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Securities Code: 3994

February 8, 2019

To our shareholders:

Yosuke Tsuji
Representative Director, President and CEO
Money Forward, Inc.
21F, msb Tamachi Station Tower S, 3-1-21
Shibaura, Minato-ku, Tokyo

Notice of the 7th Annual General Meeting of Shareholders

You are cordially invited to attend the 7th Annual General Meeting of Shareholders of Money Forward, Inc. (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and then exercise your voting rights by 6:30 p.m. on Friday, February 22, 2019 (JST).

1 Date and Time:	Sunday, February 24, 2019, at 10:00 a.m. (JST) (The reception desk is scheduled to open at 9:30 a.m.)
2 Venue:	4F, msb Tamachi Station Tower S, 3-1-21 Shibaura, Minato-ku, Tokyo TKP Garden City PREMIUM Tamachi (The venue is changed from the last meeting)
3 Purpose of the Meeting	Matters to be reported: 1. The Business Report and the Consolidated Financial Statements for the 7th fiscal year (from December 1, 2017 to November 30, 2018), and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board 2. The Non-consolidated Financial Statements for the 7th fiscal year (from December 1, 2017 to November 30, 2018) Matters to be resolved: Proposal No. 1 Reduction of Legal Capital Surplus and Appropriation of Surplus Proposal No. 2 Partial Amendments to the Articles of Incorporation Proposal No. 3 Election of 11 Directors Proposal No. 4 Determination of Remuneration for Allotting Restricted Shares to Directors

- ◎ If you attend the meeting in person, please submit the enclosed voting form at the venue's reception desk. We also ask that you bring this Notice of the General Meeting of Shareholders for reference during the meeting.
- ◎ Among the documents to be provided to this Notice, the items below (available in Japanese only) are posted on the Company's website (<https://corp.moneyforward.com/>) pursuant to laws and regulations, as well as Article 20 of the Articles of Incorporation, and are accordingly not included with this Notice.
 - (1) "System to Ensure the Appropriateness of Business Operations and the Status of its Implementation" of the Business Report
 - (2) "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
 - (3) "Statements of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

Consequently, the documents attached to this Notice consist of part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board members and the Independent Auditor in preparing their audit reports.

- ◎ If any revisions are made to the Reference Documents for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements, revised contents will be presented on the above Company's website (available in Japanese only).
- ◎ With respect to the Notice of the Resolutions of the General Meeting of Shareholders, the contents will be presented on the Company's website in English (<https://corp.moneyforward.com/en/>).

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Reduction of Legal Capital Surplus and Appropriation of Surplus

For the purpose of covering the deficit of retained earnings brought forward to restore the financial position, the Company proposes the reduction of legal capital surplus and appropriation of surplus.

Specifically, the Company requests approval for reducing the amount of legal capital surplus in accordance with the provisions of Article 448, paragraph 1 of the Companies Act, transferring such amounts to other capital surplus, and then transferring increased other capital surplus to retained earnings brought forward to cover the deficit of retained earnings brought forward pursuant to Article 452 of the Companies Act.

Note that this proposal is solely for the reduction of legal capital surplus without changing the total number of issued shares. Accordingly, there will be no impact on the number of shares held by individual shareholders.

In addition, there will be no change in the amount of net assets per share since there is no change in the amount of net assets of the Company.

1. Outline of reduction of legal capital surplus

- (1) Amount of legal capital surplus to be reduced
Legal capital surplus of ¥727,796,717 will be reduced by ¥264,310,427 to ¥463,486,290.
- (2) Method of reduction of legal capital surplus
The full amount of the reduction in legal capital surplus of ¥264,310,427 is to be transferred to the other capital surplus for the purpose of allocating it to compensate for losses.
- (3) Effective date of reduction of legal capital surplus
February 24, 2019

2. Outline of appropriation of surplus

Under the provisions of Article 452 of the Companies Act, the amount of the other capital surplus, which will come into existence on the condition that the reduction of legal capital surplus mentioned in “1.” above comes into effect, shall be decreased, and the amount of this decrease shall be transferred to retained earnings brought forward to compensate for losses.

- (1) Item of surplus to be decreased and amount of decrease
Other capital surplus: ¥264,310,427
- (2) Item of surplus to be increased and amount of increase
Retained earnings brought forward: ¥264,310,427
- (3) Effective date of appropriation of surplus
February 24, 2019

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

In order to further strengthen the management system, the Company proposes to increase by one (1) the maximum number of Directors set forth in Article 21 (Number of Directors) of the existing Articles of Incorporation, changing it from ten (10) to eleven (11).

