

[Translation for reference only]

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is an English translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall prevail.

Securities Code: 3289

June 9, 2021

Dear Shareholders:

Hironori Nishikawa  
President and Representative Director  
**Tokyu Fudosan Holdings Corporation**  
Dogenzaka 1-21-1, Shibuya-ku, Tokyo, Japan

## **Notice of Convocation of the 8th Ordinary General Meeting of Shareholders**

This is to notify you of the 8th Ordinary General Meeting of Shareholders of Tokyu Fudosan Holdings Corporation (the “Company”), which will be held as described below.

To prevent the spread of COVID-19, shareholders are requested to refrain from attending the meeting in person as your health is the top priority. Please review the Reference Documents for the General Meeting of Shareholders attached hereto, and exercise your voting rights via the Internet or in writing by 6:00 p.m., Japan Standard Time, on Thursday, June 24, 2021.

- 1. Date and Time:** Friday, June 25, 2021, at 10:00 a.m.  
(The reception desk will open at 9:30 a.m. [scheduled])
  
- 2. Venue:** Ballroom, B2F, Cerulean Tower Tokyu Hotel  
26-1 Sakura-gaoka-cho, Shibuya-ku, Tokyo, Japan  
Note: The Ordinary General Meeting of Shareholders will be live-streamed on the Internet. Please refrain from attending the meeting in person on the day and view the meeting via the Internet.

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. The Business Report, Consolidated Financial Statements, and Audit Reports for the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board for the 8th fiscal year (from April 1, 2020 to March 31, 2021)
2. Non-consolidated Financial Statements for the 8th fiscal year (from April 1, 2020 to March 31, 2021)

#### **Matters to be resolved:**

- Proposal No. 1: Appropriation of surplus**
- Proposal No. 2: Election of fifteen (15) Directors**
- Proposal No. 3: Election of four (4) Audit & Supervisory Board Members**
- Proposal No. 4: Election of one (1) substitute Audit & Supervisory Board Member**
- Proposal No. 5: Partial Amendment and Continuation of the Stock-based Compensation System for Directors, etc.**

(Request to Shareholders)

The aforementioned guidance may be updated depending on the status of infection spread, requests by the government and other factors up to the day of the meeting. Please check the Company's website (<https://www.tokyu-fudosan-hd.co.jp/>) on the Internet in advance for the latest information.

Please note that the meeting will be conducted in Japanese only without an interpreter.

## Reference Documents for the General Meeting of Shareholders

### Proposals and references

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

##### Year-end dividends

The Company regards the return of profits to shareholders to be one of its most important policies. Our basic policy is to maintain a stable dividend policy, comprehensively taking into consideration our business results and the future business environment as well as the capital requirements for medium- and long-term business development, etc.

Under this policy, the Company proposes the year-end dividends as follows:

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and its total amount

8 yen per common share of the Company

Total amount of dividends: 5,756,453,456 yen

(3) Effective date of dividends from surplus

June 28, 2021



**Proposal No. 2: Election of fifteen (15) Directors**



Upon the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of all thirteen (13) Directors will expire.



Accordingly, the Company proposes that the number of Outside Directors be increased by two in order to further enhance the transparency of its management and strengthen the organizational structure for promoting the long-term management policies and that fifteen (15) Directors be elected. If this Proposal is approved as proposed, Independent Outside Directors who meet the Independence Standards stipulated by the Tokyo Stock Exchange and the Company will account for more than one-third (40%) of the Directors of the Company.

The candidates for Directors are as follows:



No.		Name	Age	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings (Attendance rate)
1	Reappointment	Kiyoshi Kanazashi	75	Chairman	10 out of 11 meetings (91%)
2	Reappointment	Yuji Ohkuma	62	Vice Chairman	11 out of 11 meetings (100%)
3	Reappointment	Hironori Nishikawa	62	President & CEO	11 out of 11 meetings (100%)
4	Reappointment	Hitoshi Uemura	61	Representative Director & Executive Vice President	11 out of 11 meetings (100%)
5	Reappointment	Katsuhide Saiga	63	Director & Operating Officer	11 out of 11 meetings (100%)
6	Reappointment	Masashi Okada	62	Director & Operating Officer	11 out of 11 meetings (100%)
7	Reappointment	Shohei Kimura	60	Director & Operating Officer	11 out of 11 meetings (100%)
8	Reappointment	Yoichi Ota	60	Director & Operating Officer	10 out of 10 meetings (100%)
9	Reappointment	Hirofumi Nomoto	73	Director	11 out of 11 meetings (100%)
10	Reappointment Outside Independent	Makoto Kaiami	69	Director	11 out of 11 meetings (100%)
11	Reappointment Outside Independent	Saeko Arai	57	Director	11 out of 11 meetings (100%)
12	Reappointment Outside Independent	Michiaki Ogasawara	67	Director	10 out of 11 meetings (91%)
13	New candidate Outside Independent	Satoshi Miura	77		
14	New candidate Outside Independent	Tsuguhiko Hoshino	61		
15	New candidate Outside Independent	Yumiko Jozuka	59		

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	 Kiyoshi Kanazashi (August 2, 1945; 75 years old)  Reappointment  Attendance to the meetings of the Board of Directors 10/11 (91%)  Number of years in office: 7 years and 9 months (at the conclusion of this General Meeting of Shareholders)	<p>Apr. 1968 Joined Tokyu Land Corporation</p> <p>Jun. 1998 Director, Tokyu Land Corporation</p> <p>Jun. 2000 Managing Director, Tokyu Land Corporation</p> <p>Apr. 2002 Senior Managing Director, Tokyu Land Corporation</p> <p>Apr. 2008 President &amp; CEO, Tokyu Land Corporation</p> <p>Oct. 2013 President and Representative Director, the Company</p> <p>Apr. 2014 President and Representative Director, and Executive Officer, the Company</p> <p>Apr. 2014 Chairman of the Board and Chief Executive Officer, Tokyu Land Corporation</p> <p>Apr. 2015 Chairman of the Board and Chief Executive Officer, the Company</p> <p>Apr. 2015 Chairman, Tokyu Hands, Inc.</p> <p>Jun. 2015 Chairman, Tokyu Land Corporation</p> <p>Apr. 2020 Chairman, the Company (current)</p> <p>(Significant concurrent positions outside the Company)            Director, Tokyu Corporation            President, The Tokyu Foundation            Director, TOKYU RECREATION CO., LTD.            Representative Director, Lifelong Health and Wellness Association</p> <p>(Reasons for nomination)            Joined Tokyu Land Corporation in 1968, and has been involved in housing development operations and so forth since then. Involved with corporate management as President and Director of the Company from 2013 to 2015 and Chairman of the Company since 2015. Has extensive operational experience with the Group and insight relating to corporate management in general. Has insight relating to ESG and sustainability gained through efforts to support an external organization that aims to realize a sustainable and lifelong healthy society.</p>	108,646
2	 Yuji Ohkuma (August 3, 1958; 62 years old)  Reappointment  Attendance to the meetings of the Board of Directors 11/11 (100%)  Number of years in office: 7 years and 9 months (at the conclusion of this General Meeting of Shareholders)	<p>Apr. 1982 Joined Tokyu Land Corporation</p> <p>Jun. 2011 Director, Tokyu Land Corporation</p> <p>Oct. 2013 Director, the Company</p> <p>Apr. 2014 Director and Senior Executive Managing Officer, the Company</p> <p>Apr. 2015 President and Representative Director, and Executive Officer, the Company</p> <p>Apr. 2017 President &amp; CEO, Tokyu Land Corporation</p> <p>Apr. 2020 Representative Director, the Company</p> <p>Apr. 2020 Chairman of the Board and Chief Executive Officer, Tokyu Land Corporation</p> <p>Jun. 2020 Chairman, Tokyu Land Corporation</p> <p>Jun. 2020 Vice Chairman &amp; Representative Director, the Company</p> <p>Apr. 2021 Vice Chairman, the Company (current)</p> <p>(Significant concurrent positions outside the Company)            -</p> <p>(Reasons for nomination)            Joined Tokyu Land Corporation in 1982, and has been involved in building development operations, the human resources division and so forth since then. Involved with corporate management as a Director of the Company since 2013, and a Representative Director of the Company from 2015 to March 2021. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.</p>	69,725

