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August 4, 2016

**To Those Shareholders with Voting Rights**

Takara Printing Co., Ltd.

Seiichiro Akutsu, President

(Securities code: 7921 TSE First Section)

Contact Person: Masao Shinohara, Executive Officer, Director of General Affairs Dep.

Phone: 03-3971-3101

**NOTICE OF THE 79<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 79<sup>th</sup> Ordinary General Meeting of Shareholders of the Company. The meeting will be held as described below.

If you are unable to attend the meeting, please review the Reference Documents for the General Meeting of Shareholders (the following pages 3 to 39), and place your vote by no later than 6:00 p.m. on Thursday, August 25, 2016, in reference to the “Guidance for the Exercise of Voting Rights,” either by returning the enclosed Voting Rights Exercise Form with your selections, or by electronic means including the use of the Internet.

- 1. Date and Time** 10:00 a.m., Friday, August 26, 2016 (reception opens at 9:00 a.m.)
- 2. Place** Ballroom Fuji, Hotel Metropolitan Tokyo 3F  
6-1, Nishi-Ikebukuro 1-chome, Toshima-ku, Tokyo
- 3. Agenda of the Meeting:**
  - Matters to be reported:** (1) Business Report and Consolidated Financial Statements for the 79<sup>th</sup> Fiscal Term (from June 1, 2015 to May 31, 2016) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
  - (2) Non-consolidated Financial Statements for the 79<sup>th</sup> Fiscal Term (from June 1, 2015 to May 31, 2016)
  - Proposals to be resolved:**
    - Proposal No. 1:** Election of Eight (8) Directors
    - Proposal No. 2:** Continuation of a Policy on the Large-scale Purchase of the Company Shares (Anti-takeover Measures)

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Notes: 1. If you plan to attend the meeting, please hand in your Voting Rights Exercise Form at the front desk when you arrive at the venue.

2. Subsequent amendments to the Reference Documents for the General Meeting of Shareholders and the Attached Documents (if any) will be listed on the Company’s website (<http://www.takara-print.co.jp/>).

## **Guidance for the Exercise of Voting Rights**

### If you are attending the General Meeting of Shareholders

Please hand in your Voting Rights Exercise Form at the front desk when you arrive at the venue.

Date and Time: 10:00 a.m., Friday, August 26, 2016 (reception opens at 9:00 a.m.)

### If you cannot attend the General Meeting of Shareholders

- By post

Please return the enclosed Voting Rights Exercise Form with your approval or disapproval for each proposal.

**Exercise deadline: to be received by 6:00 p.m., Thursday, August 25, 2016**

- By the Internet

Please access the Company's designated voting rights exercise website and send your approval or disapproval for each proposal.

**Exercise deadline: 6:00 p.m., Thursday, August 25, 2016**

<b>Electronic Voting Rights Exercise Platform for Institutional Investors</b>
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In addition to the above methods, shareholders may vote via the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc. by prior application.
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## **Reference Documents for the General Meeting of Shareholders**

### **Proposals and References**

#### **Proposal No. 1: Election of Eight (8) Directors**

All of the eight (8) Directors will complete their terms of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of eight (8) Directors.

#### **The Company's View on the Structure of Board of Directors**

The number of the Company's Board of Directors shall be somewhere between three (3) and nine (9) including two (2) or more Independent Outside Directors. The Company gives consideration to the diversity of the members constituting the Board of Directors.

#### **Procedure of Election and Nomination of the Directors**

Directors of the Company shall have, in addition to an excellent character, practical insight to implement the Company's business operations in an accurate, fair and efficient manner while maintaining high ethical standards. The term of all the Directors shall be one (1) year and their election is subject to the resolution at the Ordinary General Meeting of Shareholders. Candidates for the Directors including Substitute Director(s) shall be selected and determined at the Board of Directors, while obtaining advice from Independent Outside Directors, in accordance with the policy mentioned above.

#### **[Criteria for Determining Independence of Independent Outside Directors]**

Independent Outsider Directors are elected based on the Company's expectations towards the candidates who can contribute to open-minded constructive discussions and have a deep insight and broad experience in the securities market & securities sector as well as a field of disclosure services that are closely related to the Company's business. The Criteria for Determining Independence is formulated, with reference to the Criteria for Independence stipulated by Tokyo Stock Exchange, to elect candidates who have no interests with the Company, and no potential conflict of interests with the general shareholders.

The candidates for Directors are as follows.

No.		Name (age)		Current position at the Company	Attendance at the Board of Directors for the current fiscal term
1	<u>Reelection</u>	Seiichiro Akutsu	(62)	President and Representative Director	100% (22 out of 22 meetings)
2	<u>Reelection</u>	Kouji Aoki	(63)	Director and Managing Executive Officer	100% (22 out of 22 meetings)
3	<u>Reelection</u>	Yoshinori Tamura	(59)	Director and Managing Executive Officer	100% (22 out of 22 meetings)
4	<u>Reelection</u>	Eiichi Kashima	(60)	Director and Managing Executive Officer	100% (22 out of 22 meetings)
5	<u>Reelection</u>	Tetsuo Imai	(59)	Director and Managing Executive Officer	100% (16 out of 16 meetings)
6	<u>Reelection</u>	Akira Tsuda	(72)	Director and Executive Officer	100% (22 out of 22 meetings)
7	<u>Reelection</u>	Toshitsugu Shimizu	(65)	●Outside Director (Independent Director)	100% (22 out of 22 meetings)
8	<u>Reelection</u>	Atsuo Takahashi	(75)	●Outside Director (Independent Director)	100% (22 out of 22 meetings)

Notes: 1. The ages of Directors are stated in Western style method as of the closing of this General Meeting of Shareholders.

