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Securities Code 7735  
June 4, 2018

### To Those Shareholders with Voting Rights

Eiji Kakiuchi  
Representative Director,  
President, Chief Executive Officer  
SCREEN Holdings Co., Ltd.  
Tenjinkita-machi 1-1, Teranouchi-agaru  
4-chome, Horikawa-dori, Kamigyo-ku,  
Kyoto, Japan

## NOTICE OF THE 77th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 77th Ordinary General Meeting of Shareholders of the Company. The Meeting will be held as described below.

If you are unable to attend the Meeting, you can exercise your voting rights in writing or through electromagnetic devices (Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. (JST) on June 25, 2018 (Monday).

1. **Date and Time:** **Tuesday, June 26, 2018 at 10:00 a.m. (JST)**
  2. **Place:** **5th Floor of the Head Office Building, SCREEN Holdings Co., Ltd.  
Tenjinkita-machi 1-1, Teranouchi-agaru 4-chome, Horikawa-dori,  
Kamigyo-ku, Kyoto, Japan**
  3. **Agenda of the Meeting:**
    - Matters to be reported:** (1) The Business Report, the Consolidated Financial Statements, and results of each audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the 77th fiscal term (from April 1, 2017 to March 31, 2018)
    - (2) The Non-consolidated Financial Statements for the 77th fiscal term (from April 1, 2017 to March 31, 2018)
- Proposals to be resolved:**
- Proposal No. 1:** Appropriation of Surplus
  - Proposal No. 2:** Election of Nine Directors
  - Proposal No. 3:** Election of One Substitute Corporate Auditor

[Exercising Voting Rights in Writing]

Please indicate whether you approve or disapprove the proposal on the enclosed Voting Rights Exercise Form, and return by mail so that it will arrive by the deadline indicated in the previous page.

[Exercising Voting Rights through Electromagnetic Devices (Internet, etc.)]

When exercising voting rights through electromagnetic devices, please review the “Instructions on Exercising Voting Rights through Electromagnetic Means (Internet, etc.)” on pages 3 and 4 and enter whether you approve or disapprove the proposal.

In the event that a voting right is exercised both in writing and through electromagnetic devices, the vote cast through electromagnetic devices shall be accepted as the valid vote.

Notes:

1. Of the documents to be included in this Notice of Convocation, the “Consolidated Statements of Changes in Shareholders’ Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and the “Statements of Changes in Shareholders’ Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are posted on the Company’s website (<http://www.screen.co.jp/>) in accordance with laws and regulations and Article 16 of the Articles of Incorporation of the Company, and are not included in the attached documents of this Notice of Convocation. The Consolidated Statements of Changes in Shareholders’ Equity, the Notes to the Consolidated Financial Statements, the Statements of Changes in Shareholders’ Equity and the Notes to the Non-consolidated Financial Statements are a subset of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Accounting Auditor and the Board of Corporate Auditors during preparation of the Audit Reports.
2. In the event that the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders are modified, the Company will post such modification on its website (<http://www.screen.co.jp/>).
3. For those attending, please hand in the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting.

**Invitation for the Management Conditions Briefing Session**

You are cordially invited to attend the Management Conditions Briefing Session, which will be held after the General Meeting of Shareholders in the same venue.

## **Instructions on Exercising Voting Rights through Electromagnetic Means (Internet, etc.)**

Shareholders are requested to read the following items before exercising voting rights via the Internet, etc.

### **1. Website for Exercising Voting Rights**

Voting rights via the Internet can be exercised only by accessing the website below, designated by the Company for this purpose.

Website for exercising voting rights: <a href="https://www.web54.net">https://www.web54.net</a>
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### **2. Methods for Exercising Voting Rights**

#### (1) Using a personal computer

Please access the above website using the “Voting Rights Exercise Code” and “Password” stated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to indicate your vote for or against the proposals.

#### (2) Using a smartphone

You can exercise your voting rights by scanning the “Voting Rights Exercise Website Login QR Code for Smartphones” stated on the enclosed Voting Rights Exercise Form. This does not require the use of the “Voting Rights Exercise Code” or “Password.”

