

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 2685
May 8, 2020

To Our Shareholders

Michio Fukuda
Representative Director, Chairman & President
Adastria Co., Ltd.
3-1-27 Izumi-cho, Mito-shi, Ibaraki

Notice of the 70th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 70th Ordinary General Meeting of Shareholders of Adastria Co., Ltd. (the “Company”) to be held as stated below.

If you are unable to attend the General Meeting of Shareholders, you may exercise your voting rights in writing or electronically or magnetically (e.g. via the Internet). After reviewing the attached Reference Documents for the General Meeting of Shareholders, please indicate your approval or disapproval of the proposals on the enclosed voting card and return it to reach us no later than 7:00 p.m. on Wednesday, May 27, 2020 (Japan Standard Time), or vote at the website for exercising voting rights specified by the Company (<https://evote.tr.mufg.jp/>).

Meeting Details

- 1. Date and Time:** Thursday, May 28, 2020 at 3:00 p.m. (doors open at 2:00 p.m.)
- 2. Venue:** “Sea Breeze” at HOTEL TERRACE the GARDEN MITO 3F
1-7 Miya-machi, Mito-shi, Ibaraki

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 70th fiscal year (from March 1, 2019 to February 29, 2020), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 70th fiscal year (from March 1, 2019 to February 29, 2020)

Matters to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
Proposal 2: Election of Nine (9) Directors
Proposal 3: Election of Two (2) Audit & Supervisory Board Members
Proposal 4: Revision of Amount of Compensation, etc. for Directors
Proposal 5: Revision of Amount of Compensation, etc. for Audit & Supervisory Board Members
Proposal 6: Revision of Details of Performance-Linked and Share-Based Compensation for Directors

4. Matters Concerning Internet Disclosure

Of the documents that should be provided with this notice of the General Meeting of Shareholders, the following items are posted on the Company's website (<https://www.adastria.co.jp/>) pursuant to relevant laws and regulations and Article 15 of the Company's Articles of Incorporation. These documents are thus not included in this notice of the General Meeting of Shareholders.

- (a) "System to Ensure Properness of Operation and the Status of its Implementation" in the Business Report
- (b) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements"
- (c) "Non-consolidated Statement of Changes in Equity" and "Notes to the Non-consolidated Financial Statements"

Accordingly, the attached documents to this notice are a part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing the audit reports and accounting audit reports, respectively.

5. Instructions Concerning the Exercise of Voting Rights

Please refer to "Instructions Concerning the Exercise of Voting Rights" presented on page 3.

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- If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, please note that such changes will be posted on the Company's website (<https://www.adastria.co.jp/>).
 - When you attend the General Meeting of Shareholders, you are kindly requested to submit the enclosed voting card at the reception. You are also requested to bring this notice to the meeting.

Notice Regarding Prevention of Novel Coronavirus Disease (COVID-19) Infection

Shareholders attending the General Meeting of Shareholders are requested to check the status of COVID-19 infections on the day of the meeting and take note of your own health condition. Please take measures to protect yourself from infection, such as wearing a mask, when you attend.

Please consider exercising your voting rights beforehand by mailing the enclosed voting card or by using the internet. By scanning the QR code® printed on the voting card, shareholders with a smartphone may exercise their voting rights without having to enter their login ID or temporary password. Please see page 4 for details.

Wishing to make shareholders' safety the top priority, inside the venue for the General Meeting of Shareholders, we plan to ensure the staff will be wearing masks, make hand sanitizer available, and take other measures to prevent infection. We ask for your understanding and cooperation. Please note that the staff will be looking out for any people attending who display signs of being unwell and if such individuals are discovered, they may be refused entry or asked to leave during proceedings.

Instructions Concerning the Exercise of Voting Rights

You may exercise your voting rights in one of the three following methods.

Exercise of Voting Rights via Attending the General Meeting of Shareholders

Please submit the enclosed voting card at the reception desk upon your arrival.

Please also bring your Notice of Convocation of the 70th Ordinary General Meeting of Shareholders (this document).

Date and Time of the Ordinary General Meeting of Shareholders:

Thursday, May 28, 2020 at 3:00 p.m. (JST) (doors open at 2:00 p.m.)

Exercise of Voting Rights in Writing

Please indicate your approval or disapproval of each proposal on the enclosed voting card, and send back the card so that it will arrive no later than the deadline for exercising voting rights.

For details, please see the below.

Exercise due date:

Arrive at the Company no later than Wednesday, May 27, 2020 at 7:00 p.m. (JST)

Instructions Concerning Filling in the Voting Card for Exercising Voting Rights

Please indicate your approval or disapproval of each proposal here.

(If there is no indication of approval or disapproval with proposal, it shall be handled as an indication of approval for the proposal.)

Proposal 1, 4, 5, 6

- If you approve for a candidate→Mark a ○ in the box marked “賛”
- If you disapprove of a candidate→Mark a ○ in the box marked “否”

Proposal 2, 3

- If you approve for all candidates→Mark a ○ in the box marked “賛”
- If you disapprove of all candidates→Mark a ○ in the box marked “否”
- If you selectively disapprove of certain candidates→Mark a ○ in the box marked “賛” and write the number of each candidate you choose to disapprove.

Please note that your online vote will prevail should you exercise your voting rights both in writing (by post) and via the Internet.

If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.

Exercise of Voting Rights via the Internet

You may exercise your voting rights using a personal computer (PC), a mobile phone and a smartphone.

For details, please see the following page.

