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Securities Code: 3101

June 3, 2019

To our shareholders:

Seiji Narahara
Representative Director, President
Toyobo Co., Ltd.
2-2-8 Dojima Hama, Kita-ku, Osaka

Notice of the 161st Annual General Meeting of Shareholders

You are cordially invited to attend the 161st Annual General Meeting of Shareholders of Toyobo Co., Ltd. (the “Company”), which will be held as follows.

Note that if you are unable to attend on the day of the event, your voting right can be exercised in writing or over the internet. In that case, please consider the subsequent Reference Documents for General Meeting of Shareholders, and exercise your voting right by the end of business hours at 5:30 p.m. on Monday, June 24, 2019 (JST).

- 1. Date and Time:** Tuesday, June 25, 2019, at 10:00 a.m. (JST) (Reception will begin at 9:00 a.m.)
- 2. Venue:** 12th Floor Main Hall, Head Office
2-2-8 Dojima Hama, Kita-ku, Osaka

3. Purpose of the Meeting

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the 161st term (April 1, 2018 to March 31, 2019), and audit results of the Consolidated Financial Statements by the Financial Auditor and the Board of Corporate Auditors
2. Non-consolidated Financial Statements for the 161st term (April 1, 2018 to March 31, 2019)

Matters to be resolved:

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|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Ten Directors |
| Proposal No. 3 | Election of One Substitute Corporate Auditor |
| Proposal No. 4 | Determination of Compensation for Granting Restricted Shares to Directors |

4. Matters Decided on Regarding the Convocation

If multiple votes are exercised in writing, over the internet, etc., the vote exercised over the internet, etc., will be counted as the valid vote. In addition, if multiple votes are exercised through the same method, the last vote exercised will be counted as the valid vote.

- Please bring the enclosed voting form for submission at reception desk when you attend on the day of the meeting.
- As the following items are posted on our website on the internet (<https://www.toyobo.co.jp/>), based on laws and regulations and the provisions of Article 18 of the Company’s Articles of Incorporation, they are not described in the materials attached to this convocation notice.
 - 1) Consolidated Statements of Changes in Equity in the Consolidated Financial Statements
 - 2) Accompanying notes to the Consolidated Financial Statements
 - 3) Statements of Changes in Equity in the Non-consolidated Financial Statements
 - 4) Accompanying notes to the Non-consolidated Financial Statements

Accordingly, the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited when the Corporate Auditors prepared the audit report and the Financial Auditor prepared the independent audit report include both items described in the materials attached to this convocation notice and items posted on the Company’s website.

- Note that if there are any modifications in the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements, or the Reference Documents for General Meeting of Shareholders, they will be posted on our website on the internet (<https://www.toyobo.co.jp/>).

- Please be advised that the results of the resolutions will be posted on the Company's website at the URL stated above in lieu of the mailing of a written resolution notification.

Reference Documents for General Meeting of Shareholders

Proposals and reference items

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company views the provision of appropriate profit returns to shareholders as one of the most important management issues, and dividends are determined through an overall judgment that takes into consideration matters such as sustainable profit levels, retained earnings for future investments, and improvements to our financial position, while setting the continuation of stable dividend as our basic policy, with a target total return ratio of 30%. The Company posted net loss for the current fiscal year. However, this was resulted from the temporary factors, so the Company proposes to pay year-end dividend for the current fiscal year of ¥40 per share.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥40 per common share for a total of ¥3,550,698,000
- (3) Effective date of dividends of surplus
June 26, 2019

Proposal No. 2 Election of Ten Directors

At the conclusion of this meeting, the terms of office of all nine Directors will expire. Therefore, in order to further strengthen our corporate governance system, the Company proposes to increase the number of outside Directors by one and to elect ten Directors (including four outside Directors).