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	 Hironori Nishikawa (November 12, 1958; 62 years old)	<p>Apr. 1982 Joined Tokyu Land Corporation            Oct. 2013 Managing Officer, the Company            Apr. 2014 Director, Tokyu Land Corporation            Apr. 2015 Managing Officer, the Company            Apr. 2016 Senior Executive Managing Officer, the Company            Jun. 2016 Director and Senior Executive Managing Officer, the Company            Apr. 2017 Director and Managing Officer, the Company            Apr. 2017 Representative Director, Tokyu Land Corporation            Apr. 2020 President &amp; CEO, the Company (current)            Apr. 2021 Chairman, Tokyu Land Corporation (current)</p> <p>(Significant concurrent positions outside the Company)            Chairman, Tokyu Land Corporation</p> <p>(Reasons for nomination)            Joined Tokyu Land Corporation in 1982, and has been involved in resort related operations, the human resources division, the general administration division and so forth since then. Involved with corporate management as a Director of the Company since 2016 and focused on promoting digital transformation. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.</p>	48,475
4	 Hitoshi Uemura (November 10, 1959; 61 years old)	<p>Apr. 1982 Joined Tokyu Land Corporation            Jun. 2011 Director, Tokyu Land Corporation            Oct. 2013 Director, the Company            Apr. 2014 Representative Director, Tokyu Land Corporation            Apr. 2015 Managing Officer, the Company            Apr. 2015 President &amp; CEO, Tokyu Land Corporation            May 2015 Executive Vice President, the Company            Jun. 2015 Director and Executive Vice President, the Company            Apr. 2017 Director and Managing Officer, the Company            Apr. 2017 Vice Chairman, Tokyu Land Corporation            Apr. 2021 Representative Director and Executive Vice President (current)</p> <p>(Significant concurrent positions outside the Company)            -</p> <p>(Reasons for nomination)            Joined Tokyu Land Corporation in 1982, and has been involved in real estate securitization operations, overseas business and so forth since then. Involved with corporate management as a Director of the Company since 2013. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.</p>	48,375


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	 Katsuhide Saiga (October 14, 1957; 63 years old)  Reappointment  Attendance to the meetings of the Board of Directors 11/11 (100%)  Number of years in office: 5 years (at the conclusion of this General Meeting of Shareholders)	Apr. 1980 Joined Tokyu Land Corporation Jun. 2013 Director, Tokyu Community Corporation Oct. 2013 Managing Officer, the Company Apr. 2016 President & CEO, Tokyu Community Corporation (current) Apr. 2016 Executive Vice President, the Company Jun. 2016 Director and Executive Vice President, the Company Apr. 2017 Director and Managing Officer, the Company (current)  (Significant concurrent positions outside the Company) President & CEO, Tokyu Community Corporation  (Reasons for nomination) Joined Tokyu Land Corporation in 1980, and has been involved in senior related operations, the corporate planning division, the IT division and so forth since then. Involved with corporate management as a Director of the Company since 2016. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.	48,852
6	 Masashi Okada (August 6, 1958; 62 years old)  Reappointment  Attendance to the meetings of the Board of Directors 11/11 (100%)  Number of years in office: 3 years (at the conclusion of this General Meeting of Shareholders)	Apr. 1982 Joined Tokyu Land Corporation Apr. 2014 Director, Tokyu Land Corporation Jun. 2015 Managing Officer, the Company Jun. 2018 Director and Managing Officer, the Company (current) Apr. 2020 President & CEO, Tokyu Land Corporation (current)  (Significant concurrent positions outside the Company) President & CEO, Tokyu Land Corporation  (Reasons for nomination) Joined Tokyu Land Corporation in 1982, and has been involved in the buildings business, renewable energy business and so forth since then. Involved with corporate management as a Director of the Company since 2018. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.	47,100




Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	 <p>Shohei Kimura (June 5, 1961; 60 years old)</p> <p>Reappointment</p> <p>Attendance to the meetings of the Board of Directors 11/11 (100%)</p> <p>Number of years in office: 2 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1984 Joined Tokyu Land Corporation Oct. 2013 Managing Officer, the Company Apr. 2014 Director, Tokyu Land Corporation (current) Jun. 2019 Director and Managing Officer, the Company (current)</p> <p>(Significant concurrent positions outside the Company) -</p> <p>(Reasons for nomination) Joined Tokyu Land Corporation in 1984, and has been involved in the overseas business, senior related business, finance divisions and so forth since then. Involved with corporate management as a Director of the Company since 2019. Has extensive operational experience with the Group and insight relating to corporate management in general, ESG and sustainability.</p>	29,700
8	 <p>Yoichi Ota (September 9, 1960; 60 years old)</p> <p>Reappointment</p> <p>Attendance to the meetings of the Board of Directors 10/10 (100%)</p> <p>Number of years in office: 1 year (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1983 Joined Tokyu Land Corporation Apr. 2014 Director, Tokyu Livable, Inc. Apr. 2018 Managing Officer, the Company Apr. 2019 President &amp; CEO, Tokyu Livable, Inc. (current) Jun. 2020 Director and Operating Officer, the Company (current)</p> <p>(Significant concurrent positions outside the Company) President &amp; CEO, Tokyu Livable, Inc.</p> <p>(Reasons for nomination) Joined Tokyu Land Corporation in 1983, and has been involved in real estate brokerage operations, the human resources division and so forth since then. Involved with corporate management as a Director of the Company since 2020. Has extensive operational experience with the Group and insight relating to corporate management in general.</p>	30,915