Exercise due date:

No later than Wednesday, May 27, 2020 at 7:00 p.m. (JST)

Instruction Regarding Exercise of the Voting Rights via the Internet

Method 1: Scanning QR Code®

You can login to the Exercise of Voting Rights Website without having to enter your login ID and temporary password provided on the voting card.

1. Please scan the QR code® located on the right-hand side of the voting form.
- * “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

Note that you can login by scanning QR code® is possible only at a time.

In case of re-exercising of voting rights or exercising voting right without scanning QR code®, please refer Method 2 “Entering Login ID and Temporary Password” on the right.

Method 2: Entering Login ID and Temporary Password

Exercise of Voting Rights Website
<https://evote.tr.mufg.jp/>

1. Please access the website for exercising voting rights.
2. Enter your Login ID/ Temporary Password provided on the voting card and click on Log in.
3. Please register a new password.
4. Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

In case you need instructions for how to operate your personal computer/smartphone/mobile phone in order to exercise your voting rights via the Internet, please contact:

Help Desk, Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027
(toll free within Japan; 9:00 a.m. to 9:00 p.m.)

Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise voting rights.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Partial Amendments to the Articles of Incorporation

The Company asks for approval for partial amendments to the Articles of Incorporation.

1. Reasons for the proposal

In preparation for the future expansion of the business model, the Company proposes to increase the maximum number of Directors and Audit & Supervisory Board Members in an attempt to enhance the management system and strengthen the audit function.

- (1) The maximum number of Directors prescribed in Article 18 of the Articles of Incorporation (Number of Directors) shall be increased by 3, and changed from 9 to 12.
- (2) The maximum number of Audit & Supervisory Board Members prescribed in Article 28 of the Articles of Incorporation (Number of Audit & Supervisory Board Members) shall be increased by 1, and changed from 4 to 5.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
Article 18. (Number of Directors) The authorized number of Directors of the Company shall be not more than <u>nine (9)</u> .	Article 18. (Number of Directors) The authorized number of Directors of the Company shall be not more than <u>twelve (12)</u> .
Article 28. (Number of Audit & Supervisory Board Members) The authorized number of Audit & Supervisory Board Members of the Company shall be not more than <u>four (4)</u> .	Article 28. (Number of Audit & Supervisory Board Members) The authorized number of Audit & Supervisory Board Members of the Company shall be not more than <u>five (5)</u> .

Proposal 2: Election of Nine (9) Directors

The terms of office of all nine Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of nine Directors.

The candidates for Director are as follows:

No.	Name	Current Positions and Responsibility in the Company	Attribute
1	Michio Fukuda	Representative Director, Chairman & President	Reelection
2	Osamu Kimura	Executive Vice President	Reelection
3	Taiki Fukuda	Director	Reelection
4	Masayuki Kindo	Director	Reelection
5	Yoshiaki Kitamura	Director	Reelection
6	Hideki Kurashige	Outside Director	Reelection, Outside, Independent
7	Tadamitsu Matsui	Outside Director	Reelection, Outside, Independent
8	Satoshi Akutsu	Outside Director	Reelection, Outside, Independent
9	Hiroimi Horie	Outside Director	Reelection, Outside, Independent

Reelection: Candidate to be reelected as a Director

Outside: Candidate for an outside Director

Independent: Independent officer as provided for by stock exchanges

[Reference] Policy and procedures in determining the candidates for Director

The policy and procedures for the Board of Directors in determining the candidates for Director are as follows.

■ Policy

- The individuals nominated and elected for Director shall be of different and diverse backgrounds who possess specialist knowledge and experience, etc., such as individuals who are well-versed and possess deep insight into particular business operations of the Company, individuals with broad experience regarding global corporations, or who have gained international experience through engaging in business operations overseas, individuals with abundant insight as corporate managers, and so forth.
- Through the nomination and election of multiple Outside Directors, the Company intends to strengthen the supervision function and achieve highly transparent management by incorporating the viewpoints of outside personnel who are independent from the Company's management.
- The individuals nominated and elected for Outside Director shall not have any significant conflict of interest with the Adastria Group and shall be able to maintain their independence.

■ Procedure

- Concerning the procedure for nominating and electing candidates for Director, the Representative Director shall submit an original proposal for candidates, then, after the prospective candidates have been discussed by the Nomination and Compensation Advisory Committee, the final decision regarding nomination is made by the Directors at the Board of Directors meeting.

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
1	<p><Reelection></p> <p>Michio Fukuda (July 10, 1946)</p> <p>Tenure as Director 49 years</p> <p>Attendance at Board of Directors meetings 15/15</p>	<p>May 1971 Joined Fukudaya Clothes Store Inc. (currently the Company) Director of Fukudaya Clothes Store Inc.</p> <p>Jun. 1982 Senior Managing Director of Fukudaya Clothes Store Inc.</p> <p>Apr. 1991 Representative Director, President of Bears Factory Limited (currently Adastria Logistics Co., Ltd.)</p> <p>Mar. 1993 Representative Director, President of POINT INC. (currently the Company)</p> <p>Dec. 2002 Representative Director, President of POINT TW INC. (currently Adastria Taiwan Co., Ltd.</p> <p>May 2004 Representative Director, Chairman of POINT INC. (currently the Company)</p> <p>May 2010 Representative Director, Chairman & President of POINT INC.</p> <p>Sep. 2013 Representative Director, Chairman of Adastria Holdings Co., Ltd. (currently the Company)</p> <p>May 2015 Representative Director, Chairman & Chief Executive Officer of Adastria Holdings Co., Ltd.</p> <p>May 2018 Representative Director, Chairman & President of the Company (present)</p>	1,044,640
<p>Significant concurrent positions outside the Company</p> <p>None.</p>			
<p>Reasons for nominating the candidate as Director</p> <p>Michio Fukuda has been nominated as a candidate for Director because the candidate has the achievements of demonstrating leadership and promoting the growth and expansion of the Company's business since the candidate assumed the office of Representative Director of the Company in 1993. The Company proposes the candidate's election as Director to utilize the candidate's rich experience accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>			

