the legal rights and economic interests of shareholders and investors with respect to the Company's shares at the time of its introduction.

(2) Impact on shareholders and investors at the time of the allotment of the share options without contribution

If the Board of Directors decides to initiate countermeasures, resulting in the allotment of the share options without contribution, the share options are allotted without contribution (free of charge) to shareholders listed or registered in the shareholder registry on that date, at a ratio of one share option per share in each shareholder's holdings. As a result of this arrangement, if the allotment of the share options without contribution is executed, the economic value of each share held by shareholders and investors is diluted, but the overall share value of each shareholder and investor is not diluted. Moreover, voting rights per share are not diluted. As such, the new anti-takeover plan has no direct, tangible impact on the legal rights and economic interests of shareholders and investors with respect to the Company's shares.

Even if the Board of Directors decides to execute the allotment of the share options without contribution, if the Board of Directors decides to cancel or withdraw the countermeasures according to the procedure described in 3 (1) (k) above, the economic value of each share held by shareholders and investors is not diluted. For this reason, shareholders and investors who trade in the Company's shares on the assumption that their value per share will be diluted may find that they incur a loss due to share-price fluctuation.

If the exercise or acquisition of the share options imposed disadvantageous conditions on the acquirer, said exercise or acquisition would be expected to dilute the legal rights of the acquirer. However, even in this case, the exercise or acquisition of the share options imposes no direct, tangible impact on the legal rights and economic interests of shareholders and investors in the Company's shares, other than those of the acquirer.

(3) Procedures required of shareholders to receive the allotment of the share options without contribution

If the Board of Directors decides to execute the allotment of the share options without contribution, the

Board of Directors will specify and publish the date of the allotment.

All shareholders listed or registered in the final shareholder register on the date of allotment will of course hold the right to subscribe to new shares on the date when the allotment of the share options without contribution is executed. No application or request procedures are required.

Shareholders may be required to exercise the share options within a specified period of time to acquire the new shares (a fee will be payable at that time).

The Board of Directors will disclose and notify shareholders in a timely and appropriate manner the details regarding the method of allotment, method of execution, the method by which the Company acquires the shares, and other matters, based on the appropriate laws and regulations and the regulations of the securities exchanges, after the Board of Directors has reached a decision regarding the allotment of the share options without contribution.

Notes

1. As defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies below unless separately specified otherwise. In the case of revisions to the laws and regulations referenced in the new anti-takeover plan (including the enactment of changes to the names of laws and regulations and new laws and regulations to succeed the old), each article of the laws and regulations referenced in the new antitakeover plan, unless separately determined otherwise by the Board of Directors, shall be replaced with the wording of the laws and regulations that effectively succeed them.
2. Here and below, as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act.
3. Refers to keepers as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. This includes keepers based on Paragraph 3 of the same Article.
4. Here and below, as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act.
5. Here and below, as defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act.
6. Here and below: Refers to a "special related person" as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. Regarding the persons as described in Item 1 of this paragraph, however, the persons stipulated in Article 3, Paragraph 2 of the Cabinet Order on Disclosure of Tender Offer of Shares by Persons Other than the Issuer are excluded.
7. As defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act.
8. Includes 1) name and address, 2) name and position of representative, 3) purpose and operations of company or enterprise, 4) overview of major shareholders and investors (top 10 in terms of shareholdings or share of investment), 5) contact information in Japan, and 6) laws on whose basis the company was founded.
9. Includes type and number of shares the acquirer is expected to acquire in the large-scale share acquisition, and the purpose of the large-scale share acquisition (nature and description of purpose, including but not limited to acquisition of controlling rights, participation in management, pure investment, investment for policy purposes, transfer to a third party after completion of the large-scale share acquisition or execution of major proposals ("Execution of major proposals" as defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, Paragraph 1 of the Enforcement Orders of the Financial Instruments and Exchange Act and Article 16 of the Cabinet Order on Disclosure of the Status of Major Shareholdings). If multiple purposes exist, all purposes must be listed.).
10. A "business day" is a day other than as described in each item of Article 1, Paragraph 1 of the Law on Holidays for Administrative Organizations.
11. Includes company history, full company name, capital structure, details of operations, financial details, and names and curricula vitae of directors.
12. Here and below, refers to a "joint keeper" as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, and includes persons deemed joint keepers based on Paragraph 6 of the same Article.
13. Includes types and amounts of considerations in the large-scale share acquisition, timing of large-scale share acquisition, framework of related transactions, method and legality of large-scale share acquisition, and practical feasibility of the large-scale share acquisition.