The following are the details of the amendments.

(The underlined portions are proposed to be amended.)

Existing Articles of Incorporation	Proposed amendments
(Number of Directors) Article 21. The Company shall have not more than <u>ten (10)</u> Directors.	(Number of Directors) Article 21. The Company shall have not more than <u>eleven (11)</u> Directors.

Proposal No. 3 Election of 11 Directors

The terms of office of all ten Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted in its original form, the Company proposes the election of 11 Directors, two of whom are new candidates for Director, to further strengthen the management system. The candidates for Director are as follows:

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	Yosuke Tsuji (June 30, 1976)	Apr. 2001 Joined Sony Corporation Jan. 2004 Seconded to Monex, Inc. July 2007 Transferred to Monex, Inc. Feb. 2012 General Manager of Marketing Department and Assistant to COO May 2012 Established the Company Nov. 2012 Representative Director, President and CEO (current position) Sept. 2016 Representative Director, Business IT Promoters Association Inc. (current position) Mar. 2017 Director, MF KESSAI, Inc. (current position) Oct. 2017 Representative Director, mirai talk, Inc. (current position) Nov. 2017 Director, Klavis, Inc. (current position) Mar. 2018 Director, Money Forward Financial, Inc. (current position) May 2018 Director, Money Forward Fine, Inc. (current position) July 2018 Director, Knowledge Labo, Inc. (current position)	3,349,100
<p>Reelection</p> <p>■Reasons for nomination as candidate■ Yosuke Tsuji has directed the Company's management since the Company's establishment and led the release of new services. We propose his reelection for the further development of the Group.</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
2 Reelection	Toshio Taki (June 17, 1981)	Apr. 2004 Joined Nomura Securities Co., Ltd. Oct. 2012 Joined the Company Nov. 2012 Director July 2015 Director, Head of the Money Forward Fintech Research Institute Dec. 2016 Director and Executive Officer, Head of the Money Forward Fintech Research Institute (current position) Nov. 2017 Representative Director, Japan Association for Financial APIs (current position)	560,200
<p>■Reasons for nomination as candidate■ Since the Company's establishment, Toshio Taki has been making determined efforts to disseminate the Company's services. He has been contributing to the development of the industry, including the launch of the Money Forward Fintech Research Institute in 2015 and making recommendations on policy. We propose his reelection for the further development of the Group.</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
3 Reelection	Takashi Ichikawa (February 15, 1979)	May 2000 Joined Monex, Inc. Jan. 2011 Joined Seeds Co., Ltd. Jan. 2013 Joined the Company Oct. 2014 Executive Officer and CIO (changed executive title to CISO in November 2015) Feb. 2017 Director, Executive Officer and CISO (current position) Mar. 2018 Director, Money Forward Financial, Inc. (current position)	1,168,800
<p>■Reasons for nomination as candidate■ Since the Company's establishment, Takashi Ichikawa has been contributing to the construction of the Company's service infrastructure and of the security system. We propose his reelection for the further development of the Group.</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
4 Reelection	Naoya Kanesaka (November 27, 1984)	Apr. 2007 Joined Goldman Sachs Japan Co., Ltd. Sept. 2012 Seconded to San Francisco Office, Goldman Sachs & Co. LLC Sept. 2014 Joined the Company Jan. 2015 General Manager of Corporate Planning Department June 2015 Executive Officer and CFO Feb. 2017 Director, Executive Officer and CFO (changed executive title to Co-CFO in October 2018) (current position)	15,000
<p>■Reasons for nomination as candidate■ Naoya Kanesaka is well informed about global financial business. Since joining the Company in September 2014, he has been a driving force in the Company's capital policies and business proposals. We propose his reelection for the further development of the Group.</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
5 Reelection	Takuya Nakade (March 20, 1977)	<p>Apr. 2001 Joined Jupiter Shop Channel Co., Ltd.</p> <p>July 2007 Joined Simplex Technology, Inc. (currently Simplex Inc.)</p> <p>May 2015 Joined the Company</p> <p>Dec. 2016 CTO</p> <p>Dec. 2017 Executive Officer and CTO</p> <p>Feb. 2018 Director, Executive Officer and CTO (current position)</p> <p>Mar. 2018 Director, Money Forward Financial, Inc. (current position)</p>	800
<p>■Reasons for nomination as candidate■</p> <p>Takuya Nakade has extensive experience in IT service development and consulting. Since joining the Company in May 2015, he has been making concerted efforts to build the foundation of the Company's services. Since assuming office as CTO in December 2016, he has been spearheading the engineer-led development setup. We propose his reelection for the further development of the Group.</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