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
2	<p><Reelection></p> <p>Osamu Kimura (September 2, 1969)</p> <p>Tenure as Director 8 years and 8 months</p> <p>Attendance at Board of Directors meetings 15/15</p>	<p>Sep. 2011 Representative Director, President of TRINITY ARTS INC. (currently the Company)</p> <p>Apr. 2013 Director of FRIENDS Co., Ltd.</p> <p>Sep. 2013 Director of Adastria Holdings Co., Ltd. (currently the Company) Director of Adastria Asia Co., Ltd.</p> <p>Feb. 2014 Director of N9&PG Co., Ltd. (currently Adastria Logistics Co., Ltd.)</p> <p>May 2015 Director, Senior Executive Officer of Adastria Holdings Co., Ltd. (currently the Company)</p> <p>Jun. 2016 Managing Director of the Company</p> <p>Nov. 2016 Director, Vice President of Peoples Inc. Director, Vice President of ALICIA Co., Ltd. (currently BUZZWIT Co., Ltd.)</p> <p>Mar. 2017 Director, Vice President of ELEMENT RULE Co., Ltd. (present)</p> <p>Oct. 2017 Representative Director, President of ADASTRIA eat Creations Co., Ltd. (present)</p> <p>Mar. 2018 Executive Vice President of the Company (present)</p> <p>May 2019 Director of NATURAL NINE TRADING (SHANGHAI) LTD. (present)</p> <p>Feb. 2020 Director of BUZZWIT Co., Ltd. (present)</p> <p>Significant concurrent positions outside the Company Director of BUZZWIT Co., Ltd. Director, Vice President of ELEMENT RULE Co., Ltd. Representative Director, President of ADASTRIA eat Creations Co., Ltd. Director of NATURAL NINE TRADING (SHANGHAI) LTD.</p> <p>Reasons for nominating the candidate as Director Osamu Kimura has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in the field of sales and store development, and the candidate has worked as a Representative Director of Adastria Group companies in the past. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	20,976

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned	
3	<Reelection> Taiki Fukuda (April 11, 1978) Tenure as Director 3 years Attendance at Board of Directors meetings 15/15	Mar. 2004	Joined IMS Co., Ltd.	201,324
		Apr. 2005	Joined POINT INC. (currently the Company)	
		Mar. 2014	General Manager of Overseas Division of Adastria Holdings, Co., Ltd. (currently the Company)	
		May 2014	Representative Director, President of Adastria Asia Co., Ltd.	
		Mar. 2016	General Manager of Communication Design Division of the Company	
		Mar. 2017	General Manager of Corporate Planning Division of the Company	
		May 2017	Director, General Manager of Corporate Planning Division of the Company	
		Mar. 2018	Director of the Company (present) Chairman of Management Board of Velvet, LLC (present)	
		May 2018	Director of Adastria General Support Co., Ltd. (present)	
		May 2019	Director of Adastria Logistics Co., Ltd. (present)	
Significant concurrent positions outside the Company Director of Adastria Logistics Co., Ltd. Director of Adastria General Support Co., Ltd. Chairman of Management Board of Velvet, LLC				
Reasons for nominating the candidate as Director Taiki Fukuda has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in Japan and overseas, and the candidate has worked as a Representative Director, President of an overseas subsidiary of the Company in the past. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.				

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned	
4	<Reelection> Masayuki Kindo (December 5, 1967) Tenure as Director 2 years Attendance at Board of Directors meetings 15/15	Apr. 1991	Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)	5,900
		Jul. 2006	Joined POINT INC. (currently the Company) General Manager of President's Office	
		Mar. 2008	Executive Officer, General Manager of President's Office of POINT INC.	
		Jun. 2010	Executive Officer, General Manager of New Business Division of POINT INC.	
		Mar. 2012	Executive Officer, General Manager of Strategy Promotion Department of POINT INC.	
		Nov. 2012	Managing Executive Officer, General Manager of Strategy Promotion Department and Miscellaneous Goods Business Department of POINT INC.	
		Sep. 2013	General Manager of Finance Department of Adastria Holdings, Co., Ltd. (currently the Company)	
		Mar. 2015	Senior Executive Officer, General Manager of Business Promotion Division of Adastria Holdings Co., Ltd.	
		Mar. 2016	Senior Executive Officer, General Manager of General Headquarters of Sales of the Company	
		Mar. 2018	Senior Executive Officer, General Manager of General Headquarters of Management and Overseas Assistance Division of the Company Director of Adastria Asia Co., Ltd. (present) Director of POINT (Shanghai) Co., Ltd. (present) Representative Director, President of POINT TW INC. (currently Adastria Taiwan Co., Ltd.) (present) Director of Adastria Korea Co., Ltd. (present)	
		May 2018	Director of the Company (present)	
Aug. 2019	Director of Adastria (Shanghai) Co., Ltd. (present)			
Significant concurrent positions outside the Company Director of Adastria Asia Co., Ltd. Director of POINT (Shanghai) Co., Ltd. Director of Adastria (Shanghai) Co., Ltd. Representative Director, President of Adastria Taiwan Co., Ltd. Director of Adastria Korea Co., Ltd.				
Reasons for nominating the candidate as Director Masayuki Kindo has been nominated as a candidate for Director because the candidate has gained knowledge in finance and accounting based on his experience in a financial institution, and the candidate has gained extensive experience and many achievements in corporate strategy, finance and sales in the Company. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.				