14. Includes assumptions in and methods of calculation, numerical data used in calculation, synergies expected to be realized as a result of transactions arising from the large-scale share acquisition, synergies expected to accrue to minority shareholders, names of any third parties whose opinions are sought in calculation, overviews of said opinions, and the process of deciding amounts in view of those opinions.
15. Full names of providers of funds (including effective providers of funds), fundraising methods and details of related transactions.
16. Refers to an anti-takeover measure whose initiation cannot be obstructed even if the majority of the members of the Board of Directors are replaced.
17. Refers to an anti-takeover measure whose initiation requires a great deal of time to obstruct, because the entire Board of Directors cannot be replaced at once.

Appendix 1

Overview of the Independent Committee Regulations

1. The Independent Committee is established as an advisory body to the Board of Directors. Its purpose is to overcome arbitrary judgments by the Board of Directors with respect to the initiation of countermeasures against large-scale share acquisition, and to guarantee the objectivity and reasonableness of the Board of Directors' judgments and responses.

2. The Independent Committee consists of at least three members (hereinafter referred to as "the Independent Committee members"). The Independent Committee members are appointed based on the decisions of the Board of Directors, from among any of the following persons who are independent from the management team that executes the operations of the Company: (1) Outside Directors, (2) Outside Audit & Supervisory Board Members and (3) outside experts (experienced business managers, former employees of government offices, lawyers, certified public accountants, other persons of learning and experience, and others commensurate with the above). The Company concludes an agreement with each of the Independent Committee members, which includes provisions on due diligence and confidentiality.

3. The term of office of the Independent Committee members shall be from the date of appointment to the date of conclusion of the ordinary general meeting of shareholders concerning the last fiscal year ending within one (1) year from the date of appointment, or a term separately agreed between each Independent Committee member and the Company. However, different provisions may be made by the decision of the Board of Directors.

4. The Independent Committee is convened by the Representative Director of the Company or each Independent Committee member.

5. The chair of the Independent Committee shall be appointed by mutual election of the Independent Committee members.

6. In principle, the decisions of the Independent Committee are made by majority vote of all Independent Committee members. However, in the event of accident or illness to an Independent Committee member or other extenuating circumstance, the decisions of the Independent Committee are made by majority vote of Independent Committee members present, if a majority of Independent Committee members are present.

7. Based on inquiries from the Board of Directors, the Independent Committee deliberates with respect to each of the items listed below, reaches a decision, and makes recommendations to the Board of Directors, indicating its decision and the reasons for that decision.
   (1) Whether or not to initiate the countermeasures in the new anti-takeover plan (including judgment of whether or not the large-scale share acquisition is significantly detrimental to medium- to long-term shareholder value and whether to convene the general meeting of shareholders to confirm intent)

(2) Whether to cancel or withdraw the countermeasures provided in the new anti-takeover plan
(3) Whether to abolish or change the new anti-takeover plan
(4) Whether to extend the Board of Directors' evaluation period
(5) Such other matters on which the Board of Directors may choose to inquire with the Independent Committee with respect to the new anti-takeover plan

Each Independent Committee member must participate in the deliberations and decisions of the Independent Committee solely from the perspective of whether or not the matter in question is beneficial to medium- to long-term shareholder value. In participating in the Independent Committee, Independent Committee members must not seek their own gain or the personal gain of a member or members of the management team of the Company.

8. The Independent Committee can as necessary summon Directors, Audit & Supervisory Board Members, employees or other persons the Independent Committee deems necessary, to request opinions or explanations regarding items of inquiry.

9. The Independent Committee can, at the Company's expense, obtain advice from third parties independent of the management team responsible for the execution of the Company's operations (including investment banks, securities firms, financial advisers, certified public accountants, lawyers, consultants and other specialists) in the execution of its duties.

Appendix 2

Personal History of Independent Committee Members

There are three (3) initial Independent Committee members for the new anti-takeover plan, as follows.

Yukio Okamoto
Born November 23, 1945
Outside Director

[Personal history]

Apr. 1968	Joined the Ministry of Foreign Affairs of Japan (MOFA)
Jan. 1991	Resigned from MOFA
Mar. 1991	Representative Director, Okamoto Associates, Inc. (to present)
Jun. 2000	Director of the Company (to present)
Jun. 2006	Outside Corporate Auditor, Mitsubishi Motors Corporation
Jun. 2008	Outside Director, Nippon Yusen Kabushiki Kaisha (NYK Line) (to present)
Jun. 2014	Outside Director, NTT DATA Corporation (to present)

* Mr. Yukio Okamoto is an Outside Director of the Company.
* Mr. Okamoto meets the requirements as an independent director stipulated by the Tokyo Stock Exchange, Inc.
* There are no special interests between Mr. Okamoto and the Company.