2. No conflict of interest exists between the Company and the above candidates for Directors.

3. Mr. Toshitsugu Shimizu and Mr. Atsuo Takahashi are the candidates for Outside Directors. The Company has appointed them as independent directors who have no potential conflicts of interest with general shareholders as defined by Tokyo Stock Exchange, and submitted notification of their appointment to the said exchange.

4. As Mr. Tetsuo Imai was newly elected and assumed his office at the 78<sup>th</sup> Ordinary General Meeting of Shareholders on August 21, 2015, his attendance at the Board of Directors for the current fiscal term indicates the number of meetings after his assumption of office.

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p><u>Reelection</u></p> <p>1. Seiichiro Akutsu (62) (December 17, 1953)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p>	January 1986	Joined the Company	22,972 shares
	May 1989	General Manager, President Office of the Company	
	July 1991	General Manager, General Planning Department of the Company	
	August 1991	Director and General Manager, General Planning Department of the Company	
	October 1996	Director and General Manager, Accounting Department of the Company	
	August 1997	Managing Director and General Manager, Accounting Department of the Company	
	October 1997	Managing Director and Division Manager, Administration Division of the Company	
	August 2002	President and Representative Director of the Company (current position)	
	<p>Reasons for appointment as candidate for Director</p> <p>Since joining the Company, Mr. Seiichiro Akutsu is well versed in its overall business mainly in the field of administration with abundant knowledge and experience in operations, and appropriately performs his duties. Since his assumption of office as Director in August 1991 and as President and Representative Director in August 2002, he has accumulated achievements as the chief executive officer of the Group. Therefore, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.</p>		

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p><u>Reelection</u></p> <p>2. Kouji Aoki (63) (June 17, 1953)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p>	April 1978	Joined the Company	29,477 shares
	April 1993	General Manager, Osaka Branch of the Company	
	September 1999	General Manager, Business Planning Department of the Company	
	August 2000	Director and General Manager, Production Department of the Company	
	August 2005	Managing Director and General Manager, Production Department of the Company	
	August 2006	Director, Managing Executive Officer and General Manager, Business Planning Department of the Company	
	August 2008	Director, Managing Executive Officer and General Manager, Business Planning Department in charge of XBRL Section of the Company	
	July 2010	Director, Managing Executive Officer and General Manager, Business Planning Department in charge of IFRS Section, XBRL Section and IT Service Business of the Company	
	July 2013	Director, Managing Executive Officer and General Manager, Business Planning Department, in charge of Business Development Department, XBRL Section, Business Management Department and IT Service Department of the Company	
	July 2015	Director, Managing Executive Officer and General Manager, Business Planning Department, in charge of Business Development Department, Business Management Department and IT Service Department of the Company (current position)	
<p>Reasons for appointment as candidate for Director</p> <p>Since joining the Company, Mr. Kouji Aoki is well versed in its overall business mainly in the fields of sales and production with abundant knowledge and experience in operations, and appropriately performs his duties. Since his assumption of office as Director in August 2000, he has accumulated achievements in the management of the Group in areas such as IT services. Therefore, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.</p>			

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p>3. Yoshinori Tamura (59) (January 6, 1957)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p> <p><u>Reelection</u></p>	April 1980	Joined Japan Securities Dealers Association Corporation (currently Japan Securities Dealers Association)	6,875 shares
	September 1999	Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) General Manager, Promotion Department for Initial Public Offering	
	June 2000	Director of Nippon First Securities Co., Ltd.	
	July 2001	Joined the Company Corporate Advisor of the Company	
	August 2001	General Manager, IPO Support Section of the Company	
	August 2004	Director and General Manager, IPO Support Section of the Company	
	August 2006	Director, Managing Executive Officer and General Manager, Disclosure Research Department III of the Company	
	July 2010	Director, Managing Executive Officer and General Manager, Disclosure Research Department I in charge of CSR of the Company	
	July 2013	Director and Managing Executive Officer, General Manager, CSR Department, in charge of Disclosure Research Department I and Disclosure Research Department II of the Company	
	July 2015	Director and Managing Executive Officer, General Manager, CSR Department, General Manager, Disclosure Research Department I and General Manager, Disclosure Research Department II of the Company	
	February 2016	Director and Managing Executive Officer, General Manager, CSR Department, in charge of Disclosure Research Department II of the Company (current position)	
	<p>Reasons for appointment as candidate for Director</p> <p>Mr. Yoshinori Tamura possesses deep insight and experience in securities operations. Since joining the Company, he has abundant knowledge and experience in IPO sales and disclosure research, and appropriately performs his duties. Since his assumption of office as Director in August 2004, he has accumulated achievements in the management of the Group particularly in areas of research and internal auditing. Therefore, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.</p>		