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
5	<p><Reelection></p> <p>Yoshiaki Kitamura (January 25, 1976)</p> <p>Tenure as Director 1 year</p> <p>Attendance at Board of Directors meetings 11/11</p>	<p>Apr. 1999 Joined FIVE FOXes CO., LTD.</p> <p>Feb. 2007 Joined DROP INC. (currently the Company)</p> <p>Sep. 2010 General Manager of studio CLIP Department of TRINITY ARTS INC. (currently the Company)</p> <p>Mar. 2012 General Manager of niko and ... Department of TRINITY ARTS INC.</p> <p>Mar. 2013 Executive Officer, General Manager of Sales Division of TRINITY ARTS INC.</p> <p>May 2014 Director, General Manager of Sales Division of TRINITY ARTS INC.</p> <p>Mar. 2015 Executive Officer, General Manager of Sales II Division of Adastria Holdings, Co., Ltd. (currently the Company)</p> <p>Apr. 2016 Representative Director of Adastria Korea Co., Ltd. (present)</p> <p>Mar. 2018 Senior Executive Officer, General Manager of General Headquarters of Sales of the Company Director of Adastria Asia Co., Ltd. (present) Director of POINT (Shanghai) Co., Ltd. (present) Director of POINT TW INC. (currently Adastria Taiwan Co., Ltd.) (present)</p> <p>May 2019 Director of the Company (present)</p> <p>Aug. 2019 Director of Adastria (Shanghai) Co., Ltd. (present)</p>	5,506
		<p>Significant concurrent positions outside the Company</p> <p>Director of Adastria Asia Co., Ltd. Director of POINT (Shanghai) Co., Ltd. Director of Adastria (Shanghai) Co., Ltd. Director of Adastria Taiwan Co., Ltd. Representative Director of Adastria Korea Co., Ltd.</p>	
		<p>Reasons for nominating the candidate as Director</p> <p>Yoshiaki Kitamura has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in the field of sales such as through driving the growth of the Company's core brands. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
6	Hideki Kurashige (September 11, 1942) Tenure as outside Director 6 years and 8 months Attendance at Board of Directors meetings 15/15	<p>Apr. 1966 Joined IBM Japan, Ltd.</p> <p>Jan. 1993 Executive Vice President of IBM Japan, Ltd.</p> <p>Nov. 1993 Chairman of Price Waterhouse Consultants Co., Ltd. (currently PwC Consulting LLC)</p> <p>May 2000 Director and Adviser of Jusco Co., Ltd. (currently AEON CO., LTD.)</p> <p>Oct. 2002 Chairman of IBM Business Consulting Services KK</p> <p>Feb. 2004 Director, President & CEO, Representative Executive Officer of JAPAN TELECOM CO., LTD (currently SoftBank Corp.)</p> <p>Oct. 2006 President and Senior Managing Director of RHJI Industrial Partners Asia, Inc.</p> <p>May 2007 Outside Director of AEON CO., LTD.</p> <p>Jun. 2007 Outside Director of ASAHI TEC CORPORATION</p> <p>Dec. 2007 Representative Director and Chairman of RHJ International, Japan, Inc.</p> <p>May 2008 CEO, Representative Director of SIGMAXYZ Inc.</p> <p>Apr. 2010 Chairman, Representative Director of SIGMAXYZ Inc.</p> <p>Apr. 2011 Chairman of IT Frontier Corporation (currently Tata Consultancy Services Japan, Ltd.)</p> <p>Apr. 2012 Chairman, Representative Director of IT Frontier Corporation</p> <p>Apr. 2013 Representative Director, Chairman and President of SIGMAXYZ Inc.</p> <p>Sep. 2013 Outside Director of Adastria Holdings Co., Ltd. (currently the Company) (present)</p> <p>Mar. 2019 Representative Director and Chairman of SIGMAXYZ Inc. (present)</p> <p>Significant concurrent positions outside the Company Representative Director and Chairman of SIGMAXYZ Inc.</p> <p>Reasons for nominating the candidate as outside Director and tenure Hideki Kurashige has been nominated as a candidate for outside Director because the candidate has rich experience and extensive insight accumulated while working at global companies. The Company proposes the candidate's election as outside Director to benefit from the guidance that the candidate would provide in the area of promoting sound and efficient management. The candidate's tenure as outside Director will be six years and eight months at the conclusion of this General Meeting of Shareholders.</p> <p>Independence of the candidate The Company has appointed Hideki Kurashige as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p>Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Hideki Kurashige to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	—