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	 <p>Hirofumi Nomoto (September 27, 1947; 73 years old)</p> <p>Reappointment</p> <p>Attendance to the meetings of the Board of Directors 11/11 (100%)</p> <p>Number of years in office: 7 years and 9 months (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1971 Joined Tokyu Corporation</p> <p>Jun. 2007 Director, Tokyu Corporation</p> <p>Jan. 2008 Managing Director, Tokyu Corporation</p> <p>Jun. 2008 Senior Managing Director, Tokyu Corporation</p> <p>Jun. 2010 Senior Managing Director and Representative Director, Tokyu Corporation</p> <p>Apr. 2011 President and Representative Director, Tokyu Corporation</p> <p>Jun. 2011 Director, Tokyu Land Corporation</p> <p>Oct. 2013 Director, the Company (current)</p> <p>Apr. 2018 Chairman of the Board and Representative Director, Tokyu Corporation</p> <p>Sep. 2019 Chairman of the Board and Representative Director, Tokyu Corporation (current)</p> <p>(Significant concurrent positions outside the Company) Chairman of the Board and Representative Director, Tokyu Corporation Director, TOKYU RECREATION CO., LTD. Outside Director, TOEI COMPANY, LTD. Outside Director, Mitsubishi UFJ Financial Group, Inc.</p> <p>(Reasons for nomination) Chairman of the Board and Representative Director of the Company's major shareholder, Tokyu Corporation. Has extensive experience and broad discernment of corporate management in general.</p>	35,824
10	 <p>Makoto Kaiami (October 5, 1951; 69 years old)</p> <p>Reappointment Outside Director Independent Officer</p> <p>Attendance to the meetings of the Board of Directors 11/11 (100%)</p> <p>Number of years in office: 3 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1978 Appointed as a judge</p> <p>Apr. 2000 Division-head Judge, Tokyo District Court</p> <p>Jul. 2007 Associate Vice-Minister of Justice in charge of Litigation Affairs, Minister's Secretariat, the Ministry of Justice</p> <p>Nov. 2012 Division-head Judge, Tokyo High Court</p> <p>Jul. 2014 Chief Judge, the Tokyo Family Court</p> <p>Jun. 2015 Chief Judge, Tokyo District Court</p> <p>Feb. 2017 Registered as attorney at law</p> <p>Jun. 2017 Outside Director, FUJIFILM Holdings Corporation</p> <p>Jun. 2018 Outside Audit &amp; Supervisory Board Member, SEIREN CO., LTD. (current)</p> <p>Jun. 2018 Director, the Company (current)</p> <p>Sept. 2018 Member of Otemachi Law Office (current)</p> <p>Jun. 2020 Outside Director, JAPAN POST HOLDINGS Co., Ltd. (current)</p> <p>(Significant concurrent positions outside the Company) Outside Audit &amp; Supervisory Board Member, SEIREN CO., LTD. Outside Director, JAPAN POST HOLDINGS Co., Ltd.</p> <p>(Reasons for nomination) The Company proposes Mr. Makoto Kaiami be elected as an Outside Director in the hope that he will supervise the management of the Company utilizing his knowledge in corporate legal affairs, compliance and risk management gained as a judge and attorney at law and offer advice on the execution of duties based on his insight and opinions from a viewpoint of stakeholders. There is no legal advisory contract between the Company and him. As mentioned above, he possesses expert insight and many years of experience as a lawyer. Thus the Company judges that he is able to appropriately perform duties as an Outside Director of the Company.</p>	2,200

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
11	 <p>Saeko Arai (February 6, 1964, 57 years old)</p> <p>Reappointment Outside Director Independent Officer</p> <p>Attendance to the meetings of the Board of Directors 11/11 (100%)</p> <p>Number of years in office: 3 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>Oct. 1987 Joined Eiwa Audit Corporation (currently KPMG AZSA LLC)</p> <p>Oct. 1993 Joined Sasaki Certified Public Accountants Office</p> <p>Apr. 1997 Joined Internet Research Institute, Inc.</p> <p>Sep. 1998 Director, Managing Director &amp; CFO, Internet Research Institute, Inc.</p> <p>Nov. 2002 Established Gratia, Inc. (currently Acuray, Inc.), assumed position as Representative (current)</p> <p>Apr. 2016 Specially-Appointed Professor, Hakuoh University</p> <p>Jun. 2017 Outside Audit &amp; Supervisory Board Member, AEON CREDIT SERVICE CO., LTD. (current)</p> <p>Apr. 2018 Professor, Showa Women's University</p> <p>Jun. 2018 Outside Member, Board of Directors, Sumitomo Dainippon Pharma Co., Ltd. (current)</p> <p>Jun. 2018 Director, the Company (current)</p> <p>Apr. 2019 Specially-Appointed Professor, Hakuoh University (current)</p> <p>(Significant concurrent positions outside the Company) Representative, Acuray, Inc. Outside Member, Board of Directors, Sumitomo Dainippon Pharma Co., Ltd.</p> <p>(Reasons for nomination) The Company proposes that Ms. Saeko Arai be elected as an Outside Director in the hope that she will supervise the management of the Company utilizing her broad knowledge in finance and accounting as a certified public accountant, as well as her experience in corporate management as a CFO of a company and a representative of its overseas subsidiary, and offer advice on the execution of duties based on her insight and opinions from a viewpoint of stakeholders.</p>	0

