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Securities code: 9055

May 29, 2020

To Shareholders with Voting Rights

Masaru Usui
President
ALPS LOGISTICS CO., LTD.
1756 Nippa-cho, Kohoku-ku,
Yokohama-shi, Kanagawa Pref., Japan

NOTICE OF THE 56TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We hereby notify you that the 56th Annual General Meeting of Shareholders (the “Meeting”) of ALPS LOGISTICS CO., LTD. (the “Company,” together with its subsidiaries, the “Group”) will be held as described below.

As a result of careful deliberation amid the recent urgent requests to prevent the further spread of COVID-19, we have decided to hold the Meeting while taking appropriate measures to prevent the spread of the infection.

From a perspective of preventing the spread of the infection, we strongly recommend that you exercise your voting rights in advance in writing or via the Internet, etc., instead of coming to the Meeting in person.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights **by 5:30 p.m. Japan time on Thursday, June 18, 2020.**

- 1. Date and Time:** Friday, June 19, 2020 at 10:00 a.m. (Reception begins at 9:00 a.m.)
2. Venue: Banquet Hall Fantasia, 3F, Shin Yokohama Prince Hotel
3-4 Shin Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa Pref., Japan

In order to prevent the spread of COVID-19, seats will be spaced far apart; therefore, the number of available seats will be significantly reduced compared to the past Meetings. As a result, some prospective attendees may not be allowed to enter. We appreciate your understanding.

- 3. Agenda of the Meeting:**
- Matters to be reported:**
1. The Business Report, the Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 56th fiscal year (from April 1, 2019 to March 31, 2020)
 2. The Non-Consolidated Financial Statements for the 56th fiscal year (from April 1, 2019 to March 31, 2020)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Five Directors (excluding Directors who are Members of Audit and Supervisory Committee)
Proposal No. 4: Election of Three Directors who are Members of Audit and Supervisory Committee
Proposal No. 5: Partial Amendments to the Conditions for Exercising Stock Acquisition Rights as Stock Compensation-type Stock Options

4. Decisions regarding the convocation

Please see the “Information on Exercising Voting Rights” section on pages 3 and 4 (in Japanese).

Requests regarding the Prevention of the Spread of COVID-19

- There may be changes to the above measures depending on the COVID-19 situation by the day of the Meeting, the details of announcements by the government, etc. Please check the Company’s website (<https://www.alps-logistics.jp/>) (in Japanese) for updated information.
- All shareholders attending the Meeting are required to disinfect their hands using the alcohol placed near the reception desk and to bring and wear their own masks. Those who do not do so may not be allowed to enter and may be required to leave the site.
- The temperatures of prospective attendees will be measured near the site entrance. Those who have fevers, who feel unwell, or who have been overseas within the past 14 days may not be allowed to enter and may be required to leave the site. Shareholders who have been overseas within the past 14 days are required to inform the reception staff.
- Officers and operating staff of the Meeting will check their physical state, including measuring their temperature, before coming to the Meeting, and will wear masks.
- Please note that due to the above measures, there may be some wait time before prospective attendees can check in at the reception.
- In order to shorten the duration of the Meeting to help prevent the spread of COVID-19, reporting items (including audit reports) and detailed explanations of resolutions will be omitted. Please read the Notice before attending.
- The location, starting time, etc., of the Meeting is subject to change depending on the state of the COVID-19 pandemic. Notices of changes will be posted on the Company’s website (<https://www.alps-logistics.jp/>) (in Japanese).

To shareholders attending the Meeting:

- Please submit the enclosed Voting Rights Exercise Form at the reception of the Meeting.
- Please note that proxies, attendants or children who are not shareholders cannot attend the Meeting.
- Unlike previous years, gifts will not be given out at this Meeting. Also, there will be no shareholders’ gathering after the Meeting. We appreciate your understanding.
- Since the number of available seats will be significantly reduced compared to the past Meetings, some prospective attendees may not be allowed to enter. We appreciate your understanding.
- Even if you plan to attend in person, please check our website in advance.