The candidates for Director are as follows:

Candidate No.	Name		Position at the Company	Attendance at meetings of the Board of Directors
1	Ryuzo Sakamoto Male	Reelection	Representative Director and Chairman	100% (18/18)
2	Seiji Narahara Male	Reelection	Representative Director, President and Chief Operating Officer	100% (18/18)
3	Masaru Watanabe Male	Reelection	Representative Director and Corporate Senior Executive Officer	100% (18/18)
4	Shigeo Takenaka Male	Reelection	Director and Corporate Executive Officer	100% (18/18)
5	Hitoshi Ueno Male	Reelection	Director and Corporate Executive Officer	86% (12/14)
6	Shigeo Nishiyama Male	Reelection	Director and Corporate Executive Officer	100% (14/14)
7	Taketoshi Oka Male	Reelection Outside Independent	Director	78% (14/18)
8	Masaru Nakamura Male	Reelection Outside Independent	Director	100% (18/18)
9	Takafumi Isogai Male	Reelection Outside Independent	Director	93% (13/14)
10	Kimie Sakuragi Female	New election Outside Independent	—	—

- Notes:
1. For the attendance status at meetings of Board of Directors of Hitoshi Ueno, Shigeo Nishiyama, and Takafumi Isogai, only the meetings held since their appointment on June 27, 2018 are included.
 2. The nomination of each candidate is decided on in consideration of the report of Nomination Committee, which is an advisory body for the Company's Board of Directors.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Ryuzo Sakamoto (November 20, 1947) Male Reelection	Apr. 1972 Joined the Company June 2002 Director June 2005 Representative Director, President and Chief Operating Officer Apr. 2014 Representative Director and Chairman (current position)	21,965 shares
2	Seiji Narahara (October 17, 1956) Male Reelection	Jan. 1988 Joined the Company Apr. 2010 Corporate Officer June 2011 Director and Corporate Officer Apr. 2014 Representative Director, President and Chief Operating Officer (current position) (Currently Controlling Supervisor of Internal Audit Department and KAERU Project)	17,444 shares
3	Masaru Watanabe (December 24, 1956) Male Reelection	Apr. 1979 Joined the Company Mar. 1999 Manager of Funds Management Department July 2007 General Manager of Plastics Management Office Oct. 2009 Deputy Director, General Manager of Plastics Operation Planning Office, and General Manager of Plastics Management Office Apr. 2014 Corporate Officer June 2016 Director and Corporate Officer Apr. 2017 Director and Corporate Executive Officer Apr. 2018 Representative Director and Corporate Senior Executive Officer (current position) (Currently Controlling Supervisor of Environmental Safety, Quality Assurance Operating Department, Finance Department, Accounting and Control Department, Procurement & Logistics Department, and Human Resources Department Supervisor of KAERU Project)	5,298 shares
4	Shigeo Takenaka (October 16, 1958) Male Reelection	Apr. 1981 Joined the Company Sep. 2004 Manager of America Office July 2006 General Manager of Vylon Department Apr. 2010 Deputy Director and General Manager of Vylon Department Apr. 2012 Deputy Director, General Manager of Functional Polymers Operating Department, and General Manager of Functional Polymers Technology & Development Department Apr. 2013 Corporate Officer Apr. 2017 Corporate Executive Officer June 2017 Director and Corporate Executive Officer (current position) (Currently Head of Plastics Division; Head of Specialty Chemical Division; Controlling Supervisor of Tsuruga Research and Production Center)	3,998 shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Hitoshi Ueno (June 6, 1954) Male Reelection	<p>June 1989 Joined the Company</p> <p>Oct. 2009 Deputy Director, Head of Corporate Research Center, and Deputy General Manager of Business Development Planning Office</p> <p>Apr. 2013 Corporate Officer</p> <p>Apr. 2017 Corporate Executive Officer</p> <p>June 2018 Director and Corporate Executive Officer (current position)</p> <p>(Currently Head of Healthcare Division. Head of Bio-Science & Medical Division)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Director and Chairman of Spinreact, S.A.U.</p>	4,068 shares
6	Shigeo Nishiyama (June 26, 1959) Male Reelection	<p>Apr. 1983 Joined the Company</p> <p>Apr. 2007 General Manager of Textile Production Technology Department and Manager of Textile Procurement Group, Textile Production Planning Department</p> <p>Apr. 2014 Deputy Director, General Manager of Textile Production & Development Operating Department, General Manager of Textile Production Technology and Development Department, and seconded to TOYOBO STC CO., LTD.</p> <p>Apr. 2017 Corporate Officer</p> <p>June 2018 Director and Corporate Officer</p> <p>Apr. 2019 Director and Corporate Executive Officer (current position)</p> <p>(Currently Head of Fibers, Textiles & Functional Products Division; Controlling Supervisor of Iwakuni Production Center)</p> <p>[Significant concurrent positions outside the Company]</p> <p>President and Chief Operating Officer of TOYOBO STC CO., LTD.</p>	2,369 shares