Takashi Matsumoto
Born November 25, 1952
Outside Director

[Personal history]

Apr. 1976	Joined the Ministry of Finance Japan (MOF)
Jul. 2003	Counselor, Minister's Secretariat, MOF
Jul. 2004	Deputy Director General, Budget Bureau, MOF
Jul. 2007	Director General for Economic, Fiscal and Social Structure, Cabinet Office of Japan (CAO)
Jul. 2009	Director General, CAO
Jan. 2012	Vice Minister, CAO
Jan. 2014	Advisor, CAO
Jul. 2014	Senior Advisor, Dai-Ichi Life Research Institute Inc. (to present)
Jun. 2015	Outside Director, Innotech Corporation (to present)
	Director of the Company (to present)
Aug. 2015	Outside Director, Gunosy Inc. (to present)

* Mr. Takashi Matsumoto is an Outside Director of the Company.
* Mr. Matsumoto meets the requirements as an independent director stipulated by the Tokyo Stock Exchange, Inc.
* There are no special interests between Mr. Matsumoto and the Company.

Naoto Kasai

Born November 17, 1962

Outside Audit & Supervisory Board Member

[Personal history]

Apr. 1990	Registered as a lawyer
	Joined Kashiwagi Sogo Law Offices
Apr. 1995	Joined Kasai Sogo Law Office
Jan. 2006	Representative Lawyer, Kasai Sogo Law Office (to present)
Apr. 2010	Vice President, Daini Tokyo Bar Association
Jun. 2014	Audit & Supervisory Board Member of the Company (to present)

* Mr. Naoto Kasai is an Outside Audit & Supervisory Board Member of the Company.
* Mr. Kasai meets the requirements as an independent auditor stipulated by the Tokyo Stock Exchange, Inc.
* There are no special interests between Mr. Kasai and the Company.
* The Company does not have a legal advisory agreement in place with the Kasai Sogo Law Office, to which Mr. Kasai belongs.

Appendix 3

Status of Major Shareholders of the Company

Name of Shareholders	Investment in the Company	
	Number of Shares Held	Percentage of Shareholding
Japan Trustee Services Bank, Ltd. (Trust account)	85,997 thousand shares	6.56%
The Master Trust Bank of Japan, Ltd. (Trust account)	53,820	4.11
National Mutual Insurance Federation of Agricultural Cooperatives	31,351	2.39
Meiji Yasuda Life Insurance Company	31,018	2.37
MSIP CLIENT SECURITIES	30,058	2.29
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	24,651	1.88
Mitsubishi Heavy Industries, Ltd.	19,000	1.45
Mitsubishi Estate Co., Ltd.	17,397	1.33
STATE STREET BANK WEST CLIENT-TREATY 505234	17,263	1.32
Nippon Life Insurance Company	16,736	1.28

Note: Percentages of shareholding were calculated after deducting treasury shares (4,862,944 shares).

Appendix 4

Patterns Deemed Significantly Detrimental to Medium- to Long-Term Shareholder Value

(1) The acquirer is a "greenmailer": a person who has no interest in participating in the management of the Company but acquires, or attempts to acquire, the Company's shares with the aim of bidding up their price and causing persons related to the Company to purchase them at high prices.

(2) The acquirer is judged to be acquiring the Company's shares for the purpose of temporarily controlling the management of the Company in order to acquire assets vital to the Company's operations and transfer them to the acquirer or the acquirer's corporate group etc. Such assets may include, but are not limited to, intellectual property, expertise, business secrets, and key business partners and/or customers.

(3) The acquirer is judged to be acquiring the Company's shares for the purpose of misusing the Company's or group companies' assets as loan collateral or as settlement capital for the acquirer or the acquirer's group etc. after taking control of the Company's management.

(4) The acquirer is judged to be acquiring the Company's shares for the purpose of taking temporary control of the Company's management in order to dispose of high-priced assets such as real estate and securities in which the Company or group companies are not currently involved, and use the income from the disposal to distribute temporary high.