Guidance on disclosure by the Internet

Of the documents to be attached to this Notice, the Consolidated Statement of Changes in Equity, the Notes to Consolidated Financial Statements, the Non-Consolidated Statement of Changes in Equity and the Notes to Non-Consolidated Financial Statements are posted on the Company's website (<https://www.alps-logistics.jp/>) (in Japanese) pursuant to laws, regulations and Article 14 of the Company's Articles of Incorporation, and are therefore not included in this Notice. Accordingly, the attachments to this Notice are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit reports.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Company positions return of profits to shareholders an important policy, and has strived to raise its levels with priority on stable dividends. The level of dividends is determined by taking into account the balance among i) return of profits to shareholders, ii) investment for future growth, and iii) internal reserve.

Under this policy, the Company proposes to pay year-end dividend for the fiscal year as follows:

(1) Allocation of dividend property to shareholders and its total amount

10 yen per share of the Company's common stock in a total of 353,575,440 yen

Together with the interim dividend of 10 yen per share already paid, the annual dividend for the fiscal year will be 20 yen per share.

(2) Effective date of dividends from surplus

Monday, June 22, 2020

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Proposal

The Company proposes to make the following partial amendments to the Articles of Incorporation for implementing changes to the director system and introducing a vice president system with a view to enhancing the corporate governance structure, while establishing new provisions whereby the Board of Directors may exempt Directors by its resolution from liability to the extent stipulated by laws and regulations, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, with the aim of allowing Directors to fully perform their expected roles.

The Company has obtained consent of each member of Audit and Supervisory Committee on the establishment of Article 28, Paragraph 1 of the Articles of Incorporation.

- (1) Reduction of the number of Directors
- (2) Deletion of the provisions concerning Directors with executive titles as well as changes to the relevant provisions
- (3) Establishment of provisions concerning the exemption of Directors from liability
- (4) Establishment of provisions concerning Vice Presidents
- (5) Other changes needed by the changes listed in (1) through (4) above