If you wish to change your vote after exercising your voting rights, you will need to scan the QR code again and enter the “Voting Rights Exercise Code” and “Password” stated on the Voting Rights Exercise Form.

### **3. Handling the Exercise of Voting Rights**

- (1) The deadline for the exercise of voting rights is 5:00 p.m. (JST) on June 25, 2018 (Monday), and shareholders are accordingly requested to exercise their vote at their earliest convenience.
- (2) If your voting right is exercised in duplicate in writing and via the Internet, etc., the vote exercised via the Internet, etc. shall be the vote deemed valid. Similarly, if you exercise your voting right multiple times via the Internet, etc., or exercise your voting right in duplicate using a personal computer and smartphone, only the last vote exercised shall be deemed valid.
- (3) Shareholders are responsible for any fees (connection fees, etc.) charged by providers or telecommunication carriers for using the website for exercising voting rights.
- (4) Depending on the Internet usage environment of the personal computer or smartphone, etc., the website for exercising voting rights may not be available.

### **4. Handling of Passwords and Voting Rights Exercise Code**

- (1) The password is an important piece of information to confirm that that the person voting is a qualified shareholder. Please treat it with the same importance as a seal or PIN.
- (2) Passwords can no longer be used if entered incorrectly more than a certain number of times. If you wish to have your password reissued, please follow the instructions on the screen.
- (3) The Voting Rights Exercise Code stated on the Voting Rights Exercise Form is valid only for this Ordinary General Meeting of Shareholders.

### **5. Inquiries Concerning the Operation Procedures of Personal Computers, etc.**

- (1) If you are unsure of how to operate your personal computer, etc. with regard to exercising your voting rights on this website, please contact the following:  
Sumitomo Mitsui Trust Bank Stock Transfer Agency web support (exclusive number)  
Toll Free Number: 0120 (652) 031 (9:00 to 21:00 (JST))
- (2) For any other inquiries, please contact the following:
  - a. Shareholders who have an account with a securities company

Shareholders who have an account with a securities company are asked to contact the relevant securities company.

- b. Shareholders who do not have an account with a securities company  
Please contact Sumitomo Mitsui Trust Bank Stock Transfer Agency Department  
Toll Free Number: 0120 (782) 031 (9:00 to 17:00 (JST) excluding weekends and public holidays).

**6. Instructions for Using the Electronic Voting Rights Exercise Platform (for institutional investors)**

Institutional investors may also exercise voting rights through electromagnetic means using the “Electronic Voting Rights Exercise Platform” operated by ICJ, Inc. for this Ordinary General Meeting of Shareholders.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Appropriation of Surplus

The SCREEN Group works to secure the retained earnings necessary for growth investment and the sound maintenance of a financial base able to respond to future changes in the business environment. Considering this aim and other factors, the SCREEN Group's basic policy is to provide a total consolidated shareholder return ratio of 25% or above.

Based on the policy above, it is proposed that year-end dividends for the 77th fiscal term be distributed as follows:

- (1) Matters concerning the distribution of dividend property to shareholders and its aggregate amount  
110 yen per share of common stock of the Company, or 5,143,393,420 yen in an aggregate amount
- (2) Date on which the dividend of surplus becomes effective  
June 27, 2018

**Proposal No. 2: Election of Nine Directors**

The terms of office of nine Directors, namely Messrs. Eiji Kakiuchi, Shin Minamishima, Katsutoshi Oki, Soichi Nadahara, Yoichi Kondo, Kimito Ando, Yoshio Tateishi, Shosaku Murayama and Shigeru Saito, will expire at the close of this Meeting. Accordingly, the Company proposes election of nine Directors.