(5) The method of acquisition of the Company's shares proposed by the acquirer is judged to restrict shareholders' opportunity and freedom to consider the proposal, and may therefore effectively constitute a coercive purchase. For example, the method may constitute a high-handed two-tier acquisition: at first the acquirer seeks to acquire only some of the Company's shares, then sets disadvantageous conditions for the acquisition of a second tranche, or leaves the conditions unclear, then acquires the shares by means of the tender offer.

Appendix 5

Overview of the Allotment of the Share Options without Contribution

1. Total Number of Share Options Allotted

The total number of share options allotted is the same as the final number of issued shares on a certain date separately determined by the Board of Directors (hereinafter referred to as "the allotment date") in the decision of the Board of Directors regarding the allotment of the share options without contribution (hereinafter referred to as "the allotment decision"). This number does not include treasury shares (shares held by the Company).

2. Shareholders to Whom Share Options Are Allotted

The share options are allotted without contribution (free of charge) to shareholders listed or registered in the final shareholder registry on the allotment date, at a ratio of one share option per share in each shareholder's holdings. Share options are not allotted for treasury shares.

3. Effective Date of the Allotment of the Share Options without Contribution

The Board of Directors shall decide the effective date separately in the allotment decision.

4. Share Types and Number of Shares Targeted by the Share Options

The shares of the Company for which the share options are allotted are common shares in the Company. One share option is allotted per share (this total number of shares for which share options are allotted is hereinafter referred to as "the target number of shares"). In the event of a split or merger of the Company's shares, the Company shall make the appropriate adjustments.

5. Details and Prices of Assets Contributed in the Exercise of the Share Options

The subject of the contribution when exercising the share options is monies. The assets contributed when the share options are exercised constitute an amount equal to or higher than one yen (¥1) per common share of the Company. This amount is separately determined in the allotment decision of the Board of Directors.

6. Restrictions on Transfer of the Share Options

Transfer of the share options requires the approval of the Board of Directors.

7. Conditions for Exercise of the Share Options

The following persons are prohibited from exercising the share options: 1) Special large-volume keepers[1]; 2) Joint keepers with special large-volume keepers; 3) Special large-volume acquirers[2]; 4) Special related persons of special large-volume acquirers; 5) Persons receiving or inheriting the share options from 1) to 4) without the consent of the Board of Directors; 6) Persons related to persons corresponding to those from 1) to 5)[3]. These persons are collectively hereinafter referred to as "ineligible persons." Details regarding the conditions for exercise of the share options are determined separately in the allotment decision.

8. Acquisition of the Share Options by the Company

On a date separately determined by the Board of Directors, the Company may acquire the share options held by persons other than ineligible persons and exchange them for common shares in the Company of the target number of shares for each share option. Details regarding the conditions for acquisition of the share options

are determined separately in the allotment decision.

9. Acquisition without Contribution in the Event of Cancellation, etc. of Initiation of Countermeasures

If the Board of Directors decides to cancel or withdraw already initiated countermeasures, or in those circumstances set in the allotment decision, the Company may acquire all of the share options without contribution.

10. Period of Exercise of the Share Options, etc.

The Board of Directors separately determines the period in which the share options can be exercised and other required items regarding the share options in the allotment decision.

Notes

1. Persons who are keepers of shares of which the Company is the issuer and who hold 20% or more of said shares, or persons deemed by the Board of Directors to be commensurate with the above. This provision does not apply to persons whose acquisition or holding of the Company's shares the Board of Directors deems not to be detrimental to medium-to-long-term shareholder value, or to other persons separately determined in the allotment decision.
2. Persons who have given official notice of the acquisition (here and below, "acquisition" as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act) by means of the tender offer of shares of which the Company is the issuer (here and below, "shares" as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act) and whose holdings (including items commensurate with holdings as defined in in Article 7, Paragraph 1 of the Enforcement Orders of the Financial Instruments and Exchange Act) after the acquisition, together with the holdings of said persons' special related persons, total 20% or more of the total; or persons deemed by the Board of Directors to be commensurate with the above. This provision does not apply to persons whose acquisition or holding of the Company's shares the Board of Directors deems not to be detrimental to medium-to-long-term shareholder value, or to other persons separately determined in the allotment decision.
3. "Related persons" of certain persons refers to persons who effectively control said persons; are controlled by said persons or are jointly under the control of said persons (including persons deemed by the Board of Directors to be commensurate with the above); or persons deemed by the Board of Directors to be acting in concert with said persons. "Control" refers to "control of decisions on policy regarding finance and operations" of other companies, etc. (as defined in Article 3, Paragraph 3 of the Enforcement Regulations of the Companies Act).