2. Description of the changes

The changes are specifically as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>CHAPTER III. GENERAL MEETING OF SHAREHOLDERS</p> <p>(Convener and Chairman)</p> <p>Article 13. <u>The Director and Chairman or the Director and President</u> shall convene and chair the general meeting of shareholders.</p> <p>2) In the event that <u>the Director and Chairman and the Director and President</u> are unable to act, another Director, determined in accordance with an order of priority previously determined by resolution of the Board of Directors of the Company, shall convene the general meeting of shareholders and act as the chairman thereof.</p>	<p>CHAPTER III. GENERAL MEETING OF SHAREHOLDERS</p> <p>(Convener and Chairman)</p> <p>Article 13. <u>The Director, appointed by the Board of Directors,</u> shall convene and chair the general meeting of shareholders.</p> <p>2) In the event that <u>the Director, appointed by the Board of Directors as prescribed in the preceding paragraph,</u> is unable to act, another Director, determined in accordance with an order of priority previously determined by resolution of the Board of Directors of the Company, shall convene the general meeting of shareholders and act as the chairman thereof.</p>
<p>CHAPTER IV. DIRECTORS AND THE BOARD OF DIRECTORS</p> <p>(Number of Directors)</p> <p>Article 17. The number of Director of the Company shall not exceed <u>fifteen (15)</u> (excluding Directors who are Members of Audit and Supervisory Committee).</p> <p>2) Text omitted.</p>	<p>CHAPTER IV. DIRECTORS AND THE BOARD OF DIRECTORS</p> <p>(Number of Directors)</p> <p>Article 17. The number of Director of the Company shall not exceed <u>seven (7)</u> (excluding Directors who are Members of Audit and Supervisory Committee).</p> <p>2) Unchanged.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Directors with Executive titles)</p> <p>Article 21. <u>The Board of Directors may appoint by resolution one (1) Director and Chairman, one (1) Director and President, several Directors and Executive Vice Presidents, Senior Managing Directors, and Managing Directors from Directors (excluding Directors who are Members of Audit and Supervisory Committee).</u></p> <p>Article 22. Text omitted.</p> <p>(Convener and Chairman of the Board of Directors)</p> <p>Article 23. Unless otherwise provided by laws and regulations, <u>the Director and Chairman or the Director and President</u> shall convene the Board of Directors' meetings.</p> <p>2) In the event that <u>the Director and Chairman and the Director and President</u> are unable to act, another Director, determined in accordance with an order of priority previously determined by resolution of the Board of Directors of the Company, shall convene the general meeting of shareholders and act as the chairman thereof.</p> <p>Article 24. to Article 28. Text omitted.</p> <p>(<u>Agreement to limit</u> Directors' liability)</p> <p>Article 29. (New)</p> <p>The Company may, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, conclude an agreement with Directors (excluding Executive Directors, etc.) to limit their liability for damages stipulated under Article 423, Paragraph 1 of the same Act, to the extent stipulated by laws and regulations.</p> <p>(New)</p>	<p>(Delete)</p> <p>Article 21. Unchanged.</p> <p>(Convener and Chairman of the Board of Directors)</p> <p>Article 22. Unless otherwise provided by laws and regulations, <u>the Director, previously appointed by the Board of Directors</u>, shall convene the Board of Directors' meetings.</p> <p>2) In the event that <u>the Director, previously appointed by the Board of Directors as prescribed in the preceding paragraph</u>, is unable to act, another Director, determined in accordance with an order of priority previously determined by resolution of the Board of Directors of the Company, shall convene the general meeting of shareholders and act as the chairman thereof.</p> <p>Article 23. to Article 27. Unchanged.</p> <p>(<u>Exemption of</u> Directors' liability)</p> <p>Article 28. <u>The Company may, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, and based on the resolution of the Board of Directors, exempt Directors (including former Directors) from liability for damages stipulated by the provisions of Article 423, Paragraph 1 of the same Act to the extent stipulated by laws and regulations.</u></p> <p>2) The Company may, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, conclude an agreement with Directors (excluding Executive Directors, etc.) to limit their liability for damages stipulated under Article 423, Paragraph 1 of the same Act, to the extent stipulated by laws and regulations.</p> <p><u>CHAPTER V. VICE PRESIDENTS</u></p> <p>(<u>Vice Presidents</u>)</p> <p>Article 29. <u>The Company may appoint Vice Presidents by resolution of the Board of Directors.</u></p> <p>2) <u>Matters related to Vice Presidents shall be governed by the Rules on Vice Presidents established by the Board of Directors.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="264 327 730 383">Chapter <u>V</u>. AUDIT AND SUPERVISORY COMMITTEE</p> <p data-bbox="185 389 624 418">Article 30. to Article 32. Text omitted.</p> <p data-bbox="331 423 663 452">Chapter <u>VI</u>. CALCULATION</p> <p data-bbox="185 456 624 486">Article 33. to Article 36. Text omitted.</p>	<p data-bbox="895 327 1370 383">Chapter <u>VI</u>. AUDIT AND SUPERVISORY COMMITTEE</p> <p data-bbox="823 389 1246 418">Article 30. to Article 32. Unchanged.</p> <p data-bbox="970 423 1302 452">Chapter <u>VII</u>. CALCULATION</p> <p data-bbox="823 456 1246 486">Article 33. to Article 36. Unchanged.</p>

Proposal No. 3: Election of Five Directors (excluding Directors who are Members of Audit and Supervisory Committee)

The terms of office of all eight Directors (excluding Directors who are Members of Audit and Supervisory Committee, hereinafter, the same shall apply in this proposal) will expire upon conclusion of the Meeting.

As indicated in Proposal No. 2, we have introduced a vice president system, and are striving to further reinforce our corporate governance by revitalizing the Board of Directors, accelerating decision-making, and enhancing its business execution functions.