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p>Reelection</p> <p>4. Eiichi Kashima (60) (September 25, 1955)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p>	February 1988	Joined the Company	7,550 shares
	October 1997	General Manager, Accounting Department of the Company	
	September 1998	General Manager, General Affairs Department of the Company	
	September 2004	General Manager, General Planning Department and General Affairs Department of the Company	
	August 2006	Executive Officer and General Manager, General Affairs and Personnel Department of the Company	
	July 2009	Executive Officer and General Manager, Disclosure Business Department I of the Company	
	July 2010	Executive Officer and General Manager, Disclosure & IR Business Department II and Disclosure & IR Business Department IV of the Company	
	July 2013	Managing Executive Officer and General Manager, Disclosure & IR Business Department II of the Company and in charge of Fukuoka Branch Office	
	August 2013	Director, Managing Executive Officer and General Manager, Disclosure & IR Business Department II of the Company and in charge of Fukuoka Branch Office	
	July 2014	Director, Managing Executive Officer and General Manager, Production Department of the Company	
	July 2016	Director, Managing Executive Officer and General Manager, Disclosure & IR Business Department V and Production Department, in charge of Design Center of the Company (current position)	
	<p>Reasons for appointment as candidate for Director</p> <p>Since joining the Company, Mr. Eiichi Kashima is well versed in its overall business mainly in the fields of administration and sales with abundant knowledge and experience in operations, and appropriately performs his duties. Since his assumption of office as Director in August 2013, he has accumulated achievements in the management of the Group particularly in the area of production. Therefore, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.</p>		



Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p>5. Tetsuo Imai (59) (January 17, 1957)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (16 out of 16 meetings)</p> <p><u>Reelection</u></p>	<p>April 1981</p> <p>November 2004</p> <p>April 2007</p> <p>August 2007</p> <p>August 2008</p> <p>July 2010</p> <p>July 2014</p> <p>August 2015</p>	<p>Joined The Mitsui Trust Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)</p> <p>General Manager, Abeno Branch, The Chuo Mitsui Trust and Banking Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)</p> <p>Joined the Company</p> <p>Senior Manager, Disclosure Business Department I of the Company</p> <p>General Manager, Disclosure Sales Promotion Department of the Company</p> <p>Executive Officer and General Manager, Disclosure Sales Promotion Department of the Company</p> <p>Executive Officer and General Manager, Disclosure &amp; IR Business Department III of the Company and in charge of Sapporo Branch Office</p> <p>Executive Officer and General Manager, Disclosure &amp; IR Business Department II of the Company and in charge of Fukuoka Branch Office</p> <p>Director, Managing Executive Officer and General Manager, Disclosure &amp; IR Business Department II of the Company and in charge of Fukuoka Branch Office (current position)</p> <p>Reasons for appointment as candidate for Director Mr. Tetsuo Imai possesses deep insight and experience in trust and banking operations. As he is well versed in its overall business mainly in the field of sales since joining the Company, and has accumulated achievements in the management of the Group in that area and others since his assumption of office as Director in August 2015, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.</p>	2,500 shares

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<p>6. Akira Tsuda (72) (June 15, 1944)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p>	April 1968	Joined Nomura Securities Co., Ltd.	1,000 shares
	December 1987	Director of Nomura Securities Co., Ltd.	
	June 1989	Managing Director of Nomura Securities Co., Ltd.	
	June 1996	Representative Director and Senior Managing Director of Nomura Securities Co., Ltd.	
	June 1997	Representative Director and Senior Managing Director of Japan Associated Finance Co., Ltd. (currently JAFECO Co., Ltd.)	
	April 1999	Vice President and Representative Director of JAFECO Co., Ltd.	
	May 2002	Chairman and Director of Nomura Investor Relations Co., Ltd.	
	June 2003	Chairman and Executive Officer of Nomura Investor Relations Co., Ltd.	
	June 2005	President and Representative Director of Nippon Venture Capital Co., Ltd.	
	June 2005	External Director of Hitachi Capital Corporation	
	April 2009	Director of Nippon Venture Capital Co., Ltd.	
	June 2009	Outside Auditor of Torishima Pump Mfg. Co., Ltd.	
<p>Reelection</p>	August 2009	Director and Executive Officer of the Company (current position)	1,000 shares
	June 2015	Outside Director of Torishima Pump Mfg. Co., Ltd. (current position)	
		Significant concurrent positions Outside Director of Torishima Pump Mfg. Co., Ltd.	
		Reasons for appointment as candidate for Director Mr. Akira Tsuda possesses abundant knowledge and experience in the securities industry, venture capital industry and corporate management, as well as experience as an independent outside director and outside corporate auditor at other companies. Since his assumption of office as Director in August 2009, he has provided appropriate advice on the overall management of the Group and has accumulated achievements in sales operations. Therefore, the Company determines that he is appropriate as Director and reappoints him as candidate for Director.	

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<div>Reelection Outside Independent</div> <div>7. Toshitsugu Shimizu (65) (September 14, 1950)</div> <div>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</div>	April 1974	Joined Tokyo Stock Exchange, Inc.	0 shares
	June 2002	Executive Officer of Tokyo Stock Exchange, Inc.	
	June 2002	Director of Japan Securities Clearing Corporation (concurrent post)	
	June 2003	President and Representative Director of Japan Securities Settlement & Custody, Inc. (concurrent post)	
	June 2006	Senior Executive Officer of Tokyo Stock Exchange, Inc.	
	August 2007	Senior Executive Officer of Tokyo Stock Exchange Group, Inc.	
	August 2008	Director of the Company (current position)	
	June 2009	Outside Director of Japan Commodity Clearing House (current position)	
	June 2013	Outside Director of Tokyo Commodity Exchange, Inc. (current position)	
	Significant concurrent positions Outside Director of Japan Commodity Clearing House Outside Director of Tokyo Commodity Exchange, Inc.		
Reasons for appointment as candidate for Outside Director Mr. Toshitsugu Shimizu has superior insight and broad experience with regard to security markets, which is closely connected with disclosure operations. We believe that he will give valuable advice on our management as an Outside Director. His current term of office as an Outside Director will reach eight years at the closing of this General Meeting of Shareholders.			