6 Reelection	Hirokazu Ban (May 6, 1978)	<p>Apr. 2001 Joined KOKUSAI Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>May 2007 Joined Monex, Inc.</p> <p>Dec. 2008 Registered as an attorney at law</p> <p>Jan. 2009 Joined SBI Securities Co., Ltd.</p> <p>June 2012 Director, SBI MONEY PLAZA Co., Ltd.</p> <p>Oct. 2013 Manager of President's Office, SBI Holdings, Inc.</p> <p>Jan. 2016 Joined the Company</p> <p>Dec. 2016 Executive Officer, General Manager of Administrative Department</p> <p>Mar. 2017 Director, MF KESSAI, Inc.</p> <p>Oct. 2017 Director, mirai talk, Inc.</p> <p>Feb. 2018 Director, Executive Officer, General Manager of Administrative Department, the Company (current position)</p> <p>Mar. 2018 Director, Money Forward Financial, Inc. (current position)</p>	3,000
<p>■Reasons for nomination as candidate■</p> <p>Hirokazu Ban has in-depth understanding of management systems and compliance at financial institutions. Since joining the Company in January 2016, he has been making concerted efforts to develop and improve the Company's internal control systems. We propose his reelection for the further development of the Group.</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
7	Masanobu Takeda (July 17, 1976)	July 2001 Joined Medix Inc. July 2003 Joined Macromill, Inc. Dec. 2007 Executive Officer July 2008 Director May 2016 Director and CSO, Klavis, Inc. Jan. 2017 Director and CFO (current position) Sept. 2017 Outside Director, ASMARQ Co., Ltd. Feb. 2018 Joined the Company June 2018 Executive Officer (current position)	0
<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">New election</div> <p>■Reasons for nomination as candidate■</p> <p>Since the early days of the Internet research business, Masanobu Takeda has played a leading role in a variety of fields such as sales, project planning and business management, and has thorough knowledge and experience in digital marketing research. After Klavis, Inc. became a subsidiary in 2018, he has been in charge of Money Forward Cloud business of the Company. We newly propose his election for the further development of the Group.</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	Nobuaki Kurumatani (December 23, 1957)	Apr. 1980 Joined The Mitsui Bank, Limited Apr. 2007 Executive Officer Jan. 2010 Managing Executive Officer Apr. 2012 Managing Executive Officer, Sumitomo Mitsui Financial Group, Inc. June 2012 Director Apr. 2013 Director and Senior Managing Executive Officer, Sumitomo Mitsui Banking Corporation Apr. 2015 Deputy President, Sumitomo Mitsui Financial Group, Inc. Representative Director and Deputy President, Sumitomo Mitsui Banking Corporation May 2017 Representative Director and Chairman , CVC Asia Pacific (Japan) K.K. June 2017 External Director, the Company (current position) Director, SHARP Corporation Apr. 2018 Representative Executive Officer, Chairman and CEO, TOSHIBA CORPORATION (current position) June 2018 Director, TOSHIBA CORPORATION (current position)	0
<div style="display: flex; flex-direction: column; gap: 5px; margin-bottom: 5px;"> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Reelection</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">External</div> <div style="border: 1px solid black; padding: 2px; width: fit-content;">Independent</div> </div> <p>■Reasons for nomination as candidate for external Director■</p> <p>Nobuaki Kurumatani has been engaged in the management of Sumitomo Mitsui Financial Group, Inc. for many years. He has abundant knowledge of and experience in corporate finance and auditing, and we propose his reelection as an external Director in order to receive valuable advice and suggestions for management of the Company. Although the Company borrows from Sumitomo Mitsui Banking Corporation, Mr. Kurumatani has retired from the position of the bank and we believe that his independence is unaffected. He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been approximately one year and eight months.</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
9	Masaaki Tanaka (April 1, 1953)	<p>Apr. 1977 Joined The Mitsubishi Bank, Limited</p> <p>June 2004 Executive Officer, The Bank of Tokyo-Mitsubishi, Ltd. Executive Officer, Mitsubishi Tokyo Financial Group, Inc.</p> <p>Jan. 2006 Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. Executive Officer, Mitsubishi UFJ Financial Group, Inc.</p> <p>May 2007 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. President and Chief Executive Officer, Union Bank of California</p> <p>June 2010 Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.</p> <p>May 2011 Senior Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2012 Director and Deputy President, Mitsubishi UFJ Financial Group, Inc.</p> <p>June 2015 Senior Advisor, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Sept. 2016 Senior Global Advisor, PricewaterhouseCoopers International Limited</p> <p>Feb. 2017 Adviser, Financial Services Agency (current position)</p> <p>June 2017 Board Director, QUOINE Co., Ltd. (current position)</p> <p>Feb. 2018 External Director, the Company (current position)</p> <p>Sept. 2018 President and Chief Executive Officer, Japan Investment Corporation</p>	0
<p>■Reasons for nomination as candidate for external Director■</p> <p>Masaaki Tanaka has been engaged in the management of Mitsubishi UFJ Financial Group, Inc. for many years. He has abundant experience and broad expertise in the global finance field, and we propose his reelection as an external Director in order to receive valuable advice and suggestions for management of the Company. Although the Company borrows from MUFG Bank, Ltd., Mr. Tanaka has retired from the position of the bank and we believe that his independence is unaffected. He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been approximately one year.</p>			