7	Taketoshi Oka (September 19, 1945) Male Reelection Outside Independent	<p>Apr. 1974 Registered as an attorney at law</p> <p>Apr. 1996 Vice Chairman of Osaka Bar Association</p> <p>July 2003 Established Kinki Chuou Law Office; Representative Partner (current position)</p> <p>June 2015 Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Representative Partner of Kinki Chuou Law Office</p>	0 shares
<p>Reasons for nomination as candidates for outside Director</p> <p>We propose the nomination of Taketoshi Oka so that his extensive experience and wide-ranging knowledge as an attorney at law can be leveraged to provide advice and supervision concerning the Company's management from an objective and specialist perspective. Note that while he has never in the past been involved in the management of a company except as an outside Director or outside Corporate Auditor, the Company judges that he will appropriately fulfill his duties as an outside Director based on the above reasons. It should be noted that he served as a member of the Independence Committee prescribed in the Company's Takeover Defense Measures from June 2008 to June 2014.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Masaru Nakamura (September 3, 1953) Male Reelection Outside Independent	Apr. 1977 Joined Sumitomo Corporation	0 shares
		Apr. 2006 Corporate Officer	
		Apr. 2008 Executive Officer	
		Apr. 2010 Managing Executive Officer	
		Apr. 2012 Senior Managing Executive Officer	
		Apr. 2016 Adviser (current position)	
		June 2017 Director of the Company (current position)	
		June 2019 Scheduled to resign as Advisor for Sumitomo Corporation	
Reasons for nomination as candidates for outside Director We propose the nomination of Masaru Nakamura so that his extensive experience and wide-ranging knowledge as a manager can be leveraged to provide advice and supervision concerning the Company's management from an objective and specialist perspective.			
9	Takafumi Isogai (April 4, 1949) Male Reelection Outside Independent	Jan. 1987 Assistant Professor of Faculty of Liberal Arts of Osaka University	0 shares
		Apr. 1996 Assistant Professor of Graduate School of Engineering Science of Osaka University	
		Apr. 2002 Professor of Faculty of Mercantile Marine of Kobe University of Mercantile Marine	
		Oct. 2003 Professor of Faculty of Maritime Sciences of Kobe University	
		Apr. 2013 Professor of School of Commerce of University of Marketing and Distribution Sciences	
		Apr. 2018 Part Time Lecturer of University of Marketing and Distribution Sciences	
		June 2018 Director of the Company (current position)	
Reasons for nomination as candidates for outside Director We propose the nomination of Takafumi Isogai so that his extensive experience and wide-ranging knowledge as an academic specializing in the quality control field can be leveraged to provide advice and supervision concerning the Company's management from an objective and specialist perspective. Note that while he has never in the past been involved in the management of a company except as an outside Director or outside Corporate Auditor, the Company judges that he will appropriately fulfill his duties as an outside Director based on the above reasons.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
10	Kimie Sakuragi (September 6, 1958) Female New election Outside Independent	<p>Mar. 1981 Joined Fukutake Publishing Co., Ltd. (current Benesse Holdings, Inc.)</p> <p>Apr. 1995 Supervisor of Book Businesses in Publishing Division</p> <p>Nov. 1998 Chief of Business Ethics and Compliance Office</p> <p>Jan. 2003 Manager of Business Ethics and Compliance Office</p> <p>June 2003 Standing Audit & Supervisory Board Member of Benesse Corporation (current Benesse Holdings, Inc.) (current position)</p> <p>Apr. 2007 Adjunct Professor of the University of Aizu Graduate School (current position)</p> <p>Oct. 2009 Audit & Supervisory Board Member of Benesse Corporation (current position)</p> <p>June 2019 Scheduled to retire the position (Audit & Supervisory Board Member of Benesse Corporation) on this date</p> <p>June 2019 Scheduled to retire the position (Standing Audit & Supervisory Board Member of Benesse Holdings, Inc.) on this date.</p>	0 shares
<p>Reasons for nomination as candidates for outside Director</p> <p>We propose the nomination of Kimie Sakuragi so that her extensive experience and wide-ranging knowledge in the fields of corporate ethics, compliance, and CSR can be leveraged to provide advice and supervision concerning the Company's management from an objective and specialist perspective.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Taketoshi Oka, Masaru Nakamura, Takafumi Isogai, and Kimie Sakuragi are candidates for outside Director.
 3. Remarks related to the candidates for outside Director are as follows.
 - (1) Tenure as outside Director of the Company
 - At the conclusion of this meeting, Taketoshi Oka's tenure as outside Director of the Company will have been four years.
 - At the conclusion of this meeting, Masaru Nakamura's tenure as outside Director of the Company will have been two years.
 - At the conclusion of this meeting, Takafumi Isogai's tenure as outside Director of the Company will have been one year.
 - (2) Limited liability agreements with outside Directors