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
7	<p><Reelection> <Outside> <Independent></p> <p>Tadamitsu Matsui (May 13, 1949)</p> <p>Tenure as outside Director 6 years and 8 months</p> <p>Attendance at Board of Directors meetings 15/15</p>	<p>Jun. 1973 Joined THE SEIYU Co., Ltd. (currently Seiyu GK)</p> <p>May 1993 Director, General Manager of General Affairs and Personnel Division of RYOHIN KEIKAKU CO., LTD.</p> <p>May 1999 Representative Director, President of RK TRUCKS CO., LTD. (currently RYOHIN KEIKAKU CO., LTD.)</p> <p>May 2000 President and Representative Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Jan. 2001 President and Representative Director of RYOHIN KEIKAKU CO., LTD.</p> <p>Apr. 2001 Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Feb. 2002 President and Representative Director and Executive Officer of RYOHIN KEIKAKU CO., LTD.</p> <p>Feb. 2008 Chairman and Representative Director and Executive Officer of RYOHIN KEIKAKU CO., LTD.</p> <p>May 2009 President and Representative Director of MUJI.net Co., Ltd. (currently MUJI House Co., Ltd.)</p> <p>Oct. 2010 President and Representative Director of T&T Corporation (currently Matsui Office Corporation) (present)</p> <p>Jun. 2013 Outside Director of Resona Bank, Limited</p> <p>Sep. 2013 Outside Director of Adastria Holdings Co., Ltd. (currently the Company) (present)</p> <p>Jun. 2014 Outside Director of Resona Holdings, Inc. (present) Outside Director of OOTOYA Holdings Co., Ltd.</p> <p>May 2015 Outside Director of NEXTAGE Co., Ltd. (present)</p> <p>Jun. 2016 Outside Director of New Constructor's Network Co., Ltd. (present)</p> <p>Nov. 2016 Outside Director of SADAMATSU Company Limited (currently Festaria Holdings Co., Ltd.) (present)</p> <p>Significant concurrent positions outside the Company President and Representative Director of Matsui Office Corporation Outside Director of Resona Holdings, Inc. Outside Director of NEXTAGE Co., Ltd. Outside Director of New Constructor's Network Co., Ltd. Outside Director of Festaria Holdings Co., Ltd.</p>	4,000

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
		<p>Reasons for nominating the candidate as outside Director and tenure Tadamitsu Matsui has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's experience and insight gained as a business manager for major corporations (retail) and with the expectation that this experience and insight can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director.</p> <p>The candidate's tenure as outside Director will be six years and eight months at the conclusion of this General Meeting of Shareholders.</p> <p>Independence of the candidate The Company has appointed Tadamitsu Matsui as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p>Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Tadamitsu Matsui to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
8	<Reelection> <Outside> <Independent> Satoshi Akutsu (July 11, 1966)	May 1998 Ph.D. in Business Administration, University of California, Berkeley Dec. 1998 Assistant Professor, Faculty of Commerce and Management, Hitotsubashi University Apr. 1999 Assistant Professor, the Graduate School of International Corporate Strategy, Hitotsubashi University Jun. 2002 Associate Professor, the Graduate School of International Corporate Strategy, Hitotsubashi University (The Japanese title for Associate Professor was changed from <i>Jokyoju</i> to <i>Junkyoju</i> in 2007) Mar. 2010 Outside Director, OTSUKA KAGU, LTD. Apr. 2010 Visiting Professor, Collaborative Research Sector, National Institute of Informatics, Research Organization of Information and Systems Professor, the Graduate School of International Corporate Strategy (currently Business Administration), Hitotsubashi University (present) Sep. 2013 Outside Director of Adastria Holdings Co., Ltd. (currently the Company) (present) Jun. 2017 Outside Director of Nojima Corporation	-
		Significant concurrent positions outside the Company Professor, the Graduate School of Business Administration, Hitotsubashi University Reasons for nominating the candidate as outside Director and tenure Satoshi Akutsu has been nominated as a candidate for outside Director, although the candidate has never participated in the management of companies other than as an outside officer, as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a marketing specialist and with the expectation that the candidate would provide useful advice and more in relation to the Company's overall marketing business and the management of the Company can benefit from this advice, with a focus on business development strategies. Accordingly, the Company proposes the candidate's election as outside Director. The candidate's tenure as outside Director will be six years and eight months at the conclusion of this General Meeting of Shareholders. Independence of the candidate The Company has appointed Satoshi Akutsu as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer. Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Satoshi Akutsu to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned
9	<Reelection> <Outside> <Independent> Hiromi Horie (June 19, 1956)	Apr. 1981 Joined Nara Machinery Co., Ltd. May 1988 Joined Levi Strauss Japan KK Dec. 1999 Marketing Senior Manager of Levi Strauss Japan KK Mar. 2005 Public Affairs Division Manager of Starbucks Coffee Japan, Ltd. Dec. 2006 Marketing Division Manager of Starbucks Coffee Japan, Ltd. Aug. 2010 Marketing Officer of Starbucks Coffee Japan, Ltd. May 2016 Outside Director of the Company (present) Mar. 2017 Representative Director of Haruka Co., Ltd. (present)	-
		Significant concurrent positions outside the Company Representative Director of Haruka Co., Ltd.	
		Reasons for nominating the candidate as outside Director and tenure Hiromi Horie has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a manager of public affairs and marketing division for major corporations (retail and restaurant) and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director. The candidate's tenure as outside Director will be four years at the conclusion of this General Meeting of Shareholders. Independence of the candidate The Company has appointed Hiromi Horie as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer. Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 27, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Hiromi Horie to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.	
	Tenure as outside Director 4 years Attendance at Board of Directors meetings 15/15		

Notes: 1. Each of the candidates has no special interest in the Company.

2. "Number of the Company's Shares Owned" indicates the number of shares owned as of February 29, 2020.

Proposal 3: Election of Two (2) Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Tsuyoshi Matsuda and Kazuhiko Ebihara will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two Audit & Supervisory Board Members. The consent of the Audit & Supervisory Board has been obtained for this proposal.