Reelection
External
Independent

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	Akira Kurabayashi (June 25, 1974)	Apr. 1997 Joined FUJITSU LIMITED Jan. 2003 Joined Mitsui & Co., Ltd. May 2009 Joined Globespan Capital Partners Director May 2011 Joined salesforce.com Co., Ltd. Senior Director, Corporate Development & Salesforce Ventures Mar. 2015 Joined Draper Nexus Venture Partners Managing Director (current position) Feb. 2018 External Director, the Company (current position)	83,200
<div style="display: flex; flex-direction: column; align-items: flex-start; gap: 5px;"> <div style="border: 1px solid black; padding: 2px;">Reelection</div> <div style="border: 1px solid black; padding: 2px;">External</div> <div style="border: 1px solid black; padding: 2px;">Independent</div> </div> <p>■Reasons for nomination as candidate for external Director■</p> <p>Akira Kurabayashi has a wealth of investment experience in new businesses in Japan and overseas. We propose his reelection as an external Director in order to receive valuable advice on the Company's management based on his extensive knowledge of corporate management. He is currently an external Director of the Company, and at the conclusion of this meeting, his tenure will have been approximately one year.</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
11	Etsuko Okajima (May 16, 1966)	Apr. 1989 Joined Mitsubishi Corporation Jan. 2001 Joined McKinsey & Company Inc. Japan Mar. 2002 Joined GLOBIS Management Bank, Inc. July 2005 President, GLOBIS Management Bank, Inc. June 2007 Representative Director and President, ProNova Inc. (current position) June 2014 Outside Director, Astellas Pharma Inc. June 2014 External Director, MARUI GROUP CO., LTD. (current position) Dec. 2015 Outside Director, SEPTENI HOLDINGS CO., LTD. (current position) Mar. 2016 Outside Director, Link and Motivation Inc. (current position) Dec. 2018 Outside Director, euglena Co., Ltd. (current position)	0
<div style="display: flex; flex-direction: column; align-items: flex-start; gap: 5px;"> <div style="border: 1px solid black; padding: 2px;">New election</div> <div style="border: 1px solid black; padding: 2px;">External</div> <div style="border: 1px solid black; padding: 2px;">Independent</div> </div> <p>■Reasons for nomination as candidate for external Director■</p> <p>Etsuko Okajima has abundant experience, knowledge and broad expertise as a professional in human resources development, organizational management and other related fields. We newly propose her election as an external Director, in the expectation that she will provide supervision and advice on the management of the Company from an independent and objective standpoint.</p>			