Article 28 of the Articles of Incorporation stipulates that the Company may enter into agreements with outside Directors limiting liability for damage for failure to perform duties, and the Company has entered into limited liability agreements with Taketoshi Oka, Masaru Nakamura, and Takafumi Isogai limiting liability to the amount stipulated by laws and regulations. If their election is approved, the Company plans to renew the aforementioned agreements with them. If the election of Kimie Sakuragi is approved, the Company plans to enter into the same agreement with her.
 - (3) Matters concerning independence
 - Taketoshi Oka, Masaru Nakamura, Takafumi Isogai, and Kimie Sakuragi satisfy the requirements of the Independence Standards for outside Officers stipulated by the Company.
 - The Company does not have a trading relationship with Kinki Chuou Law Office, at which Taketoshi Oka is engaged in his significant concurrent position.
 - Although the Company does have a trading relationship with Sumitomo Corporation, at which Masaru Nakamura served as an individual who executed business in the past, the volume of such transactions represents less than 1% of both companies' consolidated sales in the most recent fiscal year.
 - The Company does not have a trading relationship with University of Marketing and Distribution Sciences, at which Takafumi Isogai served as a professor in the past.

- The Company does not have a trading relationship with Benesse Holdings, Inc. or Benesse Corporation, at which Kimie Sakuragi serves as an Audit & Supervisory Board Member. In addition, the Company does not have a trading relationship with the University of Aizu, at which she serves as an adjunct professor.
 - -The Company has notified the Tokyo Stock Exchange of Taketoshi Oka, Masaru Nakamura, and Takafumi Isogai's appointments as outside Officer as provided for by the aforementioned exchange. In addition, if the election of Kimie Sakuragi is approved, the Company plans to notify the aforementioned exchange of his appointment as outside Officer.
- (4) Benesse Corporation, at which Kimie Sakuragi serves as an Audit & Supervisory Board Member, received a recommendation from the Ministry of Economy, Trade and Industry in September 2014 calling for remediation to prevent recurrence based on the Act on the Protection of Personal Information in response to an incident of personal information leakage. She was not involved in this incident, and has focused on audits to prevent scandals. In addition, she conducted audits and expressed opinions to prevent recurrence after the incident.

Proposal No. 3 Election of One Substitute Corporate Auditor

The Company requests approval for the election of one substitute Corporate Auditor to be ready to fill a vacant position should the number of Corporate Auditors fall below the number required by laws and regulations. In addition, the consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
<p>Yoshinori Satoï (December 10, 1962) Male Outside Independent</p>	<p>Apr. 1996 Registered as an attorney at law Apr. 1996 Joined Takagi Motaichi Law Office Feb. 2006 Outside Corporate Auditor of Zojirushi Corporation June 2015 Outside Corporate Auditor of NCS&A CO., LTD. June 2015 Outside Corporate Auditor of the Company Dec. 2016 Joined Yasaka Law Office (current position) [Significant concurrent positions outside the Company] Attorney at law of Yasaka Law Office</p>	<p>0 shares</p>
<p>Reasons for nomination as candidate for substitute outside Corporate Auditor We propose the nomination of Yoshinori Satoï so that his extensive experience and wide-ranging knowledge as an attorney at law can be leveraged for and reflected to the Company's audits. Furthermore, while he has never in the past been involved in the management of a company except as an outside Director or outside Corporate Auditor, he served as an outside Corporate Auditor of the Company from June 2015 until June 2017, and due to having sufficient knowledge of the Group's business content and audit system, etc., the Company has determined that he would perform duties appropriately if the number of corporate auditors falls below the number prescribed by laws and regulations.</p>		