The nominees for Director are as follows:

No.	Name	Position and responsibility in the Company	Attendance at Meetings of the Board of Directors
1	Eiji Kakiuchi <u>Reelection</u>	Representative Director President Chief Executive Officer (CEO)	100% (14/14 meetings)
2	Shin Minamishima <u>Reelection</u>	Representative Director Senior Managing Director Chief Officer of CSR Management	100% (14/14 meetings)
3	Katsutoshi Oki <u>Reelection</u>	Managing Director Chief Officer of Corporate Strategy	100% (14/14 meetings)
4	Soichi Nadahara <u>Reelection</u>	Managing Director Chief Technology Officer (CTO)	100% (14/14 meetings)
5	Yoichi Kondo <u>Reelection</u>	Managing Director Chief Financial Officer (CFO)	100% (14/14 meetings)
6	Kimito Ando <u>Reelection</u>	Director Chief Officer of General Affairs & HR Strategy Chief Officer of Tokyo Representative	100% (11/11 meetings)
7	Shosaku Murayama <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director	100% (14/14 meetings)
8	Shigeru Saito <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Director	100% (14/14 meetings)
9	Makoto Yoda <u>New candidate</u> <u>Outside</u> <u>Independent</u>		

Note:

Attendance by Mr. Kimito Ando represents his attendance at Meetings of the Board of Directors held after his assumption of office on June 27, 2017.

No.  
1

**Eiji Kakiuchi** ■ Profile, position and responsibility in the Company

<b>Reelection</b>	April 1981	Joined the Company
<b>Date of Birth</b>	July 2000	President, DAINIPPON SCREEN GRAPHICS (USA), LLC (Currently SCREEN GP Americas, LLC)
April 3, 1954	April 2005	Corporate Officer President, Media Technology Company
<b>Number of shares of the Company held</b>	April 2006	Corporate Officer (Senior)
24,976	April 2007	Corporate Executive Officer President, Semiconductor Equipment Company
	April 2010	Chief Officer of Security Export Control, GPS and Sales Promotion Support
	April 2011	Chief Officer of IR, Security Export Control, GPS and Group G10
	June 2011	Director
	April 2012	Chief Officer of PR & IR, GPS and G10
	April 2014-present:	Representative Director President
	April 2014	Chief Operating Officer
	August 2014-present:	Director, SCREEN Semiconductor Solutions Co., Ltd. Director, SCREEN Graphic and Precision Solutions Co., Ltd. (Currently SCREEN Graphic Solutions Co., Ltd.) Director, SCREEN Finetech Solutions Co., Ltd.
	April 2016-present:	Chief Executive Officer
	June 2016-present:	Director, SCREEN Advanced System Solutions Co., Ltd.
	December 2016 -present:	Director, SCREEN PE Solutions Co., Ltd.

■ Significant concurrent position

Director, SCREEN Semiconductor Solutions Co., Ltd.  
Director, SCREEN Graphic Solutions Co., Ltd.  
Director, SCREEN Finetech Solutions Co., Ltd.  
Director, SCREEN PE Solutions Co., Ltd.  
Director, SCREEN Advanced System Solutions Co., Ltd.

■ Reasons for selection as a candidate for Director

Mr. Eiji Kakiuchi is currently President and has a wealth of experience and wide insights in domestic and overseas business divisions of the Company, and the Company has judged that he can fulfill his responsibilities and duties as Director to improve corporate value of the Company, and requests his continued election as Director.

No.  
2

**Shin  
Minamishima**

■ **Profile, position and responsibility in the Company**

**Reelection**

**Date of Birth**

November 25, 1955

**Number of shares of  
the Company held**

13,600

April 1978

April 2002

April 2005

April 2009

October 2009

June 2011

May 2013

April 2014

June 2014

August 2014

October 2014

June 2015

April 2016-present:

April 2016

June 2016-present:

Joined the Company

General Manager, Accounting Department, Finance and  
Accounting Division, Business Service Center

President, Accounting Company

Corporate Officer

Deputy General Manager, Business Service Center

Director

General Manager, Business Service Center

General Manager, Management Operation Division

Deputy General Manager, General Administration Division

Managing Director

Chairman, SCREEN Business Support Solutions Co., Ltd.

Chief Officer of General Affairs & Human Resources

Chief Officer of CSR

Representative Director

Senior Managing Director

Chief Officer of CSR Management

Director, SCREEN Manufacturing Support Solutions Co.,  
Ltd.