Name (Age) (Date of Birth)	Career summary and status of significant concurrent positions		Number of shares of the Company held
<div>Reelection</div> <div>Outside</div> <div>Independent</div> <p>8. Atsuo Takahashi (75) (November 12, 1940)</p> <p>Attendance at the Board of Directors for the current fiscal term 100% (22 out of 22 meetings)</p>	April 1964	Joined the Ministry of Finance	0 shares
	June 1988	Director of Coordination Division, Banking Bureau	
	June 1989	Director General, Tokai Local Finance Bureau	
	June 1990	Director General, Kinki Local Finance Bureau	
	June 1991	Deputy Director General, Banking Bureau	
	June 1993	Director General, Customs and Tariff Bureau	
	July 1994	Governor, Development Bank of Japan Inc.	
	July 1998	Served as Regular Member Governor, Special Member Governor and Vice-Chairman of Japan Securities Dealers Association	
	April 2004	Commissioner of Certified Public Accountants and Auditing Oversight Board	
	July 2005	Chairman of Japan Securities Research Institute	
	November 2007	Chairman of Japan Investor Protection Fund	
	August 2010	Director of the Company (current position)	
	June 2011	Special Advisor of Japan Securities Research Institute	
	June 2012	Outside Director of KYOKUTO SECURITIES CO., LTD.	
	June 2012	Outside Director of AIZAWA SECURITIES CO., LTD. (current position)	
	June 2013	Outside Corporate Auditor of TAKAGI SECURITIES CO., LTD. (current position)	
	May 2015	President, Japan Tariff Association (current position)	
	Significant concurrent positions Outside Director of AIZAWA SECURITIES CO., LTD. Outside Corporate Auditor of TAKAGI SECURITIES CO., LTD. President, Japan Tariff Association		
Reasons for appointment as candidate for Outside Director Mr. Atsuo Takahashi has considerable experience and insights with regard to security markets closely connected with disclosure operations. We believe that he will give valuable advice on our management as an Outside Director based on his experience, etc. His current term of office as an Outside Director will reach six years at the closing of this General Meeting of Shareholders.			

## **Proposal No. 2: Continuation of a Policy on the Large-scale Purchase of the Company Shares (Anti-takeover Measures)**

The Company adopted a policy on the large-scale purchase of the Company shares (Anti-takeover Measures) which was approved by the shareholders at the Company's 70th Ordinary General Meeting of Shareholders held on August 23, 2007. The Anti-takeover Measures was resolved and continued at the 73rd Ordinary General Meeting of Shareholders held on August 20, 2010 and the 76th Ordinary General Meeting of Shareholders held on August 23, 2013 (the current Anti-takeover Measures hereinafter referred to as the "Current Plan"), and the effective term of the Current Plan is until the conclusion of the 79th Ordinary General Meeting of Shareholders (hereinafter referred to as "this OGMS") to be held on August 2016.

Under the "Basic Policy on Corporate Governance" stipulated on July 21, 2015, for the purpose of ensuring the common interests of shareholders, we have continued to examine how the Current Plan should be, including whether or not to continue the Current Plan, responding flexibly to the changes in the environment, on the assumption that we have a strong commitment to public service specializing mainly in supporting preparations of statutory and non-statutory corporate disclosure and IR-related documents that are highly confidential or sensitive.

As a result, the Board of Directors including two Outside Directors resolved at its meeting held on July 1, 2016 that the Current Plan should be continued (the newly continued plan hereinafter referred to as "the Plan"), subject to approval by the shareholders at this OGMS.

The three Corporate Auditors, including two Outside Corporate Auditors, have stated that they all consent to the Plan on condition that it is appropriately implemented.

With respect to continuation of the Plan, though partial amendments and arrangements to "Basic Policy on Who Is Suitable to Be Entrusted with Control of Decision-Making over the Financial and Business Policies of the Company" (hereinafter referred to as "the Policy") under the "Basic Policy on Corporate Governance" have been made, there is no change regarding the basic scheme of the Current Plan.

Therefore, the Company requests approval for the continuation of the Plan.

### **I. Basic Policy on Who Is Suitable to Be Entrusted with Control of Decision-Making over the Financial and Business Policies of the Company**

The Company has specialized in supporting preparations of disclosure and IR-related documents, entrusted by the clients including listed companies, under the Financial Instruments and Exchange Act and Corporation Law, etc., and its operation relates to the critical matters for the development of fair capital market. Especially when the Company faces the situations that hinder its smooth business operation, its clients' activities for disclosure or IR may be impeded, which could lead to material effect on stability of fair capital market. Accordingly, the Company believes that it has a crucial responsibility in society regarding its business execution.

In handling the disclosure and IR-related documents, it is essential to possess high level of security environment and expertise in order to maintain and secure confidentiality and sensitivity of the information

(including insider information) entrusted by the clients. Since its foundation, the Company has accumulated and cultivated information and various tools related to disclosure and IR as well as know-how possessed by each individual employee and network with cooperative business partners, all of which are the Company's valuable and important assets that can be offered to the clients. We believe that the wellspring of our corporate value lies in our efforts in creating environment in which each and every employee is empowered to act in a fashion that gains the trust from the clients and caters to their needs through the corporate management that enhances organizational strengths.

We are convinced that enhancement of our corporate value and the common interests of shareholders are to be realized only through ensuring a reasonable profit returnable to shareholders over the medium to long term, and sufficiently fulfilling our role and mission in society while maintaining the management independence. Besides, we believe it is of crucial importance to maintain and develop sound and appropriate relations with our stakeholders including the clients, business partners and employees, not to mention our shareholders. These, we believe, are the kinds of management principles that are fundamental to maintaining the Company's edge in the field of disclosure and IR services.