- Notes:
1. Although the Company has paid compensation to Yoshinori Satoï as an outside advisor on compliance for the Company, the amount of such compensation in the most recent fiscal year was a trivial amount of ¥0.3 million, and he has no special interest relationship with the Company other than this.
 2. Yoshinori Satoï is a candidate for substitute outside Corporate Auditor.
 3. Remarks related to the candidates for substitute outside Corporate Auditor are as follows.
 - (1) Limited liability agreements with outside Corporate Auditors
Article 36 of the Articles of Incorporation stipulates that the Company may enter into agreements with outside Corporate Auditors limiting liability for damage for failure to perform duties. If Yoshinori Satoï assumes the office of outside Corporate Auditor, the Company plans to enter into such limited liability agreement with him limiting liability to the amount stipulated by laws and regulations.
 - (2) Matters concerning independence
 - Yoshinori Satoï satisfies the requirements of the Independence Standards for outside Officers stipulated by the Company.
 - The Company does not have a trading relationship with Yasaka Law Office, at which he is engaged in his significant concurrent position.
 - If he assumes the office of outside Corporate Auditor, the Company plans to notify the Tokyo Stock Exchange of his appointment as an outside Officer as provided for by the aforementioned exchange.

[Reference] Independence Standards for Outside Officers

The Company has deemed that if none of the attributes in the following items apply, the outside Director or outside Corporate Auditor (or the candidate for outside Director or outside Corporate Auditor) has a high degree of independence from the Company, and there are no concerns of conflicts of interest with general shareholders.

- (1) A major shareholder in the Company (refers to a shareholder with a voting rights ownership ratio of 10% or more; the same applies below) or an individual who executes business for the shareholder
- (2) An individual who executes business for a company of which the Company is a major shareholder
- (3) A business partner of the Company for which the Company is a major partner (refers to a party that provides products or services to the Company for which the average annual transaction amount for the past three fiscal years is over 2% of that business partner's annual gross sales) or an individual who executes business for that company
- (4) A major business partner of the Company (refers to a party that the Company provides products or services to for which the average annual transaction amount for the past three fiscal years is over 2% of the Company's annual gross sales) or an individual who executes business for that company
- (5) An individual who executes business as an employee of a financial institution that is a major lender to the Company (refers to a lender for which the loan balance amount is equivalent to over 2% of the Company's total assets)
- (6) An individual who obtains over ¥10 million per year in cash or other assets in profit from the Company as a specialist, such as a consultant, accountant, or attorney at law, other than officers' compensation (or an individual who belongs to a corporation, etc., that obtains over ¥100 million per year in this matter)
- (7) An individual for which any item in (1) to (6) above has applied within the past three years
- (8) A relation within the second degree of an individual for which any item in (1) to (7) above applies

Note: Even if none of the attributes above apply, in some cases it may be deemed that there is no independence in consideration of matters such as transaction volumes at a Group company of the Company or a Group company of a business partner.

Proposal No. 4 Determination of Compensation for Granting Restricted Shares to Directors

At the 147th Ordinary General Meeting of Shareholders held on June 29, 2005, it was approved that total compensation of the Company's Directors shall be limited to up to ¥41 million per month. As part of the revision of its compensation system for Directors, the Company proposes the introduction of the restricted shares compensation plan for Directors (excluding outside Directors, hereinafter "Eligible Director") (hereinafter, "Plan") in order to provide them with an incentive to sustainably increase the Company's corporate value and to further promote shared value between shareholders and Eligible Directors.

Accordingly, the Company requests approval for the payment of compensation for the granting restricted shares to the Eligible Directors separate from the compensation amount above.