Director, SCREEN Business Support Solutions Co., Ltd.

Director, SCREEN IP Solutions Co., Ltd.

■ **Significant concurrent position**

Director, SCREEN Manufacturing Support Solutions Co., Ltd.

Director, SCREEN IP Solutions Co., Ltd.

■ **Reasons for selection as a candidate for Director**

Mr. Shin Minamishima is currently Senior Managing Director and has a wealth of experience and wide insights in administration and corporate strategy, and the Company has judged that he can fulfill his responsibilities and duties as Director with high ethics to further promote CSR management of the Company, and requests his continued election as Director.



**Katsutoshi Oki** ■ **Profile, position and responsibility in the Company**

**Reelection**

**Date of Birth**

June 2, 1958

**Number of shares of the Company held**

7,450

April 1981	Joined Nippon Life Insurance Company
March 1995	Temporarily transferred to Nippon Life Insurance Company of America
March 2002	Deputy General Manager, Hiroshima Branch, Nippon Life Insurance Company
March 2004	General Manager, Naha Branch, Nippon Life Insurance Company
March 2007	General Manager, Osaka Metropolitan Area South Branch, Nippon Life Insurance Company
March 2009	General Manager, 2nd Corporate Relations Management Department, Nippon Life Insurance Company
April 2011	Joined the Company Deputy General Manager, Business Service Center
April 2012	Corporate Executive Officer
June 2013	Director
April 2014	General Manager, Management Operation Division Chief Officer of PR & IR, GPS and G10
June 2014-present:	Managing Director
August 2014-present:	Director, SCREEN Semiconductor Solutions Co., Ltd. Director, SCREEN Finetech Solutions Co., Ltd.
October 2014-present:	Chief Officer of Corporate Strategy

■ **Significant concurrent position**

Director, SCREEN Semiconductor Solutions Co., Ltd.  
Director, SCREEN Finetech Solutions Co., Ltd.

■ **Reasons for selection as a candidate for Director**

Mr. Katsutoshi Oki is currently Managing Director and has a wealth of experience and expertise in domestic and overseas areas, making significant contributions to system reforms of the Company. The Company has judged that he can fulfill his responsibilities and duties as Director of the Company, and requests his continued election as Director.

No.  
4

**Soichi  
Nadahara**

**Reelection**

**Date of Birth**

December 2, 1957

**Number of shares of  
the Company held**

15,151

**■ Profile, position and responsibility in the Company**

April 1986	Joined TOSHIBA CORPORATION
July 1997	Development Manager, Processing Technology Research Center, TOSHIBA CORPORATION
April 2001	Group Manager, Processing Technology Promotion Center, Semiconductor Company, TOSHIBA CORPORATION
April 2004	Joined the Company Chief Officer, Technology Control, Semiconductor Equipment Company
October 2004	Vice President, Semiconductor Equipment Company
April 2006	Corporate Officer
April 2011	Corporate Officer (Senior)
April 2013-present:	Chief Technology Officer
April 2013	General Manager, R&D Center
June 2014-present:	Managing Director
August 2014-present:	Director, SCREEN Semiconductor Solutions Co., Ltd.
August 2014	Director, SCREEN Manufacturing Support Solutions Co., Ltd.
October 2014	Chief Officer of R&D
April 2016-present:	Director, SCREEN Graphic and Precision Solutions Co., Ltd. (Currently SCREEN Graphic Solutions Co., Ltd.)
June 2016-present:	Director, SCREEN Advanced System Solutions Co., Ltd. Director, SCREEN IP Solutions Co., Ltd.
December 2016 -present:	Director, SCREEN PE Solutions Co., Ltd.

**■ Significant concurrent position**

Director, SCREEN Semiconductor Solutions Co., Ltd.  
Director, SCREEN Graphic Solutions Co., Ltd.  
Director, SCREEN PE Solutions Co., Ltd.  
Director, SCREEN Advanced System Solutions Co., Ltd.  
Director, SCREEN IP Solutions Co., Ltd.