We therefore propose that the number of Directors be reduced, and that five Directors be newly elected.

The candidates for Directors are as follows. The candidates are determined based on the Criteria for Election of Directors stated in pages 15 to 16. Each of the candidates satisfies the criteria and is deemed to be qualified as a Director of the Company.

The Audit and Supervisory Committee has reviewed this proposal and has no special remarks.

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions		Number of Company shares held
1	Masaru Usui January 10, 1958	April 1981	Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)	28,400
		June 2006	Director	
		November 2011	CSO Asia	
		April 2012	Deputy General Manager, Sales & Marketing	
		June 2013	Managing Director, Sales, the Company	
		June 2014	President (present)	
		Reasons for nomination as a candidate for Director Masaru Usui has long been engaged in sales of electronic components in Japan and overseas, and has expertise in the electronic components industry, which is our main customer segment. Since 2014, he has promoted global expansion of the logistics business as the President to build a foundation for growth, and is fulfilling his duties. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.		
2	Katsuhiko Shimohiro June 9, 1960	April 1986	Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)	9,000
		October 2003	Joined the Company	
		October 2010	Associate Director, Deputy, China	
		June 2011	Director, China	
		November 2012	Director, Deputy General Manager, Business Division, Overseas	
		June 2017	Managing Director (present) Corporate Planning, Information Systems and China	
		June 2019	General Manager, Administration Division (present) Information Systems, China area (present)	
		Reasons for nomination as a candidate for Director Katsuhiko Shimohiro has been engaged mainly in overseas operations with abundant experience as the manager of local subsidiaries, and has expertise in the overseas business. Currently, as Managing Director, he concurrently serves as General Manager of Administration Division, is in charge of Information Systems, etc., and is fulfilling his duties to build operations and a business foundation. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.		

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions		Number of Company shares held
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> 3	Koji Fukiyama May 24, 1960	April 1983	Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)	20,000
		May 2012 November 2012 July 2013 June 2014 June 2019	Joined the Company Associate Director, Business Division, Deputy, Overseas Associate Director, General Manager, Japan Business Control Department Director, Deputy General Manager, Business Division, Japan Managing Director, General Manager, Business Division (present)	
Reasons for nomination as a candidate for Director Koji Fukiyama has experience for example as the manager of manufacturing bases for electronic components in Japan and overseas, and has expertise in the electronic components industry, which is our main customer segment. At the Company, he has promoted business expansion and productivity improvement mainly for the logistics business in Japan. He is currently Managing Director, General Manager, Business Division, and is fulfilling his duties. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.				
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> 4	Yoichiro Kega May 4, 1960	April 1984	Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.)	0
		June 2016 January 2019 June 2019	Director Corporate Planning, Accounting & Finance, General Affairs & Environment, and General Manager, Corporate Planning Office Director, Vice President, ALPS ALPINE CO., LTD. Corporate Planning, HR & General Affairs, Legal & Intellectual Property and Export & Import Administration Vice President HR & General Affairs, Legal & Intellectual Property and Export & Import Administration (present) Director, the Company (present)	
Reasons for nomination as a candidate for Director Yoichiro Kega has served as a sales representative for electronic components, both in Japan and overseas, as an overseas local subsidiary manager, as Director in charge of Corporate Planning and Accounting & Finance at ALPS ALPINE CO., LTD., the parent company. He has expertise in the electronic components industry, which is our main customer segment, and is currently in charge of HR & General Affairs and Legal & Intellectual Property as Vice President. Since last year, he has also appropriately fulfilled his duties as Director of the Company. Accordingly, it was determined that he is qualified to execute business for the Company in promoting global management to aim for improving corporate value, and therefore he has been reappointed as a candidate for Director.				

Proposal No. 4: Election of Three Directors who are Members of Audit and Supervisory Committee

The terms of office of three Directors who are Members of Audit and Supervisory Committee will expire upon conclusion of the Meeting.