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
12	 <p>Michiaki Ogasawara (January 29, 1954, 67 years old)</p> <p>Reappointment Outside Director Independent Officer</p> <p>Attendance to the meetings of the Board of Directors 10/11 (91%)</p> <p>Number of years in office: 2 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1976 Joined the Ministry of Posts and Telecommunications (current the Ministry of Internal Affairs and Communications)</p> <p>Jan. 2003 Director-General, Tohoku Bureau of Telecommunications, the Ministry of Internal Affairs and Communications</p> <p>Feb. 2005 Deputy Director-General, Minister's Secretariat, the Ministry of Internal Affairs and Communications</p> <p>Jul. 2008 Director-General, Global Strategy Bureau, the Ministry of Internal Affairs and Communications</p> <p>Jan. 2010 Vice Minister for Policy Coordination, the Ministry of Internal Affairs and Communications</p> <p>Sep. 2012 Vice-Minister, the Ministry of Internal Affairs and Communications</p> <p>Oct. 2013 Advisor, Daiwa Institute of Research Ltd.</p> <p>Jun. 2015 Outside Director, Daiwa Securities Group Inc. (current)</p> <p>Jun. 2018 Chairperson of the Board, Foundation for Multimedia Communications (current)</p> <p>Jun. 2019 Director, the Company (current)</p> <p>(Significant concurrent positions outside the Company) Chairperson of the Board, Foundation for Multimedia Communications Outside Director, Daiwa Securities Group Inc. Outside Director, KOEI TECMO HOLDINGS CO., LTD. (scheduled to take office on June 17, 2021)</p> <p>(Reasons for nomination) The Company proposes Mr. Michiaki Ogasawara be elected as an Outside Director in the hope that he will supervise the management of the Company utilizing his knowledge in legal affairs, compliance, risk management, IT and digital transformation gained through public administration and offer advice on the execution of duties based on his insight and opinions from a viewpoint of stakeholders. As mentioned above, he possesses expert insight and many years of experience as an administrative official. Thus the Company judges that he is able to appropriately perform duties as an Outside Director of the Company.</p>	1,500

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
13	 <p>Satoshi Miura (April 3, 1944; 77 years old)</p> <p>New candidate Outside Director Independent Officer</p>	<p>Apr. 1967 Joined Nippon Telegraph and Telephone Public Corporation Jun. 2002 President, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION Jun. 2007 President, NIPPON TELEGRAPH AND TELEPHONE CORPORATION Jun. 2012 Chairman of the Board, NIPPON TELEGRAPH AND TELEPHONE CORPORATION Jun. 2016 Outside Director, The Hiroshima Bank, Ltd. Jul. 2017 Outside Director, Nippon Life Insurance Company (current) Oct. 2020 Outside Director (Audit &amp; Supervisory Board member), Hirogin Holdings, Inc. (current)</p> <p>(Significant concurrent positions outside the Company) Outside Director, Nippon Life Insurance Company Outside Director (Audit &amp; Supervisory Board member), Hirogin Holdings, Inc.</p> <p>(Reasons for nomination) Mr. Satoshi Miura has assumed key positions at NTT group, a telecommunications operator that serves public interest, and possesses extensive experience and broad insight in management of holding companies from a long-term and sustainable perspective, overseas businesses, human resources development, labor affairs, IT and digital transformation. The Company expects that Mr. Satoshi Miura will supervise the management of the Company utilizing his knowledge and offer advice on the execution of duties based on his insight and opinions from a viewpoint of stakeholders. Thus the Company proposes that Mr. Satoshi Miura be elected as an Outside Director.</p>	0
14	 <p>Tsuguhiko Hoshino (November 6, 1959; 61 years old)</p> <p>New candidate Outside Director Independent Officer</p>	<p>Apr. 1983 Joined the Ministry of Finance Jun. 2000 Councillor, Embassy of Japan in the UK, Ministry of Foreign Affairs of Japan Jul. 2011 Deputy Director General of the Minister's Secretariat, Ministry of Finance Jul. 2015 First Deputy Commissioner, National Tax Agency Jun. 2016 Director General of the Tax Bureau, Ministry of Finance Jul. 2019 Commissioner, National Tax Agency Dec. 2020 Adviser, TMI Associates</p> <p>(Significant concurrent positions outside the Company) -</p> <p>(Reasons for nomination) The Company expects that Mr. Tsuguhiko Hoshino will supervise the management of the Company utilizing his knowledge in accounting, finance, legal affairs, compliance and risk management gained in the course of his duties at the Ministry of Finance and National Tax Agency as well as through establishment of the Financial Services Agency and so forth that he addressed while in office, in addition to offering advice on the execution of duties based on his insight and opinions from a viewpoint of stakeholders. Thus the Company proposes that Mr. Tsuguhiko Hoshino be elected as an Outside Director. As mentioned above, he possesses expert insight and many years of experience as an administrative official. Thus the Company judges that he is able to appropriately perform duties as an Outside Director of the Company.</p>	0

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
15	 <p>Yumiko Jozuka (March 19, 1962, 59 years old)</p> <p>New candidate Outside Director Independent Officer</p>	<p>Apr. 1984 Joined the Ministry of Labour (currently the Ministry of Health, Labour and Welfare)</p> <p>May 2014 Councillor, Cabinet Bureau of Personnel Affairs, Cabinet Secretariat</p> <p>Jun. 2016 Director General, Social Welfare and War Victims' Relief Bureau, the Ministry of Health, Labour and Welfare</p> <p>Jul. 2018 Director General, the Ministry of Health, Labour and Welfare</p> <p>Jul. 2019 Director General for Human Resource Development, the Ministry of Health, Labour and Welfare</p> <p>(Significant concurrent positions outside the Company) -</p> <p>(Reasons for nomination) The Company expects that Ms. Yumiko Jozuka will supervise the management of the Company utilizing her knowledge in legal affairs, compliance, risk management, human resources development, legal affairs, ESG and sustainability gained in the course of her duties at the Health, Labour and Welfare Ministry as well as through her efforts to promote the work style reform and women's participation and advancement in the workplace that she addressed while in office, in addition to offering advice on the execution of duties based on her insight and opinions from a viewpoint of stakeholders. Thus the Company proposes that Ms. Yumiko Jozuka be elected as an Outside Director. As mentioned above, she possesses expert insight and many years of experience as an administrative official. Thus the Company judges that she is able to appropriately perform duties as an Outside Director of the Company.</p>	0

- Notes:
1. Of the candidates for Directors, the positions and responsibilities of the incumbent Directors of the Company as operating officers are as described on page 48.
  2. No special interests exist between the Company and the candidates for Directors.
  3. The Company intends to register Mr. Satoshi Miura, Mr. Tsuguhiko Hoshino and Ms. Yumiko Jozuka as Independent Directors with the Tokyo Stock Exchange.
  4. The Company has entered into a Directors and Officers (D&O) Liability Insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance policy covers damages and litigation expenses to be incurred by the insured in the event of a claim for damages arising from acts in the course of their duties. If election of the candidates for Directors is approved, they will be the insured under the insurance contract and continue to be the insured at the next renewal.
  5. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Hirofumi Nomoto, Mr. Makoto Kaiami, Ms. Saeko Arai and Mr. Michiaki Ogasawara to the effect that the extent of liability provided for in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If their reappointment is approved, the Company plans to continue the aforementioned agreement to limit liability with them. If appointment of Mr. Satoshi Miura, Mr. Tsuguhiko Hoshino and Ms. Yumiko Jozuka is approved, the Company plans to enter into a similar agreement to limit liability with them.
  6. Ms. Yumiko Jozuka is scheduled to assume the position of Outside Director of SHIMIZU CORPORATION at its 119th Ordinary General Meeting of Shareholders to be held on June 29, 2021.