Based on this proposal, the total amount of monetary compensation paid for granting restricted shares to the Eligible Directors shall be up to ¥45 million per year as an amount believed to be appropriate in light of the objectives above. The number of the Eligible Directors as of this meeting is planned to be six, and the specific timing of the compensation payment and allocation of the restricted shares to each Eligible Director shall be left to the discretion of the Board of Directors. Note that a response to the effect that the introduction of the Plan is reasonable has been gained from Compensation Advisory Board that is an advisory body for President and Director.

The specific details of the Plan are as follows.

1. Allocation and payment for the restricted shares

The Eligible Directors shall pay all monetary compensation claims to be provided under this proposal in the form of property contributed in kind, in accordance with the resolution of the Board of Directors of the Company, and shall, in return, receive common shares of the Company that shall be issued or disposed of by the Company. The total number of the Company's common shares to be issued or disposed through this proposal shall be no more than 45,000 shares per year (however, if, on or after the day on which this proposal is approved, a share split (including allotment of shares without contribution) or reverse share split of the Company's common shares occurs or any other reason arises necessitating an adjustment to the upper limit of the total number of the Company's common shares to be allotted in accordance with the share split or reverse share split and etc., the upper limit of the relevant total number shall be reasonably adjusted. The amount to be paid per share of the Company's common shares shall be the closing price (if trading did not take place on that day, the closing price for the last trading day before that) of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors.

2. Overview of an agreement for allocation of the restricted shares

An agreement for allocation of the restricted shares (hereinafter, the "Allocation Agreement") that includes the following contents shall be entered into between the Company and the Eligible Directors for issuance or disposal of the Company's common stock based on the Plan.

(1) Restriction period

An Eligible Director cannot transfer, establish security rights, or conduct any other disposition (hereinafter, the "Transfer Restrictions") of the Company's common stock allocated under the Allocation Agreement (hereinafter, the "Allocated Stock") for a period of 30 years from restricted share payment date (hereinafter, the "Restriction Period").

(2) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions of all of the Allocated Stock upon expiration of the Restriction Period, on the condition that the Eligible Director has remained in the position of Director or another set position of the Company continuously throughout the Restriction Period. However, if the Eligible Director retires from the position as Director or another set position of the Company before the expiration of the Restriction Period due to the reason that the Board of Directors of the Company deems justifiable, it shall be possible to lift the Transfer Restrictions for all or a portion of the Allocated Stock, and the Company shall rationally adjust the number of the Allocated Stock on which the Transfer Restrictions are to be lifted and the timing of lifting as needed.

(3) Acquisition of the Allocated Stock without contribution

If certain grounds prescribed in the Allocation Agreement, such as if an Eligible Director retires from the position of Director or another set position of the Company before the completion of the Restriction Period for reasons other than those deemed justifiable by the Board of Directors of the Company, the Company shall automatically acquire without contribution the Allocated Stock.

In addition, the Company shall automatically acquire without contribution the Allocated Stock on which the Transfer Restrictions have not been lifted at the expiration of the Restriction Period in accordance with the provision of (2) above.

(4) Treatment during reorganization, etc.

Notwithstanding the provision of (1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company may lift the Restriction on the certain number of the Allotted Shares that will be reasonably determined by resolution of the Board of Directors of the Company prior to the date on which the organizational restricting becomes effective, in view of the period from the date of commencement of the Restricted Period through the effective date of the organizational restructuring. In such a case, the Company shall automatically acquire without contribution the Allocated Stock on which the Transfer Restrictions have not been lifted even as of the time immediately after the Transfer Restrictions were lifted.

(5) Other matters determined by the Board of Directors

In addition to the above, the method for expressing intentions and giving notifications to under the Allocation Agreement, the method for amending the Allocation Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Allocation Agreement.

Note that the stock allocated to Eligible Directors under the Plan will be managed in a dedicated account to be opened at Nomura Securities Co., Ltd. by Eligible Directors during the Restriction Period so that an Eligible Director cannot transfer, establish security rights, or conduct any other disposition of the stock during the Restriction Period.

[Reference]

The Company plans to introduce a plan similar to the Plan for the Executives Officers of the Company (excluding Executives Officers who serve concurrently as Directors) after the conclusion of this meeting.