When a bid is made to purchase the Company's shares, therefore, the impact of that purchase on the Company's corporate value and on the common interests of its shareholders needs to be properly determined by adequately grasping and examining the following: the feasibility and legality of the business plan proposed by the purchaser; the impact on management resources both tangible and intangible, especially on the trust from the clients, as well as the individual impacts on each stakeholder, and how they will affect our corporate value; the benefits that would accrue should the purchase be made; the actual state of the Group's finances and operations; and other factors contributing to the Company's corporate value.

As the result of such understanding and examination, if, as and when a large-scale purchase of the Company's shares could harm its corporate value and thereby undermine the common interests of shareholders, we will regard that the party making that purchase is not suitable to be entrusted with control over decision-making on the financial and business policies of the Company.

To be specific, a large-scale share purchase will be deemed incompatible with the Company's corporate value and the common interests of its shareholders in such cases as these: (i) if the purchase poses a clear threat of damaging the Company's corporate value and the common interests of shareholders; (ii) if it could effectively compel shareholders to sell their shares, as in a coercive two-tier takeover (In the case of a tender offer, offering to buy up all the Company's shares at the time of the initial purchase setting unfavorable conditions of purchase for the second stage, which may effectively coerce shareholders to sell the Company's shares; (iii) if it is implemented without allowing the Company reasonable time to propose an alternative; (iv) if it is implemented without providing shareholders with the information reasonably deemed necessary to judge the specifics of the purchase; or (v) if the conditions of the purchase (e.g., the amount to be paid or form of payment, the timing of the purchase, or the legality of the method of purchase) are inadequate or inappropriate in light of the Company's actual corporate value, they will be considered unwilling to contribute to the Company's corporate value and the common interests of its shareholders.

## II. Steps Designed to Contribute to Realization of the Basic Policy

Since the late Mr. Masamichi Nomura, who then worked for the Japanese government's Securities and Exchange Commission (now the Financial Services Agency), founded the Company, we have specialized in mainly supporting clients' preparation of corporate disclosure and IR-related documents that are highly confidential or sensitive. In this business, information management and quality control systems, not to mention expert knowledge, are essential, which is why we have obtained certification for quality standard ISO (ISO 9001), environmental standard (ISO 14001) and the PrivacyMark on a company-wide basis. We also obtained, within specific bounds, Information Security Management System (ISMS) certification as well as "FSC Certification" and Green Printing certified by the Japan Federation of Printing Industries. The management systems required under these various certifications are run in integrated fashion as laid out in our CSR administration manual as well as various rules and regulations.

This then constitutes what we call our "CSR regime." The President chairs the CSR Implementation Committee, and a CSR Declaration has been adopted and CSR management is promoted.

The Company stipulated "Basic Policy on Corporate Governance" in response to the corporate governance code adopted in July, 2015 and at the same time, formulated and launched "New Medium Term Management Plan FY2017" aiming to accomplish 8% ROE in the long term.

Outline of "New Medium Term Management Plan FY2017" is as follows,

### (1) Future vision

Global financial support company

Sole provider of both disclosure and IR services

### (2) Basic Policy

At Takara Printing, our basic philosophy is to become a company that offers high added-value by providing clients with high-quality financial disclosure and IR services. While conscious of developments in overseas markets, we therefore endeavor to grow alongside the enhanced corporate value of our clients and developments in financial disclosure procedures.

Consequently, as a financial disclosure and IR specialist, our basic policy is to generate further growth by exploiting our disclosure solution tools and services, while developing and cultivating new business opportunities necessary to take the next major step into the future.

### (3) Specific points of action

- (1) Enhance customer satisfaction through proactive sales and marketing activities that promote the optimization of our convenient solution tools for customer disclosure as well as our customized services.
- (2) Expand and improve our consulting services in collaboration with our group companies in order to meet the growing need for IPO and IFRS (International Financial Reporting Standards) support services.

- (3) Expand our product lineup and enhance the product quality of our IR and translation businesses that take advantage of the demand for corporate governance related services.
- (4) Develop our overseas-related businesses in line with the internationalization of financial disclosure and IR.
- (5) Improve earnings further by leveraging our broad offering of disclosure and IR related products and services, and provide customer-oriented products and services.

(4) Quantitative Targets

(billions of yen)

Fiscal term	ended May 31, 2014 (Actual)	ended May 31, 2015 (Actual)	ended May 31, 2016		Ending May 31, 2017	
			(Plan)	(Actual)	(First planned) <sup>※2</sup>	(Current estimate) <sup>※2</sup>
Net sales	12.6	13.4	13.6	14.6	14.0	14.7
Operating income	1.2	0.9	1.0	1.5	1.2	1.4
Operating income margin	10.2%	6.7%	7.3%	10.7%	8.5%	9.9%
Net income	0.8	0.5	0.6	1.0	0.7	0.9
ROE <sup>※1</sup>	6.8%	4.3%	4.8%	8.3%	5.6%	—

<sup>※1</sup> As to ROE, we aim to increase it to accomplish 8% in the long term.

<sup>※2</sup> First planned amounts for the fiscal term ending May 31, 2017 are as of July 1, 2015 when Medium Term Management Plan was publicly announced, and current estimate amounts are from quarterly financial statements publicly announced on July 1, 2016. Net income presents net income attributable to owners of the parent.

After the expiry of the term of Medium Term Management Plan, we are to newly formulate another Medium Term Management Plan and publicly announce it.