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

[Reference] Policy and procedures in determining the candidates for Audit & Supervisory Board Member

The policy and procedures for the Board of Directors in determining the candidates for Audit & Supervisory Board Member are as follows.

■ Policy

- The individuals nominated and elected for Audit & Supervisory Board Member shall be suitably qualified to be Audit & Supervisory Board Members, shall have independence from the Company, and shall be able to perform the role for the full term of office.

■ Procedure

- Concerning the procedure for nominating and electing candidates for Audit & Supervisory Board Member, the Representative Director shall submit an original proposal for candidates, then, after consent has been obtained from the Audit & Supervisory Board, the final decision regarding nomination is made by the Directors at the Board of Directors meeting.

No.	Name (Date of Birth)	Career Summary, and Positions in the Company	Number of the Company's Shares Owned
1	<p><Reelection></p> <p>Tsuyoshi Matsuda (February 5, 1953)</p> <p>Tenure as Audit & Supervisory Board Member 4 years</p> <p>Attendance at Board of Directors meetings 15/15</p> <p>Attendance at Audit & Supervisory Board meetings 12/12</p>	<p>Apr. 1976 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Jan. 2006 Joined POINT INC. (currently the Company) Advisor of POINT INC.</p> <p>Mar. 2006 Executive Officer and General Manager of Administration Division and Accounting Department of POINT INC.</p> <p>May 2008 Director, Corporate Officer and General Manager of Administration Division of POINT INC.</p> <p>May 2010 Director, Managing Corporate Officer and General Manager of Administration Division of POINT INC.</p> <p>Jun. 2013 Corporate Auditor of NATURAL NINE HOLDINGS CO., LTD. (currently Adastria Logistics Co., Ltd.) (present)</p> <p>Mar. 2015 Advisor to the Office of the Chairman of Adastria Holdings Co., Ltd. (currently the Company)</p> <p>May 2016 Full-time Audit & Supervisory Board Member of the Company (present)</p> <p>Significant concurrent positions outside the Company Corporate Auditor of Adastria Logistics Co., Ltd.</p>	2,060

No.	Name (Date of Birth)	Career Summary, and Positions in the Company	Number of the Company's Shares Owned
		<p>Reasons for nominating the candidate as Audit & Supervisory Board Member and tenure</p> <p>Tsuyoshi Matsuda has been nominated as a candidate for Audit & Supervisory Board Member by virtue of the rich experience and specialist knowledge gained while serving in financial institutions, as the General Manager of the Accounting Department of the Company, and as Director, Managing Corporate Officer with responsibility for the financial and accounting departments of the Company, and because the Company expects that these assets will be reflected in the auditing of the Company. Accordingly, the Company proposes the candidate's election as Audit & Supervisory Board Member.</p> <p>The candidate's tenure as Audit & Supervisory Board Member will be four years at the conclusion of this General Meeting of Shareholders.</p> <p>Agreement limiting liability</p> <p>In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 34, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Tsuyoshi Matsuda to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions in the Company	Number of the Company's Shares Owned
2	Kazuhiko Ebihara (March 5, 1958) Tenure as Audit & Supervisory Board Member 4 years Attendance at Board of Directors meetings 15/15 Attendance at Audit & Supervisory Board meetings 12/12	Jul. 1983 Joined The Boston Consulting Group K.K. Jun. 1986 Joined Goldman, Sachs & Co. (currently The Goldman Sachs Group, Inc.) Oct. 1988 Joined Goldman Sachs (Japan) Corp. (currently Goldman Sachs Japan Co. Ltd.) Sep. 2002 Joined J.P. Morgan Securities Asia Pte. Ltd. Dec. 2006 Board Director of Synergy Inc. Jun. 2007 Lecturer of Graduate School of Finance, Accounting and Law, Waseda University Dec. 2013 Instructor of Japan Vietnam EPA Program (Sponsored by Ministry of Foreign Affairs), ARC Academy May 2016 Outside Audit & Supervisory Board Member of the Company (present)	-
		Significant concurrent positions outside the Company None.	
		Reasons for nominating the candidate as outside Audit & Supervisory Board Member and tenure Kazuhiko Ebihara has been nominated as a candidate for outside Audit & Supervisory Board Member by virtue of the rich experience and specialist knowledge gained by the candidate while serving in investment banks, and because the Company expects that these assets will be reflected in the auditing of the Company. Accordingly, the Company proposes the candidate's election as outside Audit & Supervisory Board Member. The candidate's tenure as outside Audit & Supervisory Board Member will be four years at the conclusion of this General Meeting of Shareholders.	
		Independence of the candidate The Company has appointed Kazuhiko Ebihara as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.	
		Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 34, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Kazuhiko Ebihara to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.	

Notes: 1. Each of the candidates has no special interest in the Company.

2. "Number of the Company's Shares Owned" indicates the number of shares owned as of February 29, 2020.

[Reference] Audit & Supervisory Board Members after elections (scheduled)

No.	Name		Current Positions in the Company
			Significant concurrent positions outside the Company
1	Tsuyoshi Matsuda		Full-time Audit & Supervisory Board Member Corporate Auditor of Adastria Logistics Co., Ltd.
2	Kazuhiko Ebihara	Independent Outside	Outside Audit & Supervisory Board Member -
-	Yoshiko Hayama	Independent Outside	Outside Audit & Supervisory Board Member Representative of Yoshiko Hayama Certified Public Accountant Office Outside Director of SUGI HOLDINGS CO., LTD. Outside Director (Audit and Supervisory Committee Member) of DYNAC HOLDINGS CORPORATION
-	Mariko Matsumura	Independent Outside	Outside Audit & Supervisory Board Member Partner of Shinwa Sogo Law Offices Outside Auditor of Fund Creation Group Co., Ltd. Outside Member of the Board of Directors of Meiji Holdings Co., Ltd.