(Reference) Independence Standards for Independent Outside Directors

The Company deems Outside Directors to be independent when, in addition to meeting the independence standards for independent officers stipulated by the Tokyo Stock Exchange, none of the following have applied for any of the previous three fiscal years.

- 1) An executive of a business partner to which the Company's net sales account for 2% or more of the Company's consolidated net sales
- 2) An executive of a business partner whose net sales to the Company account for 2% or more of the business partner's net sales
- 3) An executive of a lender from which the Company borrows funds that account for 2% or more of the Company's consolidated total assets
- 4) An executive of a major shareholder or investor of the Company with an investment ratio of 10% or more

- 5) A consultant, accounting professional, or legal professional who receives remuneration of more than ¥10 million a year from the Company besides officer remuneration
- 6) A spouse or relative within two degrees of kinship of the Director, etc. of the Company or a consolidated subsidiary

(Reference) List of Skills of Candidates for Directors

Name	Inside/ Outside	Sex	Expertise and experience						
			Corporate management	ESG/sustainabil ity	Accounting/financ e	Legal affairs/ compliance/risk management	Overseas business	Personnel/labor	IT/DX
Kiyoshi Kanazashi	Inside	Male	●	●					
Yuji Ohkuma	Inside	Male	●	●				●	
Hironori Nishikawa	Inside	Male	●	●		●		●	●
Hitoshi Uemura	Inside	Male	●	●			●		
Katsuhide Saiga	Inside	Male	●	●	●				●
Masashi Okada	Inside	Male	●	●					
Shohei Kimura	Inside	Male	●	●	●		●		●
Yoichi Ota	Inside	Male	●					●	
Hirofumi Nomoto	Inside	Male	●						●
Makoto Kaiami	Outside (Independent)	Male				●			
Saeko Arai	Outside (Independent)	Female	●		●		●		
Michiaki Ogasawara	Outside (Independent)	Male				●			●
Satoshi Miura	Outside (Independent)	Male	●	●			●	●	●
Tsuguhiko Hoshino	Outside (Independent)	Male			●	●			
Yumiko Jozuka	Outside (Independent)	Female		●		●		●	

(Reference) Policies and procedures for nominating candidates for Directors

In nominating candidates for Directors, the Company nominates personnel on the premise that they have the appropriate character and knowledge, as well as no health issues that would impede them from executing their duties.

The nomination of candidates also takes into consideration an overall balance to ensure that the Board of Directors reflects diversity, including gender and internationality.

Candidates nominated for Directors from within the Company are also deemed to have insight and judgment capabilities with a view to achieving the management indicators and other objectives set out in the medium- and long-term management plan, etc.

In nominating candidates for Outside Directors, the Company nominates personnel who have extensive experience in their professional fields, including management, legal affairs, finance, and accounting, and who are able to raise issues and engage in discussions over growth strategies and the enhancement of corporate governance from an independent perspective, while maintaining a sensible and objective viewpoint.

Furthermore, in selecting management team members and nominating candidates for Directors, decisions are made by the Board of Directors after deliberation by the Nomination and Compensation Committee, which is a voluntary advisory body whose chairperson every year is an Independent Outside Director.




**Proposal No. 3: Election of four (4) Audit & Supervisory Board Members**


Upon the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of all Audit & Supervisory Board Members will expire.



Accordingly, the Company proposes to elect four (4) Audit & Supervisory Board Members.

The Company has obtained the consent of the Audit & Supervisory Board with respect to the submission of this proposal.

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

Candidate No.	Name (Date of birth)	Career summary, position at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	 Kazuo Mochida (July 19, 1960, 60 years old)  Reappointment  Attendance to the meetings of the Board of Directors 11/11 (100%)  Attendance to the meetings of the Audit & Supervisory Board 12/12 (100%)  Number of years in office: 2 years (at the conclusion of this General Meeting of Shareholders)	Apr. 1983 Joined Tokyu Land Corporation Apr. 2011 Director, Tokyu Hands, Inc. Apr. 2015 Representative Director, Tokyu Hands, Inc. Apr. 2016 Managing Officer, the Company Apr. 2016 Director, Tokyu Community Corporation Apr. 2019 Full-time Audit & Supervisory Board Member, Tokyu Land Corporation (current) Apr. 2019 Audit & Supervisory Board Member, Tokyu Livable, Inc. (current) Apr. 2019 Audit & Supervisory Board Member, Tokyu Housing Lease Corporation (current) Jun. 2019 Full-time Audit & Supervisory Board Member, the Company (current) Apr. 2020 Audit & Supervisory Board Member, NATIONAL STUDENTS INFORMATION CENTER CO., LTD. (current)  (Significant concurrent positions outside the Company) -  (Reasons for nomination) Joined Tokyu Land Corporation in 1983, and has been involved in commercial facility-related operations and so forth since then. The Company proposes that Mr. Kazuo Mochida be elected as an Audit & Supervisory Board Member so that his many years of operational experience with the Group and insight relating to corporate management in general may be reflected in the surveillance system of the Company.	11,300

Candidate No.	Name (Date of birth)	Career summary, position at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	 <p>Masahiko Hashizume (March 15, 1960, 61 years old)</p> <p>Reappointment</p> <p>Attendance to the meetings of the Board of Directors 10/11 (91%)</p> <p>Attendance to the meetings of the Audit &amp; Supervisory Board 11/12 (92%)</p> <p>Number of years in office: 4 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>Apr. 1983 Joined Tokyu Land Corporation</p> <p>Apr. 2014 Managing Officer, Tokyu Land Corporation</p> <p>Apr. 2017 Full-time Audit &amp; Supervisory Board Member, Tokyu Land Corporation (current)</p> <p>Apr. 2017 Audit &amp; Supervisory Board Member, Tokyu Community Corporation (current)</p> <p>Apr. 2017 Audit &amp; Supervisory Board Member, Tokyu Livable, Inc.</p> <p>Apr. 2017 Audit &amp; Supervisory Board Member, Tokyu Hands, Inc.(current)</p> <p>Apr. 2017 Audit &amp; Supervisory Board Member, Tokyu Housing Lease Corporation</p> <p>Jun. 2017 Full-time Audit &amp; Supervisory Board Member, the Company (current)</p> <p>(Significant concurrent positions outside the Company)</p> <p>-</p> <p>(Reasons for nomination)</p> <p>Joined Tokyu Land Corporation in 1983, and has been involved in resort related operations and so forth since then. The Company proposes that Mr. Kazuo Mochida be elected as an Audit &amp; Supervisory Board Member so that his many years of operational experience with the Group and broad insight relating to corporate management in general may be reflected in the surveillance system of the Company.</p>	10,000