- Notes:
1. Candidate for Director Masanobu Takeda is a new candidate for Director.
 2. Candidate for external Director Etsuko Okajima is a new candidate for external Director.
 3. Candidates for Director Nobuaki Kurumatani, Masaaki Tanaka, Akira Kurabayashi and Etsuko Okajima are candidates for external Director.
 4. Candidate for Director Yosuke Tsuji is Representative Director of Business IT Promoters Association Inc. The Company has a business subcontracting agreement with the association and undertakes management work on a subcontracted basis for it. In FY2018, however, that business accounted for less than 1% of the Company's net sales.
 5. Candidate for Director Yosuke Tsuji is Representative Director of mirai talk, Inc. The Company has a business subcontracting agreement with the company and undertakes management work on a subcontracted basis for it. In FY2018, however, that business accounted for less than 1% of the Company's net sales.
 6. Candidate for Director Toshio Taki is Representative Director of Japan Association for Financial APIs. However, there has been no transaction involving the transfer of money or rights between the association and the Company, and there is no special interest relationship.

7. Candidate Director Etsuko Okajima is Representative Director and President of ProNova Inc. However, there has been no transaction involving the transfer of money or rights between the company and the Company, and there is no special interest relationship.
8. There are no special interests between other candidates for Director and the Company.
9. The Articles of Incorporation stipulate that the Company may enter into agreements with external Directors to limit the scope of their liability for damages to the Company. The Company has concluded such agreement with each of Nobuaki Kurumatani, Masaaki Tanaka and Akira Kurabayashi. If the reelection of the three is approved, the Company plans to renew the aforementioned agreement with each of them. In addition, if the election of a new candidate for external Director Etsuko Okajima is approved, we plan to conclude the similar agreement with her that limits her liability for damages. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
10. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Nobuaki Kurumatani, Masaaki Tanaka and Akira Kurabayashi have been appointed as independent officers as provided for by the aforementioned exchange. New candidate for Director Etsuko Okajima also satisfies the requirements of an independent officer as provided for by Tokyo Stock Exchange, Inc. If their appointments are approved, the Company plans to submit notification to the aforementioned exchange that each of the four is an independent officer.
11. "Number of the Company's shares owned" indicates the number of shares held as of November 30, 2018.

Proposal No. 4 Determination of Remuneration for Allotting Restricted Shares to Directors

At the 5th Annual General Meeting of Shareholders held on February 28, 2017, it was approved that the amount of remuneration, etc. for the Directors of the Company shall be no more than 500 million yen annually (not including the employee salary portion for those who serve concurrently as an employee and director), and in addition to the above remuneration amount, that the Company may issue share acquisition rights as stock options to the Directors of the Company, totaling no more than 42 million yen annually for Directors, and 9 million yen for external Directors.

In order to allow the Directors of the Company to share benefits and risks of stock price fluctuations more closely with shareholders and to give them greater motivation to make contributions to increase the Company's stock price and enhance its corporate value, in addition to the above-mentioned share acquisition rights as stock options, the Company, at this time, would like to allot to the Directors of the Company the Company's common shares that are subject to provisions concerning a certain term of stock transfer restriction and grounds for acquisition of shares by the Company without any contribution, etc. (hereinafter referred to as "Restricted Shares") as described below.

Accordingly, comprehensively taking into account various matters such as levels of contributions to the Company made by Directors, in addition to the above-mentioned amount of remuneration, etc. for Directors and the amount of remuneration, etc. associated with share acquisition rights as stock options, the Company would like to set the total amount of monetary remuneration claims to be paid to the Directors of the Company as remuneration, etc. for granting Restricted Shares at no more than 66 million yen annually (of which 18 million yen for external Directors, not including the employee salary portion for those who serve concurrently as an employee and director). However, regarding the said total amount of monetary remuneration claims, the Company assumes that, in principle, an amount corresponding to compensation for performance of duties over five fiscal years shall be paid in a lump sum.

The allotment of Restricted Shares has been decided comprehensively taking into account various matters such as levels of contributions to the Company made by Directors, and we consider its content is considerable. The current number of Directors is ten (of which three are external Directors), and if Proposal No. 3 is approved, the number of Directors will be 11 (of which four will be external Directors); however, the total amount of monetary remuneration claims will remain the same.

Details and Maximum Number of Restricted Shares to Be Allotted to Directors of the Company

1. Allotment and Payment for Restricted Shares

The Company shall provide monetary remuneration claims within the above-mentioned annual amount to the Directors of the Company as remuneration etc. for Restricted Shares in accordance with a resolution of the Company's Board of Directors. Each Director shall receive an allotment of Restricted Shares by making a contribution in kind of all of the relevant monetary remuneration claims.