Accordingly, the Company proposes the election of three Directors who are Members of Audit and Supervisory Committee.

The candidates for Directors who are Members of Audit and Supervisory Committee are as follows. The candidates are determined based on the Criteria for Election of Directors stated in pages 15 to 16. The candidates satisfy the criteria and are deemed to be qualified as Directors of the Company.

The Audit and Supervisory Committee has given its consent to this proposal.

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions	Number of Company shares held
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> 1	Kunihiko Nakamura May 14, 1956	April 1980 Joined ALPS ELECTRIC CO., LTD. (currently ALPS ALPINE CO., LTD.) January 2009 Joined the Company April 2009 General Manager, HR & General Affairs Department July 2013 Associate Director, General Manager, HR & General Affairs Department June 2015 Director, Administration June 2018 Director, Member of Audit and Supervisory Committee (present)	14,600
		<p>Reasons for nomination as a candidate for Director Kunihiko Nakamura has been primarily involved in human resources and general affairs operations, and has knowledge regarding administration both in Japan and overseas with his experience of working overseas. Since 2015, as Director in charge of Administration, he has improved the Company's management system, striven to enhance governance and compliance, and appropriately fulfilled his duties as the Company expanded its logistics business globally. It was determined that he has used his knowledge to appropriately fulfill his duties as Director (full-time) who is a Member of Audit and Supervisory Committee, and therefore he has been reappointed as a candidate.</p>	
<div style="border: 1px solid black; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px;">Outside</div> 2	Takashi Ohyama December 13, 1951	February 1976 Joined Electronic Industries Association of Japan (currently Japan Electronics and Information Technology Industries Association) June 2009 Director, Electronic Industries Association of Japan May 2011 Director, Japan Electronics Show Association June 2014 Outside Director, the Company June 2016 Outside Director, Member of Audit and Supervisory Committee (present)	0
		<p>Reasons for nomination as a candidate for Outside Director Takashi Ohyama has extensive knowledge of the electronics industry, which is our main customer segment, through holding positions of Director at the Japan Electronics and Information Technology Industries Association and other organizations. Although he has no experience of being involved in corporate management other than as an outside officer, it was determined that he has used his knowledge to appropriately fulfill his duties as Director who is a Member of Audit and Supervisory Committee, and therefore he has been reappointed as a candidate. His term of office as Outside Director of the Company will be six years upon conclusion of the Meeting (four of which were as Outside Director who is a Member of Audit and Supervisory Committee).</p>	

No.	Name Date of birth	Career summary, positions, responsibilities and significant concurrent positions	Number of Company shares held
<div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> 3	Naoko Nishikawa June 14, 1973	June 2007 Registered as a certified public accountant July 2007 Joined ShinNihon LLC (currently Ernst & Young ShinNihon LLC)	0
		April 2014 Joined EY Singapore LLC June 2016 Established Nishikawa Certified Public Accountant Firm (present) October 2016 Belongs to Japan Business Assurance Co., Ltd. (present)	
Reasons for nomination as a candidate for Outside Director Naoko Nishikawa has many years of experience in accounting audit at accounting firms, expertise and experience cultivated through her career as a certified public accountant, and broad-ranging knowledge. Although she has no direct experience of being involved in corporate management, it was determined that she can use her knowledge regarding accounting to appropriately fulfill her duties as Outside Director who is a Member of Audit and Supervisory Committee, and therefore she has been appointed as a new candidate.			

Notes: 1. There are no special interests between any of the candidates and the Company.

2. Takashi Ohyama and Naoko Nishikawa are candidates for Outside Directors provided in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act.

The Company has reported Takashi Ohyama to Tokyo Stock Exchange, Inc. as an independent officer. If his reelection is approved, the Company plans to again report him as an independent officer.

If the election of Naoko Nishikawa is newly approved, the Company also plans to report her as an independent officer.