Candidate No.	Name (Date of birth)	Career summary, position at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	 Katsunori Takechi (January 11, 1971, 50 years old)  Reappointment Outside Independent  Attendance to the meetings of the Board of Directors 11/11 (100%)  Attendance to the meetings of the Audit & Supervisory Board 12/12 (100%)  Number of years in office: 4 years (at the conclusion of this General Meeting of Shareholders)	Apr. 2000 Public prosecutor, Civil Affairs Bureau, the Ministry of Justice Aug. 2003 Assistant judge, Tokyo District Court Oct. 2003 Registered as attorney at law Oct. 2003 Joined Anderson Mori & Tomotsune Jan. 2006 Partner, Anderson Mori & Tomotsune Nov. 2006 Partner, Kataoka & Kobayashi Jul. 2011 Established Takechi & Partners (current) Jun. 2013 Outside Audit & Supervisory Board Member, DIC Corporation Jun. 2017 Audit & Supervisory Board Member, the Company (current)  (Significant concurrent positions outside the Company) Representative, Takechi & Partners  (Reasons for nomination) The Company proposes Mr. Katsunori Takechi as a candidate for Audit & Supervisory Board Member so that his expert insight as an attorney at law and his extensive experience in corporate legal affairs may be reflected in the surveillance system of the Company. There is no legal advisory contract between the Company and him. In addition to his aforementioned expert insight and experience as an attorney at law, he engages in tax accountancy services as a taxation-bureau-notified certified tax accountant pursuant to Article 51 of the Certified Tax Accountant Act, and he possesses considerable insight related to finance and accounting. Thus the Company judges that he is able to appropriately perform duties as an Outside Audit & Supervisory Board Member of the Company.	1,300
4	 Takahiro Nakazawa (May 30, 1958, 63 years old)  New candidate Outside Independent	Oct. 1981 Joined PricewaterhouseCoopers Japan LLC Jun. 1983 Joined Aoyama Audit Corporation Mar. 1985 Registered as a Certified Public Accountant Jul. 2001 Representative Partner, ChuoAoyama Audit Corporation Sep. 2006 Representative Partner, PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Aarata LLC) Jul. 2018 Head of Nakazawa Certified Public Accountant Office (current) Mar. 2020 Outside Audit & Supervisory Board Member, Kao Corporation (current)  (Significant concurrent positions outside the Company) Head of Nakazawa Certified Public Accountant Office Outside Audit & Supervisory Board Member, Kao Corporation  (Reasons for nomination) The Company proposes Mr. Takahiro Nakazawa as a candidate for Audit & Supervisory Board Member so that his expert insight gained through many years of experience in auditing and advisory services at leading audit corporations may be reflected in the surveillance system of the Company. There is no legal advisory contract between the Company and him. He has engaged in auditing of many listed companies and possesses extensive knowledge about finance and accounting as a certified public accountant. Thus the Company judges that he is able to appropriately perform duties as an Outside Audit & Supervisory Board Member of the Company.	0

- Notes: 1. No special interests exist between the Company and the candidates for Audit & Supervisory Board Members.  
 2. The Company intends to register Mr. Takahiro Nakazawa as Independent Director with the Tokyo Stock Exchange.

3. The Company has entered into a Directors and Officers (D&O) Liability Insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance policy covers damages and litigation expenses to be incurred by the insured in the event of a claim for damages arising from acts in the course of their duties. If election of the candidates for Audit and Supervisory Board Members is approved, they will be the insured under the insurance contract and continue to be the insured at the next renewal.
4. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Katsunori Takechi to the effect that the extent of liability provided for in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If his reappointment is approved, the Company plans to continue the aforementioned agreement to limit liability with him. If appointment of Mr. Takahiro Nakazawa is approved, the Company plans to enter into the aforementioned agreement to limit liability with him.

(Reference) Policies for nominating candidates for Audit & Supervisory Board Members


In nominating candidates for Audit & Supervisory Board Members, the Company nominates personnel who have the appropriate character and knowledge required for auditing, as well as no health issues that would impede them from executing their duties after obtaining the consent of the Audit & Supervisory Board.

**Proposal No. 4: Election of one (1) substitute Audit & Supervisory Board Member**

To provide for a case in which the number of Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, the Company proposes to elect one (1) substitute Outside Audit & Supervisory Board Member.

The Company has obtained the consent of the Audit & Supervisory Board with respect to the submission of this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position at the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
 <p>Ryo Nagao (May 4, 1957; 64 years old)</p> <p>Outside Audit &amp; Supervisory Board Member Independent Officer</p>	<p>Dec. 1986 Registered as attorney at law Dec. 1986 Joined Naritomi &amp; Partners Jul. 2004 Established Marunouchi Minami Law Office, assumed position as Partner (current) Apr. 2005 Vice-president, Dai-Ichi Tokyo Bar Association Apr. 2011 Auditor, Japan Federation of Bar Associations Apr. 2012 Auditor, Japan Intellectual Property Arbitration Center Jun. 2018 Substitute Audit &amp; Supervisory Board Member, the Company (current) Apr. 2020 Managing Director, Japan Federation of Bar Associations</p> <p>(Significant concurrent positions outside the Company) -</p> <p>(Reasons for nomination) The Company proposes Mr. Ryo Nagao as a candidate for substitute Outside Audit &amp; Supervisory Board Member so that his expert insight and his extensive experience in laws and ordinances, such as company law, and the legislative system as a whole, may be reflected in the surveillance system of the Company. There is no legal advisory contract between the Company and him. As mentioned above, he has assumed key positions in associations such as the Japan Federation of Bar Associations. Thus the Company judges that he is able to appropriately perform duties as an Outside Audit &amp; Supervisory Board Member of the Company.</p>	<p>0</p>

- Notes:
1. No special interests exist between the Company and the candidate for substitute Audit & Supervisory Board Member.
  2. If Mr. Ryo Nagao assumes the office of Outside Audit & Supervisory Board Member, the Company intends to register Mr. Ryo Nagao as Independent Director with Tokyo Stock Exchange.
  3. The Company has entered into a Directors and Officers (D&O) Liability Insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance policy covers damages and litigation expenses to be incurred by the insured in the event of a claim for damages arising from acts in the course of their duties. If Mr. Ryo Nagao assumes the office of Outside Audit and Supervisory Board Member, he will be the insured under the insurance contract. At the next renewal, he will continue to be the insured under the insurance contract if he assumes the office of Outside Audit and Supervisory Board Member.
  4. If Mr. Ryo Nagao assumes the office of Outside Audit & Supervisory Board Member, in accordance with Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into an agreement with him to the effect that the extent of liability provided for in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.