Note: The term of office of an Audit & Supervisory Board Member of the Company is 4 years. Yoshiko Hayama and Mariko Matsumura were elected at the 68th Ordinary General Meeting of Shareholders held on May 24, 2018, and at the 69th Ordinary General Meeting of Shareholders held on May 23, 2019, respectively. Both of these individuals were designated independent officers as provided for by the Tokyo Stock Exchange, to which notifications were made to that effect.

Proposal 4: Revision of Amount of Compensation, etc. for Directors

Approval for setting the amount of Compensation, etc. for Directors of the Company to not more than ¥400 million annually (including not more than ¥25 million for the amount of compensation, etc. for outside Directors) was received at the 57th Ordinary General Meeting of Shareholders held on May 30, 2007. At the 63rd Ordinary General Meeting of Shareholders held on May 23, 2013, approval was received for the revision of an upper limit for outside Directors within the upper limit set for all Directors of ¥400 million annually (including not more than ¥50 million for the amount of compensation, etc. for outside Directors), a state of affairs that has continued until today.

Having taken into account various factors, such as subsequent economic conditions and changes in the business environment, as well as the increase in the maximum number of Directors from 9 to 12, as described in Proposal 1 “Partial Amendments to the Articles of Incorporation,” and reviewed compensation plans, the Company proposes an amendment to not more than ¥560 million annually (including not more than ¥70 million annually for the compensation, etc. of outside Directors).

As was previously the case, the amount of compensation, etc. of Directors shall not include the portion of employee salaries of directors who concurrently serve as employees.

In addition, the number of Directors is currently 9 (including 4 outside Directors), and in the event that Proposal 2 “Election of Nine (9) Directors” is approved without modification, the number of Directors will not change.

Proposal 5: Revision of Amount of Compensation, etc. for Audit & Supervisory Board Members

Approval for setting the amount of compensation, etc. for Audit & Supervisory Board Members of the Company to not more than ¥50 million annually was received at the 55th Ordinary General Meeting of Shareholders, held on May 26, 2005, a state of affairs that has continued until today.

Having taken into account various factors, such as subsequent economic conditions and changes in the business environment, as well as the increase in the maximum number of Audit & Supervisory Board Members from 4 to 5, as described in Proposal 1 “Partial Amendments to the Articles of Incorporation,” the Company proposes an amendment to not more than ¥70 million annually.

In addition, the number of Audit & Supervisory Board Members is currently 4, and in the event that Proposal 3 “Election of Two (2) Audit & Supervisory Board Members” is approved without modification, the number of Audit & Supervisory Board Members will not change.

Proposal 6: Revision of Details of Performance-Linked and Share-Based Compensation for Directors

1. Reason for the proposal and reasons for justifying the revision

The Company received approval for a performance-linked and share-based compensation plan (hereinafter, the “Plan”) for Directors of the Company (excluding outside Directors and those not resident in Japan; hereafter the same shall apply within this Proposal) at the 66th Ordinary General Meeting of Shareholders held on May 26, 2016, a state of affairs that has continued until today.

Based on a growth strategy targeted at 2025, and with the aim of expanding its business model and enhancing the management system going forward, the Company is seeking to expand the upper limit for the number of Directors (including outside Directors) from 9 to 12, as described in Proposal 1 “Partial Amendments to the Articles of Incorporation.” Accordingly, with the increase in the number of Directors and growth in earnings, the total amount of money contributed by the Company, and the total number of the shares of the Company and the total amount of money equivalent to the portion of shares of the Company converted into cash (hereinafter, “the Company’s Shares, etc.”) that are delivered and granted (hereinafter, “Delivery, etc.”) to Directors under the Plan, could exceed the maximum amount of money contributed by the Company and maximum number of Delivery, etc., of the Company’s Shares, etc. of the current Plan. The Company therefore requests approval for partial amendments of the content to allow for such possibility.

The revision of the Plan aims to further heighten the awareness of Directors toward contributing to improving the Company’s operating performance and to increasing corporate value over the medium and long term, and the Company believes it reasonable to adopt this Plan.

The number of Directors eligible for the Plan after the revision is five provided that Proposal 2 “Election of Nine (9) Directors” is approved as proposed.

2. Details of the Plan revision

The amendments apply to the parts of the current Plan that relate to the applicable period, the maximum amount of money contributed by the Company, the maximum number of the Company’s Shares, etc. acquired by Directors, and the timing of the Delivery, etc. of the Company’s Shares, etc. to Directors.

3. Details, etc. of the Plan after amendment

(1) Overview of the Plan

The Plan is a share-based compensation plan in which shares of the Company are acquired through a trust using funds for the amount of compensation for Directors contributed by the Company, and the Delivery, etc. of the Company’s Shares, etc. is made to Directors through the trust according to their position and the degree of operating performance achieved in a period of three consecutive fiscal years (hereinafter in this proposal, “Applicable Period,” with each fiscal year within the Applicable Period referred to as “Fiscal Year Applicable for Assessment”).