**■ Reasons for selection as a candidate for Director**

Mr. Soichi Nadahara is currently Managing Director and has a wealth of experience and diverse expertise in technology divisions of another company and the Company, and the Company has judged that he can fulfill his responsibilities and duties as Director of the Company, and requests his continued election as Director.

No.  
5

## Yoichi Kondo

### **Reelection**

### **Date of Birth**

September 25, 1958

### **Number of shares of the Company held**

4,954

### **■ Profile, position and responsibility in the Company**

April 1982      Joined The Bank of Tokyo, Limited (Currently MUFG Bank, Ltd.)

December 2007      General Manager, Asia & China Department, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)

May 2010      General Manager, International Examination Department, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)

General Manager, SME Financing Facilitation Office, Loans Department, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)

General Manager, SME Financing Facilitation Office, Retail Loans Department, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)

June 2010      Corporate Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Currently MUFG Bank, Ltd.)

June 2013      Joined the Company  
Corporate Officer (Senior)  
Deputy Chief Financial Officer  
Deputy General Manager, Business Service Center

April 2014      General Manager, General Administration Division

June 2014-present:      Managing Director  
Chief Financial Officer

August 2014-present:      Director, SCREEN Semiconductor Solutions Co., Ltd.  
Director, SCREEN Graphic and Precision Solutions Co., Ltd. (Currently SCREEN Graphic Solutions Co., Ltd.)  
Director, SCREEN Business Support Solutions Co., Ltd.

October 2014      Chief Officer of Finance & Accounting

### **■ Significant concurrent position**

Director, SCREEN Semiconductor Solutions Co., Ltd.  
Director, SCREEN Graphic Solutions Co., Ltd.  
Director, SCREEN Business Support Solutions Co., Ltd.

### **■ Reasons for selection as a candidate for Director**

Mr. Yoichi Kondo is currently Managing Director and has a wealth of experience in domestic and overseas areas and expertise regarding finance and accounting, and the Company has judged that he can fulfill his responsibilities and duties as Director of the Company, and requests his continued election as Director.

No.  
6

## **Kimito Ando**

### ■ Profile, position and responsibility in the Company

#### **Reelection**

#### **Date of Birth**

December 25, 1958

#### **Number of shares of the Company held**

6,541

April 1981	Joined the Company
April 2000	General Manager, Sales Department, Electronics Components Division
April 2006	President, Human Resources Company
October 2009	General Manager, Human Capital Management Group, Business Service Center
April 2011	Corporate Officer Deputy General Manager, Business Service Center
September 2012	Vice President, Semiconductor Equipment Company
April 2014	Corporate Officer (Senior)
August 2014	Director, SCREEN Semiconductor Solutions Co., Ltd.
November 2014	Chief Officer of CSR, SCREEN Semiconductor Solutions Co., Ltd.
April 2016	Corporate Executive Officer, SCREEN Semiconductor Solutions Co., Ltd. Chief Officer of Tokyo Representative, SCREEN Semiconductor Solutions Co., Ltd.
June 2017-present:	Director Chief Officer of General Affairs & HR Strategy Chief Officer of Tokyo Representative
April 2018-present:	Director, SCREEN Business Support Solutions Co., Ltd.

#### ■ Significant concurrent position

Director, SCREEN Business Support Solutions Co., Ltd.

#### ■ Reasons for selection as a candidate for Director

Mr. Kimito Ando is currently Director and has a wealth of experience and wide insights in the Company's businesses and its General Administration Division, and has led business as an executive of core business companies. The Company has judged that he can fulfill his responsibilities and duties as Director with high ethics to contribute to the strengthening of the Business Operating Company's corporate governance as Chief Officer of CSR, etc., and requests his continued election as Director.