3. The Company has signed agreements with Kunihiko Nakamura and Takashi Ohyama, respectively, based on Article 427, Paragraph 1 of the Companies Act to limit their liability for damages under Article 423, Paragraph 1 of the same Act to the amount specified by laws and regulations. If they are reelected, the Company will continue the same agreements with them, respectively. If Naoko Nishikawa is newly elected, the Company intends to sign the same agreement with her.
4. Naoko Nishikawa has experience of working in Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, but left her position in June 2011, and left EY Singapore LLP in October 2015. While working at these accounting firms, she had no involvement in accounting audits for the Company, the Group, or the group of the Company's parent company, ALPS ALPINE CO., LTD. In accordance with the Company's Criteria for Independence of Outside Directors, she has been deemed to be sufficiently independent.

Proposal No. 5: Partial Amendments to the Conditions for Exercising Stock Acquisition Rights as Stock Compensation-type Stock Options

The Company proposes to make partial amendments to the conditions for exercising the stock acquisition rights as stock compensation-type stock options, which had been approved by shareholders through Proposal No.4 “Introduction of the Stock Compensation-type Stock Options Plan for Directors and the Determination of its Detail” at the 50th Annual General Meeting of Shareholders held on June 18, 2014, as well as through Proposal No.7 “Determination of the Specifics of the Stock Compensation-type Stock Options Plan for Directors (excluding Directors who are Members of Audit and Supervisory Committee)” at the 52nd Annual General Meeting of Shareholders held on June 21, 2016.

The proposal asks for approval on the changes to the compensation of Directors in the form of the first series of stock acquisition rights issued by ALPS LOGISTICS CO., LTD., based on the resolution at the Board of Directors’ meeting held on June 18, 2014, the second series of stock acquisition rights issued by ALPS LOGISTICS CO., LTD., based on the resolution at the Board of Directors’ meeting held on June 17, 2015, the third series of stock acquisition rights issued by ALPS LOGISTICS CO., LTD., based on the resolution at the Board of Directors’ meeting held on June 21, 2016, the fourth series of stock acquisition rights issued by ALPS LOGISTICS CO., LTD., based on the resolution at the Board of Directors’ meeting held on June 21, 2017, and the fifth series of stock acquisition rights issued by ALPS LOGISTICS CO., LTD., based on the resolution at the Board of Directors meeting held on June 20, 2018.

1. Reason for the changes

The original conditions for exercising the stock acquisition rights issued to Directors of the Company allowed Directors to exercise their stock acquisition rights within 10 days from the day following the day he/she loses his/her position as Director (excluding Director who is a Member of Audit and Supervisory Committee).

The Company is scheduled to introduce a vice president system as described in Proposal No.2. Since Vice Presidents assume a role in executing business of the Company, similarly to Directors (excluding Directors who are Members of Audit and Supervisory Committee as well as Non-executive Directors), the Company proposes to change the original conditions for exercising the stock acquisition rights, which will enable the Company to preclude the exercise of stock acquisition rights until the day he/she loses his/her position as Directors (excluding Directors who are Members of Audit and Supervisory Committee) as well as Vice Presidents.

2. Description of the changes

(Amended parts are underlined.)

Current Condition	Proposed Amendments
<p>(Conditions for exercising the stock acquisition rights) A holder of stock acquisition rights shall be entitled to exercise his/her stock acquisition rights within ten (10) days from the day following the day he/she loses <u>his/her position as Director (excluding Director who is a Member of Audit and Supervisory Committee)</u> of the Company.</p>	<p>(Conditions for exercising the stock acquisition rights) A holder of stock acquisition rights shall be entitled to exercise his/her stock acquisition rights within ten (10) days from the day following the day he/she loses <u>his/her position as Director (excluding Director who is a Member of Audit and Supervisory Committee) as well as Vice President</u> of the Company.</p>

(Reference)

Criteria for Election of Directors

<Provisions Common to Inside and Outside Directors>

1. The candidate has objective determination capabilities regarding management and has outstanding managerial judgment capabilities, foresight, and discernment.
2. The candidate has a strong respect for the law.
3. The candidate has an outstanding reputation and character, and a strong sense of morals.
4. The candidate is free of any health constraints that would impede the performance of duties.