(2) Applicable Period

At a meeting of the Board of Directors held on April 17, 2019, it was resolved that the Plan would be continued, but because it has now again been concluded that it is necessary to further heighten the awareness of Directors toward contributing to improving the Company's operating performance and to increasing corporate value over the medium and long term, with the aim of further expanding the business model and enhancing the management system, the Company proposes to amend the Applicable Period to the three-year period from the fiscal year ending on February 28, 2021 to the fiscal year ending on February 28, 2023. In the event that the Applicable Period is extended, the succeeding three fiscal years shall become the new Applicable Period.

(3) Maximum amount of money contributed by the Company

Currently, the upper limit on the total sum of money for each Applicable Period of ¥470 million is contributed as compensation for Directors to a trust of three years, which is set up with Directors who satisfy the beneficiary requirements as beneficiaries (hereinafter, the "Trust"), but the Company proposes to amend the upper limit on sums of money contributed as compensation for Directors to a total of ¥732 million for each Applicable Period.

If at the expiry of the Applicable Period an extension of the Applicable Period is decided by resolution of the Board of Directors, the Trust may be continued by changing the trust contract or placing an additional trust as an alternative to newly setting the Trust. In that event, the new Applicable Period shall be extended for no longer than the current Applicable Period, and the trust period of the Trust shall be extended by three years. The Company will provide an additional contribution up to a total of ¥732 million for every Applicable Period extended, continue to grant points to the Directors during the Applicable Period extended, and continue the Delivery, etc., of the Company's Shares, etc., during the trust period extended; provided, however, that, if, in the case of providing the aforesaid additional contribution, there are residual shares of the Company (excluding shares of the Company corresponding to the points granted to Directors for which Delivery, etc., are incomplete) and money (hereinafter, collectively, "Residual Shares, etc.") in the trust property as of the end of the Applicable Period prior to the extension, the total of the amount of Residual Shares, etc., and the trust money for additional contribution shall not be more than ¥732 million.

(4) Maximum number of the Company's Shares, etc., acquired by Directors

The upper limit on the total number of the Company's Shares, etc. for which Delivery, etc. is made to Directors via the Trust is 52,000 shares annually, but it is proposed that this be amended to an upper limit of 111,000 shares annually.

(5) Timing of Delivery, etc., of the Company's Shares, etc., to Directors

Directors who satisfied the beneficiary requirements were able, after three years had elapsed as reckoned from the beginning of each Fiscal Year Applicable for Assessment, to take Delivery, etc. of a number of the Company's Shares, etc. based on the number of points relating to the Fiscal Year Applicable for Assessment in question, but in order to further raise awareness of the need to align interests with those of shareholders, said Directors shall be able to take Delivery, etc. of the Company's Shares, etc. after two years have elapsed as reckoned from the beginning of each Fiscal Year Applicable for Assessment, so as to enable Directors to take ownership of the shares of the Company at an earlier stage.

However, the Company's Shares, etc. acquired through the Plan shall be held continuously by Directors for a period of at least one year after delivery.

● Details of the Plan revision (Underlined parts are amended.)

Item	Before revision	After revision
Applicable Period	The three-year period from the fiscal year ended February 29, <u>2020</u> to the fiscal year ending February 28, <u>2022</u>	The three-year period from the fiscal year ending February 28, <u>2021</u> to the fiscal year ending February 28, <u>2023</u>
Maximum amount of money contributed by the Company	A total of <u>¥470 million</u> in the applicable period of three fiscal years	A total of <u>¥732 million</u> in the applicable period of three fiscal years
Maximum number of the Company's Shares, etc., acquired by Directors	<ul style="list-style-type: none"> • No more than a total of <u>156,000 shares</u> during a three year period (<u>52,000 shares</u> per year) • Approximately <u>0.3%</u> of the total number of issued shares (after deducting treasury shares as of February 29, <u>2016</u>) (approximately <u>0.1%</u> of the total number of shares outstanding per year) 	<ul style="list-style-type: none"> • No more than a total of <u>333,000 shares</u> during a three year period (<u>111,000 shares</u> per year) • <u>0.7%</u> of the total number of issued shares (after deducting treasury shares as of February 29, <u>2020</u>) (approximately <u>0.2%</u> of the total number of shares outstanding per year)
Timing of Delivery, etc., of the Company's Shares, etc., to Directors	<ul style="list-style-type: none"> • After <u>three</u> years have passed from the start of each Fiscal Year Applicable for Assessment 	<ul style="list-style-type: none"> • After <u>two</u> years have passed from the start of each Fiscal Year Applicable for Assessment • <u>However, the Company's Shares, etc. acquired through the Plan shall be held continuously by Directors for a period of at least one year after delivery.</u>
	(Other items)	<u>Points for the Fiscal Year Applicable for Assessment that ends on February 29, 2020, before this amendment, shall be awarded after three years have elapsed as reckoned from the beginning of the Fiscal Year Applicable for Assessment.</u>

There have been no other changes to the Plan.

● Key points of the Plan as approved by the 66th Ordinary General Meeting of Shareholders

Item	Contents
Persons eligible for the Delivery, etc., of the Company's Shares, etc., under this plan	Directors of the Company (excluding outside Directors and Directors that are non-residents of Japan)
The method of acquisition of shares of the Company	Shares of the Company are purchased on the stock market or from the Company (disposition of treasury shares).
Contents of the terms of achieving performance targets	<ul style="list-style-type: none"> • Terms vary in accordance with the degree of achievement for the targets in terms of year-on-year change in net sales and operating income and operating margin. • The number of shares is determined within the range of 0 to 200%.
Voting rights concerning the shares of the Company in the Trust	In order to ensure neutrality toward management, voting rights shall not be exercised during the trust period.