No.  
7

**Shosaku  
Murayama**

**Reelection  
Outside  
Independent**

**Date of Birth**

September 21, 1949

**Number of shares of  
the Company held**

1,600

**■ Profile, position and responsibility in the Company**

April 1972	Joined Bank of Japan
February 1981	Economist, Representative Office in New York, Bank of Japan
November 1994	General Manager, Takamatsu Branch, Bank of Japan
June 1998	General Manager, Research and Statistics Department, Bank of Japan
March 2002	President & CEO, Teikoku Seiyaku Co., Ltd.
June 2002	Outside Director, SHIKOKU CHEMICALS CORPORATION
June 2008	Director, iPS Academia Japan, Inc.
June 2011	President & CEO, iPS Academia Japan, Inc.
June 2013-present:	Director of the Company
June 2014-present:	Outside Director, TOHO HOLDINGS CO., LTD.
July 2014-present:	Representative Director and President, iPS PORTAL, Inc.

**■ Significant concurrent position**

Representative Director and President, iPS PORTAL, Inc.  
Outside Director, TOHO HOLDINGS CO., LTD.

**■ Reasons for selection as a candidate for Outside Director**

Mr. Shosaku Murayama is currently Outside Director and serves as Representative Director and President at another company, and based on his accumulated wealth of knowledge and expertise, and wide experiences, the Company has judged that he can further improve the supervisory functions of management by expressing opinions from various viewpoints, and requests his continued election as Outside Director.

No.  
8

## Shigeru Saito

**Reelection**

**Outside**

**Independent**

**Date of Birth**

January 26, 1957

**Number of shares of  
the Company held**

1,239

### ■ Profile, position and responsibility in the Company

November 1979	Joined TOSE CO., LTD. Head of Development Division, TOSE CO., LTD.
October 1985	Director, TOSE CO., LTD.
February 1987	President, TOSE CO., LTD.
September 2004	President and CEO, TOSE CO., LTD.
June 2013-present:	Director of the Company
December 2015	Chairman and CEO, TOSE CO., LTD.
-present:	
June 2017-present:	Outside Director, Wacoal Holdings Corp.

### ■ Significant concurrent position

Chairman and CEO, TOSE CO., LTD.  
Outside Director, Wacoal Holdings Corp.

### ■ Reasons for selection as a candidate for Outside Director

Mr. Shigeru Saito is currently Outside Director and serves as Chairman and CEO at another company, and based on his accumulated wealth of knowledge and experience, the Company has judged that he can further improve the supervisory functions of management by expressing opinions from various viewpoints, and requests his continued election as Outside Director.

No.  
9

## Makoto Yoda

### ■ Profile, position and responsibility in the Company

**New candidate**

**Outside**

**Independent**

**Date of Birth**

January 24, 1950

**Number of shares of  
the Company held**

300

March 1972

June 2001

June 2002

April 2004

June 2004

June 2005

June 2006

October 2007

June 2015

May 2016

June 2017-present:

Joined Japan Storage Battery Co., Ltd.  
(Currently GS Yuasa International Ltd.)

Director, Japan Storage Battery Co., Ltd.

Managing Director, Japan Storage Battery Co., Ltd.

Managing Director, GS Yuasa Corporation

President, GS Yuasa Power Supply Co., Ltd.

(Currently GS Yuasa International Ltd.)

Senior Managing Executive Officer, GS Yuasa Corporation

President, GS Yuasa Corporation

Chief Executive Officer (CEO), GS Yuasa Corporation

Chairman, GS Yuasa Corporation

Chairman, GS Yuasa International Ltd.

Chairman, Kyoto Industrial Association, Inc.

Advisor, GS Yuasa Corporation

### ■ Significant concurrent position

Advisor, GS Yuasa Corporation

### ■ Reasons for selection as a candidate for Director

Mr. Makoto Yoda has a wealth of insights as a manager for many years, and based on his diverse experiences, including as Chairman of Kyoto Industrial Association, Inc., the Company has judged that he can further improve the supervisory functions of management by expressing opinions from various viewpoints, and requests his election as Outside Director.