The amount to be paid in for the Restricted Shares shall be determined at the Company's Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day preceding the date of resolution by the Company's Board of Directors on their issuance or disposal of such shares (if there is no closing price on such date, the closing price of the immediately preceding trading day) within a range where the amount is not particularly advantageous to Directors receiving the Restricted Shares.

Furthermore, the above-mentioned monetary remuneration claims shall be provided on the condition that the Directors of the Company have agreed to the above-mentioned contribution in kind and have concluded a Restricted Shares allotment agreement, which includes the provisions stipulated in "3." below.

2. Total Number of Restricted Shares

The total number of Restricted Shares to be allotted to the Directors of the Company of 23,000 shares (of which 6,200 shares are for external Directors, not including the employee salary portion for those who serve concurrently as an employee and director) shall be the maximum number of Restricted Shares to be allotted in each fiscal year.

However, the total number of Restricted Shares may be reasonably adjusted, in the event of share split (including allotment of shares without contribution) or share consolidation of the Company's common shares, or other situation where an adjustment would be necessary occurring after the resolution date of this proposal.

3. Provisions of Restricted Shares Allotment Agreement

The Restricted Shares allotment agreement to be concluded based on a resolution of the Company's Board of Directors at the time of allotment of Restricted Shares between the Company and Director receiving the allotment of Restricted Shares shall contain the following provisions.

(1) Transfer Restrictions

The Directors who have received an allotment of Restricted Shares may not transfer to a third party, create a pledge over, mortgage over, make inter vivos gifts or bequest of, or otherwise dispose in any way of the relevant Restricted Shares (such restrictions are hereinafter referred to as "Transfer Restrictions") for a period of between one and five years as determined by the Company's Board of Directors (hereinafter referred to as the "Transfer Restriction Period").

(2) Acquisition of Restricted Shares without Contribution

In cases where a Director who has received an allotment of Restricted Shares retires from the position of Director of the Company prior to the end of the Transfer Restriction Period, or other situation arises that constitutes a ground, the Company shall rightfully acquire without consideration the Restricted Shares allotted to the relevant Director (hereinafter referred to as "the Allotted Shares") except in cases where there is any reason deemed justifiable by the Company's Board of Directors.

In addition, in cases where there are the Allotted Shares from which the Transfer Restrictions have not been removed at the end of the Transfer Restriction Period stated in (1) above, based on the provisions regarding conditions for the removal of Transfer Restrictions stated in (3) below, the Company shall rightfully acquire such shares without consideration.

(3) Removal of Transfer Restrictions

The Company shall remove the Transfer Restrictions on all of the Allotted Shares at the end of the Transfer Restriction Period, on the condition that a Director who has received an allotment of Restricted Shares has held the position of Director of the Company throughout the Transfer Restriction Period.

However, in cases where the Director retires from the position of Director of the Company prior to the end of the Transfer Restriction Period due to any reason deemed justifiable by the Company's Board of Directors, the Company shall reasonably adjust, as necessary, the number of the Allotted Shares from which the Transfer Restrictions are to be removed, and the timing to remove the Transfer Restrictions.

(4) Treatment during Reorganization, etc.

In cases where, during the Transfer Restriction Period, a proposal regarding a merger agreement in which the Company is a disappearing company, a share exchange agreement in which the Company becomes a wholly-owned subsidiary, a share transfer plan, or any other matters related to reorganization, etc. is approved by the Company's General Meeting of Shareholders (by the Company's Board of Directors, in cases where an approval by the General Meeting of Shareholders is not required for such reorganization, etc.), the Company shall, prior to the date on which such reorganization takes effect, remove the Transfer Restrictions on the Allotted Shares, the number of which shall be reasonably determined by a resolution of the Company's Board of Directors, based on the period from the start date of the Transfer Restriction Period until the date on which such reorganization is approved. In this event, the Company shall rightfully acquire without consideration the Allotted Shares from which the Transfer Restrictions have not been yet removed at the time immediately after the Transfer Restrictions have been removed based on the above mentioned provision.

(Note)

After the conclusion of this General Meeting of Shareholders, the Company, by a resolution of the Company's Board of Directors, plans to allot the same kind of restricted shares as the above-mentioned Restricted Shares to those Executive Officers, employees, and directors and employees of the Company's subsidiaries who do not serve concurrently as a Director of the Company. The maximum amount for the 8th fiscal year shall be 184 million yen (64,000 shares).