As to profit return to our shareholders over the long term, we regard this matter as one of the important management issues, and based on our policy on maintaining stable dividend, having taken into consideration the reinforcement of our corporate structure and future business developments, we pay dividends commensurate with financial performance. Since the fiscal term ended May 2016, our basic dividend policy has been to pay ¥50 per share annually (interim dividend of ¥25 per share; year-end dividend of ¥25). Regarding the acquisition of treasury stock, with the goals of returning profits to shareholders as well as increasing capital efficiency, and taking into consideration the liquidity of the Company's shares, acquisitions will be made on an as-needed basis. The Company purchased 483,500 shares of treasury stock during the period from March 1, 2015 through March 25 of the same year (A total return ratio to shareholders was 154.8%).

In order to enhance the Company's sustainable growth, social importance and corporate value over the medium to long term, we are striving to ensure profits while promoting CSR management. And through providing high



quality products and services, implementing environmental conservation activities, safety information control, and equitable employment, we are conducting management in a timely and appropriate manner to return profits to shareholders.

\* “Basic Policy on Corporate Governance” is posted on the Company’s website:

<http://contents.xj-storage.jp/xcontents/79210/4e6c28d0/a9af/439f/85cd/6db8c7b19119/20160422083448853s.pdf>

\*“New Medium Term Management Plan FY2017” is posted on the Company’s website:

<http://contents.xj-storage.jp/xcontents/79210/923e5cb2/8f3c/42ad/bdee/09b0885e17d6/20150821162226719s.pdf>

### **III. Specifics of the Plan**

Our policy on the large-scale purchase of company shares (“the Plan”) is designed to keep control of decision-making over the Company’s financial and business policies out of the hands of purchasers who, in light of this policy, pose a clear threat of damaging the Company’s corporate value and the common interests of its shareholders.

The Plan shall be subject to the resolution of a general meeting of shareholders and shall not aim to serve directors’ own interests but to serve common interests of shareholders.

#### **1. Purpose of Adoption of the Plan**

The Company does not consider all large-scale share purchases unacceptable. Nonetheless, as is clear from past instances in Japan, some large-scale share purchases can damage corporate value and harm the common interests of shareholders.

In the case of a purchase of company shares or a similar act, or a proposal to purchase company shares (all referred to hereinafter by the general term “purchase”), the Plan clearly sets out procedures to be followed by the party making the purchase or proposal (referred to hereinafter by the general term “purchaser”). It is thereby designed to ensure that shareholders are given sufficient necessary information and time to reach an appropriate decision. It is also designed to secure the opportunity to negotiate with the purchaser. By means of the Plan, the Company hopes to keep control of decision-making over the Company’s financial and business policies out of the hands of purchasers who, in light of this policy, pose a clear threat of damaging the Company’s corporate value and the common interests of its shareholders, and thus to prevent its corporate value from being damaged and the interests of its shareholders from being undermined contrary to their intentions.

As to the status of major shareholders of the Company as of May 31, 2016, please refer to page 49 of Business Report “4. Status of Shares” (Japanese only).

Please be advised that the Company has not received any proposal regarding large-scale purchase of shares of the Company as the present.

## **2. Purchases Subject to the Plan**

If a purchaser implements a purchase that matches either of the descriptions below (“a subject purchase”), the Company will consider whether or not to issue stock acquisition rights without charge or take such other countermeasures as are permitted under the law and the Company’s Articles of Incorporation (sometimes referred to hereinafter simply as “countermeasures”).

(i) A purchase that, with respect to shares and other securities<sup>1</sup> issued by the Company, would result in the ratio of shares and other securities<sup>2</sup> held by a particular holder<sup>3</sup> exceeding 20%

(ii) A tender offer that, with respect to shares and other securities<sup>4</sup> issued by the Company, would result in the total of the ratio of held shares and other securities<sup>5</sup> covered by the tender offer<sup>6</sup> and of the ratio of shares and other securities held by special stakeholders<sup>7</sup> exceeding 20%

## **3. Procedures for Invocation or Non-invocation of the Plan**

### **3.1. Establishment of a Special Panel**

If a subject purchase has been or may be implemented, the Company’s Board of Directors will promptly establish a Special Panel independent of the Board.

The Special Panel will, independently of the Board of Directors, deliberate and make recommendations to the Board of Directors.

In the interests of protecting the corporate value of the Company and the common interests of its shareholders, the Special Panel will consult and negotiate with the purchaser as necessary, either directly or indirectly, in accordance with “3.2. Request to the Purchaser for Information” below. If the Special Panel asks the purchaser to furnish documentation for study or other information, or to enter consultations or negotiations, the purchaser must promptly accede.

An overview of the Special Panel is provided in “IV. The Special Panel.”

### **3.2. Request to the Purchaser for Information**

Except where the Company’s Board of Directors deems it unnecessary, a purchaser engaging in a subject purchase will, before going ahead with the purchase, submit to the Board of Directors a written statement (“purchase description”) containing the following information, along with a pledge to comply with the procedures set out in the Plan when implementing the purchase:

- (i) details about the purchaser and the purchaser’s group (including joint shareholders<sup>8</sup>, special stakeholders, association members, and, in the case of a fund, any other constituent members), including specific name, address, law under which established, name of representative, contact information in Japan, capital structure, and financial structure;
- (ii) the purpose, method, and specifics of the purchase, including the purchase price and form of payment, purchase timing, relevant transaction methods, legality of the proposed purchase method, and feasibility of the purchase;

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<sup>1-7</sup> Each of these terms is to be understood as defined in the Financial Instruments and Exchange Act (Act No. 25 of 1948, April 13, 1948).