#### Notes:

1. Of Director nominees, Messrs. Shosaku Murayama, Shigeru Saito and Makoto Yoda are nominated as Outside Director. The Company has reported Messrs. Shosaku Murayama and Shigeru Saito to Tokyo Stock Exchange Group, Inc. as an independent director/auditor. They will continuously serve as an independent director/auditor if they are re-elected as proposed. Additionally, if Mr. Makoto Yoda is elected as proposed, the Company intends that he will also serve as an independent director/auditor.
2. Special interest between the nominees for Director and the Company
  - (1) Mr. Shosaku Murayama is Representative Director and President of iPS PORTAL, Inc. The Company has engaged in business transactions related to sales promotion with iPS PORTAL, Inc., but the amount of such transactions accounts for less than 0.1% of selling, general and administrative expenses, and is not material.
  - (2) There is no special interest between any nominee other than mentioned above and the Company.
3. The number of years for which the Outside Director nominees have served as Director of the Company
  - (1) Mr. Shosaku Murayama will have served as Director of the Company for five years at the close of this Meeting.
  - (2) Mr. Shigeru Saito will have served as Director of the Company for five years at the close of this Meeting.
4. Limitation of Liability Agreement with Outside Directors  
The Company has concluded a Limitation of Liability Agreement with Messrs. Shosaku Murayama and Shigeru Saito to limit their liability as prescribed in the provision of Article 423, Paragraph 1 of the Company Law pursuant to Article 427, Paragraph 1 of the Company Law. Under the agreement, their liability for damages shall be limited within the amount prescribed by laws and regulations. When Messrs. Shosaku Murayama and Shigeru Saito are elected as proposed, their agreement will be renewed. Additionally, when Mr. Makoto Yoda is elected as proposed, the Company intends to enter into a similar agreement to limit his liability for damages.

### Proposal No. 3: Election of One Substitute Corporate Auditor

The effective term of office of Mr. Tetsuo Kikkawa, the Substitute Corporate Auditor, will expire at the commencement of this Meeting. Accordingly, the Company requests the election of one Substitute Corporate Auditor to prepare for a contingency in which the Company does not have the number of Audit & Supervisory Board Members required by laws and regulations.

The candidate for Substitute Corporate Auditor is a substitute for Outside Corporate Auditor, and consents to assuming the office of Corporate Auditor in the event that an Outside Corporate Auditor retires during the term of office and the Company does not have the number of Corporate Auditors required by laws and regulations.

The consent of the Board of Corporate Auditors has been obtained for this proposal.

The nominee for Substitute Corporate Auditor is as follows:

<b>Tetsuo Kikkawa</b>	<b>■ Profile</b>	
<b>Date of birth</b>	October 1979	Passed the Bar Examination
July 28, 1947	April 1982	Registered as an Attorney-at-Law with the Japan Federation of Bar Associations
<b>Number of shares of the Company held</b>	April 1986	Joined Miyake Joint Partnership Law Office (Currently Miyake & Partners)
0	April 1995	Established Masukawa & Kikkawa Joint Partnership Law Firm
	October 2002	Vice-chairman, Kyoto Bar Association
	October 2002-present	Established Kyoto Mirai Law Firm
	April 2012	President and Attorney-at-Law, Kyoto Mirai Law Firm
		Chairman, Kyoto Bar Association
	<b>■ Significant concurrent position</b>	
		President and Attorney-at-Law, Kyoto Mirai Law Firm
	<b>■ Reasons for selection as a candidate for Substitute Corporate Auditor</b>	
		Mr. Tetsuo Kikkawa has a wealth of knowledge and experience accumulated over many years working as an Attorney-at-Law, and based on this, the Company has judged that he is a person who has high ethics and can conduct fair and unbiased audits, and requests his election as Substitute Outside Corporate Auditor.

#### Notes:

1. There is no special interest between the nominee for Substitute Corporate Auditor and the Company.
2. **Limitation of Liability Agreement with Outside Corporate Auditors**  
When Mr. Tetsuo Kikkawa is elected as Outside Corporate Auditor, the Company intends to enter into an agreement with him to limit his liability as prescribed in the provision of Article 423, Paragraph 1 of the Company Law pursuant to Article 427, Paragraph 1 of the Company Law. Under the agreement, his liability for damages shall be limited within the amount prescribed by laws and regulations.