## **Proposal No. 5: Partial Amendment and Continuation of the Stock-based Compensation System for Directors, etc.**

### 1. Reasons for the proposal and justification for the proposed compensation

A stock-based compensation system utilizing trust structure (hereinafter the “System”) for the Company’s Directors (excluding Outside Directors) and Executive Officers with whom the Company has concluded mandate contracts (hereinafter “Executive Officers”) was approved by the 4th Ordinary General Meeting of Shareholders, held on June 28, 2017, and subsequently introduced. The Company proposes to partially amend and continue the System, as compensation for the Company’s Directors (excluding Outside Directors and non-executive Directors; the same applies hereinafter unless otherwise specified) and Executive Officers designated by the Company’s Board of Directors (hereinafter referred to together with Directors as “Directors, etc.”). Decisions on the details shall be entrusted to the Board of Directors, provided they fall within the framework specified in 2. below.

The System is designed to clarify the link between compensation for Directors, etc. and the Company’s share price, to enable Directors, etc. to enjoy the benefits of share price rises and bear the risk of the share price declines, together with shareholders. In this way, the System aims to heighten the awareness of Directors, etc. regarding their contribution to raising corporate value by improving business performance in the medium to long term. The Company believes that the stock-based compensation based on this proposal is necessary and appropriate in view of these aims, and regards the partial amendment and continuation of the System as appropriate.

Specifically, approval is requested for the payment of stock-based compensation to Directors, etc. under the amended System, in a separate category from the maximum amount of compensation for Directors (within 600 million yen a year, not including compensation received in the capacity of employee) approved in the 1st Ordinary General Meeting of Shareholders, held on June 26, 2014. The initial eligible recipients under the amended System will be Directors, etc. in office during the period beginning from the day following the conclusion of this Ordinary General Meeting of Shareholders, and concluding with the fiscal year ending March 31, 2026 (hereinafter the “Target Period”). The Target Period may be extended as set forth under 2. (2) below.

The Company’s Board of Directors has established a policy for determining the details of compensation, etc. for individual Directors (including Outside Directors and non-executive Directors). A summary of this policy is presented in the Business Report. If this proposal is approved, then the timing of the payment of stock-based compensation will change. The Company intends to amend the decision policy to stipulate that the stock-based compensation will be paid at the time of retirement.

If Proposal No. 2 “Election of Fifteen (15) Directors” is approved and passed as originally proposed, then eight (8) Directors and three (3) Executive Officers not concurrently serving as Directors (designated by the Company’s Board of Directors) will be eligible for the System at the conclusion of this Ordinary General Meeting of Shareholders.

### 2. Amount, details, etc. of compensation, etc. under the System

The previous System will be continued after partial amendment. The amount, details, etc. of compensation, etc. under the System after amendment are as follows.

#### (1) Overview of the System

The System is a stock-based compensation system, where a trust established with cash contributed by the Company (established at the introduction of the System in 2017; hereinafter the “Trust”) will acquire the Company’s shares. Subsequently, a certain number of the Company’s shares will be granted to Directors, etc. who are in office during the Target Period through the Trust, based on the points allocated to each Director, etc. according to factors such as his or her rank. Prior to amendment, each Director, etc. received the Company’s shares under the System at a certain time each year. This will be amended to the time of retirement of the Director, etc. in principle. Other parts of the framework of the System are as follows.

1)	Eligible recipients under the System	Directors (excluding Outside Directors and non-executive Directors) and Executive Officers designated by the Company's Board of Directors
2)	Target Period	From the day following the conclusion of this Ordinary General Meeting of Shareholders to the fiscal year ending March 31, 2026
3)	Maximum amount to be contributed by the Company to fund the acquisition of the Company's shares necessary for delivery to eligible recipients under 1) above	A total of 600 million yen during the Target Period in 2) If the term of the Trust is extended, then 140 million yen multiplied by the number of fiscal years of the extension
4)	Method used to acquire shares of the Company	The Trust will acquire the Company's shares either via accepting the disposal of treasury shares by the Company, or through the stock market
5)	Maximum total number of points to be awarded to the recipients in 1)	130,000 points each fiscal year (corresponding to 130,000 shares) The number of shares corresponding to the maximum total number of points to be awarded each fiscal year is equivalent to approximately 0.02% of the total number of issued shares (after deducting treasury stock, as of March 31, 2021)
6)	Criteria for the allocation of points	Points will be allocated in accordance with rank
7)	Timing of the delivery of the Company's shares to the recipients in 1)	At the time of retirement, in principle

(2) Upper limit of the Company's monetary contribution

In addition to extending the term of the Trust already established, the Company will make additional contributions of up to 600 million yen in total, as compensation for Directors, etc. in office during the Target Period, in order to fund the necessary acquisition of the Company's shares to deliver to Directors, etc. under the System. Using cash entrusted by the Company as funds (including cash remaining in the Trust before the additional contribution above), the Trust will acquire a number of the Company's shares, either through the stock market or via accepting the disposal of treasury shares by the Company.

Note: The amount of additional cash that the Company contributes to the Trust will be the total of necessary expenses such as trust fees and compensation for the trust administrator, in addition to funds for the acquisition of the Company's shares, as set forth above.

The Target Period may be extended by up to five (5) fiscal years at a time, by resolution of the Company's Board of Directors, the term of the Trust extended (or effectively extended through the establishment of another trust with the same purpose to which the trust assets are transferred; the same applies hereinafter) and the System continued. In such a case, the Company will additionally contribute an amount, with a maximum of 140 million yen in cash multiplied by the number of years extended, to the Trust as funds for the acquisition of shares to be delivered to Directors, etc. under the System, and the allocation of points and the delivery of shares set forth in (3) below will continue.

Even where the Target Period is not extended and the System not continued as described above, where there is one or more Director, etc. who has been allocated points but has not yet retired at the end of the trust period, the term of the Trust may be extended until the said Directors, etc. retire, and receive delivery of the Company's shares.

(3) Calculation method and maximum number of the Company's shares to be granted to Directors, etc.

1) Calculation method and maximum number of points to be allocated to Directors, etc.

Based on the regulations for the granting of shares established by the Board of Directors (the Company intends to amend these regulations by resolution of the Board of Directors, in accordance with the partial amendment and continuation of the System), the Company will allocate points to each Director, etc. during the trust period on the point allocation date specified in the regulations for the

granting of shares.

The maximum number of points that the Company can allocate to Directors, etc. will be 130,000 points per fiscal year in total.