<Provisions Relating to Outside Directors>

1. The candidate has practical experience as a corporate manager or has experience and broad-ranging knowledge in specialized fields necessary for performing management supervisory functions.
2. The candidate is able to secure adequate time to perform duties as Director.
3. The candidate satisfies the independence conditions concerning an independent Outside Director in light of the Criteria for Independence of Outside Directors set forth below.

<Criteria for Independence of Outside Directors>

In the case where an Outside Director of the Company does not fall under any of the following criteria, the Company shall determine that the Director is independent and shall consider the Director to be an independent Outside Director.

1. The Director was previously employed by the Company, its parent company, its consolidated subsidiary, or a fellow subsidiary (the "Company Group") (see note 1).
2. The Director is a major shareholder (see note 2).
3. The Director is engaged in the execution of business for a major business partner (see note 3) of the Company Group or engaged in the execution of business for a major lender (see note 4) of the Company Group.
4. The Director is a certified public accountant affiliated with an accounting firm that is an accounting auditor of the Company Group.
5. The Director is a specialist such as a consultant, attorney, judicial scrivener, tax accountant, or patent attorney who receives large amounts of money (see note 5) or other property from the Company Group.
6. The Director has received large amounts of donations from the Company Group (see note 6).
7. The Director is engaged in the execution of business for another company that has a reciprocal employment relationship of an Outside Director (see note 7).
8. The Director has a close relative (see note 8) who falls under any of 1 to 7 above.
9. The Director fell under any of 2 to 8 above within the past three years.
10. Notwithstanding the preceding items, the Company determines that there are special circumstances that give rise to a special relationship with the Company.

Note 1: A person who is currently an Executive Director or in a similar position or an employee (a "Person Engaged in the Execution of Business") or a Person Engaged in the Execution of Business who has ever been employed by the Company

Group in the past.

- Note 2: A major shareholder is a shareholder who holds 5% or more of the Company's voting rights in his or her own name or in the name of a nominee at the end of the Company's most recent business year. In the case where a major shareholder is a corporation, association, or other organization, a Person Engaged in the Execution of Business affiliated with such organization.
- Note 3: A major business partner is a buyer or a supplier of the Company Group's services and/or products, etc., in the case where the annual transaction amount exceeds 2% of the Company's or the other party's consolidated net sales at the end of the Company's most recent business year.
- Note 4: A major lender is a financial institution from which the Company Group has borrowed money in the case where the balance of loans outstanding exceeds 2% of the Company's or the financial institution's consolidated total assets at the end of the Company's most recent business year.
- Note 5: A large amount means the following according to the participation in the provision of services by the specialist.
- (1) In the case where the relevant specialist provides services to the Company Group as an individual, consideration received from the Company Group (excluding Director compensation) in excess of 10 million yen annually constitutes a large amount.
 - (2) In the case where the relevant specialist is affiliated with a corporation, association, or other organization that provides services to the Company Group, when the total amount of consideration received by that organization from the Company Group exceeds 2% of that organization's annual income, this constitutes a large amount; provided, however, that even if the amount of consideration does not exceed 2%, if the amount received by the organization as consideration for the provision of services in which the relevant specialist is directly involved exceeds 10 million yen annually, this constitutes a large amount.
- Note 6: A person who receives donations in excess of 10 million yen annually from the Company Group (in the case of a corporation, association, or other organization, a person affiliated with such organization who is directly involved in activities relating to those donations).
- Note 7: The situation where a Person Engaged in the Execution of Business for the Company Group who is an Outside Director of another company and a Person Engaged in the Execution of Business for that other company is an Outside Director of the Company.
- Note 8: A close relative means a spouse or a relative within two degrees of consanguinity.