<sup>8</sup> To be understood as defined in the Financial Instruments and Exchange Act (Paragraph 5, Article 27-23).

(iii) the basis on which the purchase price is calculated, including the facts on which the calculation is predicated, the method of calculation, and the numerical information used to make the calculation; as well as the premium value expected to arise from the series of transactions involved in the Purchase and the basis on which that value is calculated, and specifically the premium value to be distributed to minority shareholders and the basis on which that value is calculated;

(iv) evidence of funding to make the purchase, including the specific names of the providers (including the real providers) of the purchase funding, how it is to be raised, and details of relevant transactions;

(v) management policies, business plans, capital policies, and dividend policies for the Group to be implemented after the purchase;

(vi) policies pertaining to the treatment of the Group's clients, business partners, employees, community stakeholders, and so forth to be implemented after the purchase;

(vii) any legislative or other regulations that may apply to the purchase proposal, as well as the possibility that legislative or other approval or licensing can be obtained;

(viii) the possibility that the licensing required for the Group to operate can be maintained after the purchase, and that legislative and other regulations can be duly observed; and

(ix) such other information as the Special Panel deems reasonably necessary.

Upon the Company's receipt of the purchase description, the Board of Directors will promptly submit it to the Special Panel.

If the Special Panel determines that the information contained in the purchase description falls short of what is required, it may ask the purchaser to submit such additional information as is necessary to analyze its purchase, setting a reasonable deadline to reply.

To enable proper disclosure of information to our shareholders, the purchase description and any additional information submitted must, whatever language they are in, be accompanied by a Japanese translation. For the same reason, the Japanese text will be treated as the official version.

If a purchaser appears on the scene, the Company will disclose appropriate information at the necessary time. Any information submitted may also be disclosed if the Board of Directors deems it necessary in order to enable shareholders to reach a decision.

### **3.3. Request by the Special Panel for Opinions and Information from the Company's Board of Directors**

Once the purchaser has submitted the purchase description and any other additional information requested, the Special Panel will ask the Company's Board of Directors to submit its opinions on the specifics of the purchase by the purchaser, setting a reasonable deadline within ten business days of receipt of that description. Along with its opinions, the Board will also be asked to submit documentation to back them up, an alternative plan, and such other information as the Special Panel may deem necessary.

### **3.4. Course of the Special Panel's Deliberations**

Upon receipt of the purchase description and the other information requested from the purchaser, and of

the opinions, documentation, and other information requested from the Company's Board of Directors, the Special Panel will have a maximum period of, as a rule, sixty days to deliberate ("period for deliberation by the Special Panel"). (The Special Panel can however extend this period under 3.6.(iii).) During that time, the Special Panel will gather information on the respective business plans etc. of the purchaser and the Company's Board of Directors, examine the details of the purchase by the purchaser and of the alternative plan proposed by the Company's Board, and compare the two. It will analyze the details of the purchase from the standpoint of protecting the Company's corporate value and the common interests of its shareholders.

To ensure that its judgments indeed contribute to the Company's corporate value and the common interests of its shareholders, the Special Panel can, at the Company's expense, seek the advice of independent third parties including certified public accountants, lawyers, consultants, financial advisers, and other experts.

### **3.5. Disclosure of Information to Shareholders**

To increase the transparency of its decisions, the Special Panel will promptly disclose to shareholders facts of appearance of the purchaser, a summary and facts of receipt of the purchase description from the purchaser, the opinions of the Company's Board of Directors on the details of the purchase by the purchaser, a summary and facts of the alternative plan presented by the Board, facts of the beginning and the end of the period for deliberation by the Special Panel and such other information as the Special Panel or the Board of Directors of the Company consider appropriate. However, information deemed by the Panel as unsuitable for disclosure, such as business secrets, will be exempt from disclosure.

### **3.6. How the Special Panel Reaches Its Decision**

If a purchaser appears on the scene, the Special Panel will implement the procedures described below.

The details of the recommendation made by the Special Panel in line with these procedures will, along with other relevant information, be promptly disclosed by the Company upon adoption of the relevant resolution. (If the period for deliberation by the Special Panel is extended as per (iii) below, the information disclosed will include the length of and reason for the extension).

#### **(i) If the Special Panel recommends invocation of Countermeasures**

If the Special Panel determines that the purchase by the purchaser meets one of the conditions stipulated in "4. Conditions for Issuing Stock Acquisition Rights without Charge or Implementing Other Countermeasures" below, and concludes that it is therefore appropriate to issue stock acquisition rights without charge or take other countermeasures, the Panel will recommend to the Company's Board of Directors that such measures be implemented.

#### **(ii) If the Special Panel recommends non-invocation of Countermeasures**

If, as the result of examining the details of the purchase by the purchaser and negotiating with the purchaser, the Special Panel concludes that the purchase meets none of the conditions stipulated in

“4. Conditions for Issuing Stock Acquisition Rights without Charge or Implementing Other Countermeasures” below or concludes that, although the purchase meets one of those conditions, it would not be appropriate to issue stock acquisition rights without charge or take other countermeasures, the Panel will recommend to the Company’s Board of Directors that no such measures be implemented<sup>9</sup>.

(iii) If the period for deliberation by the Special Panel is extended

If by the end of the original period for deliberation by the Special Panel, the Panel has not yet formulated a recommendation on whether or not to issue stock acquisition rights without charge or implement other countermeasures, the Panel can decide to extend the period of deliberation for as long as considered reasonably necessary (provided, however, no more than thirty days) in order to examine the details of the purchase by the purchaser, negotiate with the purchaser, and so forth.