2) Delivery of the Company's shares in accordance with the number of points allocated

Depending on the number of points allocated as described in 1) above, Directors, etc. follow the procedures set forth in 3) below to accept delivery of the Company's shares. Each point corresponds to one share of the Company's stock. The maximum number of shares that the Company can allocate to Directors, etc. is therefore 130,000 shares per fiscal year in total. However, the number of the Company's shares, etc. to be delivered per point may be adjusted, where adjustment is deemed reasonable due to an event such as a stock split or stock consolidation of the Company's shares, in accordance with the stock split ratio, consolidation ratio, or the like. However, where a Director, etc. has been dismissed or resigned as a result of damage or loss sustained by the Company, then all or some of the points allocated until that time will be canceled. No shares of the Company will be delivered corresponding to these points.

3) Timing and method of delivery of the Company's shares to Directors, etc.

In principle, each Director, etc. will obtain beneficiary rights with respect to the Trust by completing the designated procedures at the time of his or her retirement, and will receive delivery of the shares of the Company in 2) above as a beneficiary of the Trust.

However, a certain proportion of the Company's shares to be delivered to Directors, etc. may be converted into cash within the Trust, and withheld by the Company for the purpose of paying withholding tax, etc.

(4) Exercise of voting rights pertaining to shares of the Company held in the Trust

Based on instructions of the trust administrator, who is independent from the Company and the Directors, etc., the trustee will not exercise any voting rights pertaining to the Company's shares held in the Trust. This method is designed to ensure the neutrality of the exercise of voting rights held in the Trust, with respect to the Company's management.

(5) Treatment of dividends of surplus pertaining to shares of the Company held in the Trust

Dividends pertaining to shares of the Company held in the Trust will be received by the Trust, and allocated to pay for the acquisition of shares of the Company, as well as for trust fees payable to the trustee of the Trust.

(6) Treatment on termination of the Trust

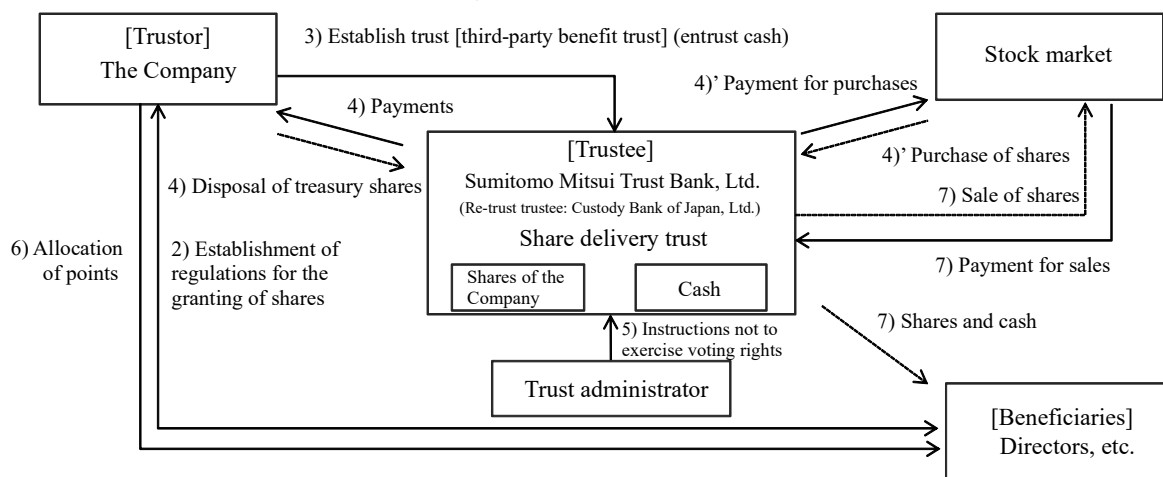
If it is decided not to continue the System, and to terminate the Trust at the expiry of the trust period, then it is planned that all shares remaining in the Trust will be acquired by the Company for no consideration, and canceled by resolution of the Board of Directors. When the Trust is terminated, any remaining assets in the Trust will be attributed to the Company, provided they fall within the amount obtained after deducting the share acquisition capital from the trust funds. If the above amount is exceeded, based on the provisions predesignated under the regulations for the granting of shares and the trust contract, the surplus will be donated to specified public service promotion corporations, etc. that do not have any special relationships of interest with the Company or the Directors, etc.

(7) Other details of the System

Other details concerning the System will be decided by the Board of Directors whenever the trust contract is amended or an additional contribution is made to the Trust.



(Reference) Overview of framework of the System



- 1) The Company obtains approval for the partial amendment and continuation of the System by resolution of this General Meeting of Shareholders.
- 2) The Company's Board of Directors amends the regulations for the granting of shares to eligible Directors, etc.
- 3) The Company extends the trust period for the pre-established Trust, of which the Company is the trustor, and makes additional contributions (entrusts additional cash) of up to 600 million yen in total, to fund the acquisition of the Company's shares for delivery as compensation to Directors, etc. in office during the Target Period under the System.
- 4) Using cash entrusted by the Company as funds (including cash remaining in the Trust before the additional contribution in 3) above), the trustee acquires a number of the Company's shares based on an estimate of the number to be granted in the future (either through the stock market or via accepting the disposal of treasury shares by the Company; if acquiring through the stock market, the acquisition will be carried out according to the instructions of the trust administrator).
- 5) A trust administrator (a party who is independent from all Target Companies and all eligible Directors, etc.) is designated, who will protect the interests of beneficiaries stated in the regulations for the granting of shares throughout the trust period and supervise the trustor. Voting rights associated with shares of the Company held in the Trust are not exercised throughout the duration of the trust period, in accordance with the instructions of the trust administrator to the trustee.
- 6) The Company allocates points to the Directors, etc. based on the regulations for the granting of shares.
- 7) Directors, etc. who fulfill certain beneficiary criteria, as beneficiaries of the Trust, receive a certain number of the Company's shares delivered by the Trust at retirement, in principle, according to the number of points they have been allocated. However, in certain cases predesignated in the regulations for the granting of shares or the trust contract, the Trust converts some of the Company's shares that should be granted to cash through sale on a stock exchange, and pays cash in place of the Company's shares to the said Directors, etc.
- 8) If it is decided not to continue the System, and to terminate the Trust at the expiry of the trust period, then it is planned that all shares remaining in the Trust will be acquired by the Company for no consideration, and canceled by resolution of the Board of Directors. When the Trust is terminated, any remaining assets in the Trust will be attributed to the Company, provided they fall within the amount obtained after deducting the share acquisition capital from the trust funds. If the above amount is exceeded, based on the provisions predesignated under the regulations for the granting of shares and the trust contract, the surplus will be donated to specified public service promotion corporations, etc. that do not have any special relationships of interest with the Company or the Directors, etc.