### **3.7. Resolution of the Board of Directors**

The Board of Directors of the Company will respect the recommendation of the Special Panel under “3.6. How the Special Panel Reaches Its Decision” above in resolving invocation or non-invocation of issuance of stock purchase right without charge or other countermeasures. Upon adoption of the resolution, the Board of Directors will promptly disclose its content and other relevant information.

The purchaser cannot implement the purchase of company shares until the Company adopts this resolution.

### **3.8. Holding of General Meeting of Shareholders**

If the Special Panel has recommended the Board of Directors to obtain prior approval of general meeting of shareholder confirming intention of shareholders with respect to invocation of issuance of stock purchase right without charge or other countermeasures, or the Board of Director has decided in accordance with its duty of due care of a prudent manager that it is appropriate to confirm intention of shareholders whether or not it satisfy the “4. Conditions for Issuing Stock Acquisition Rights without Charge or Implementing Other Countermeasures” below, the Board of Directors may convene a General Meeting of Shareholders to consult with the shareholders.

## **4. Conditions for Issuing Stock Acquisition Rights without Charge or Implementing Other Countermeasures**

If the purchaser fails to abide by the procedures stipulated in the Plan, or if, although the purchaser abides by those procedures, the purchase meets one of the descriptions below, and it is therefore deemed appropriate to issue stock acquisition rights without charge or take other countermeasures, the Special Panel will recommend the Company’s Board of Directors implement such measures in accordance with the

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<sup>9</sup> However, if a change occurs in the facts upon which this recommendation is predicated, leading the Special Panel to conclude that the purchase now meets one of the conditions stipulated in “4. Conditions for Issuing Stock Acquisition Rights without Charge or Implementing Other Countermeasures” below, and that it is therefore appropriate to issue stock acquisition rights without charge or take other countermeasures, the Panel can reach a different decision, which may include recommending to the Company’s Board of Directors that stock acquisition rights be issued without charge or other countermeasures taken.

procedures stipulated in 3. above, “Procedures for Invocation or Non-invocation of the Plan,” then the Board of Directors will decide, based on the Special Panel’s recommendation, whether or not to invoke countermeasures.

(i) If the purchase poses a clear threat of damaging the Company’s corporate value and the common interests of its shareholders in that it involves one of these or similar behaviors:

- (a) though there exists no true intention of participating in the management of the Company, buying up shares for the purpose of making the Company buy back the shares at a premium, which is deemed so-called “greenmailer” scenario;
- (b) gaining temporary control of the Company and then transferring its important assets such as clients’ confidential information including insider information, disclosure and IR-related information, know-how, network with our business partners, disclosure document preparation system, or factory facilities to the purchaser or its group companies. These types of conduct are deemed to be for the iniquitous purpose or for the benefits of the purchaser to the detriment of public interest of the Company’s business;
- (c) intend to misappropriate Company assets to use as security for the purchaser’s own debt or that of one of its group companies, or to pay down such debt, all of which are deemed a leveraged buyout for realizing profits with no public interest; or
- (d) gaining temporary control of the Company, having it dispose of its real estate, securities and other assets, etc. that are not immediately related to its business, which is deemed to be for the purpose of causing the Company to pay temporarily inflated dividends out of the profits gained from such disposition; or taking advantage of the sudden jump in share price triggered by that temporary surge in dividends to sell off the shares at a premium.

(ii) If the purchase could effectively compel shareholders to sell their shares, as in a coercive two-tier takeover.

(iii) If the purchase is implemented without the Company being given the time reasonably necessary to present an alternative plan.

(iv) If the purchase is implemented without shareholders being adequately provided with the information requested and such other information as is deemed reasonably necessary in order to assess the details of the purchase.

(v) If the conditions of the purchase (e.g., amount to be paid or form of payment; timing of the purchase; legality of the method of purchase; feasibility of the purchase; management policies or business plans to be implemented after the purchase; impact of the purchase on the Company’s relationship with its clients; or policies pertaining to the treatment of the Company’s clients, business partners, employees, community stakeholders, and so forth to be implemented after the purchase) are inadequate or inappropriate in light of the Company’s actual corporate value.

## **5. Countermeasures Other Than the Issue of Stock Acquisition Rights without Charge**

Besides the issue of stock acquisition rights without charge, the Company's Board of Directors may in certain cases choose to take one of the other countermeasures permitted under the law and the Company's Articles of Incorporation. In that case it will select the form of action deemed appropriate at the time, such as the issue of shares for subscription, after referring the matter to the Special Panel.

#### **IV. The Special Panel**

If a subject purchase has been or may be implemented, the Company's Board of Directors will promptly establish a Special Panel.

To guarantee the Special Panel's impartiality, objectivity, and reasonableness, the Board of Directors will appoint to the Panel individuals who have a high degree of independence from both the Company's Board of Directors and the purchaser, namely, outside directors, outside corporate auditors, or outside eminent persons such as lawyers or university professors. The appointed members will elect a chairperson from their number. The Panel will consist of three or more members. For an overview of the Special Panel to be established under the Plan, see Appendix 1, "The Special Panel Rules." For the names of the candidates for the Panel and brief summaries of their careers, see Appendix 2, "Candidates for the Special Panel."

#### **V. Overview of the Applicable Stock Acquisition Rights**

If under the Plan it is decided to issue stock acquisition rights without charge (which rights will be referred to hereinafter as "applicable stock acquisition rights"), the Company will notify all shareholders recorded in the latest register of shareholders or register of beneficial shareholders as of a specific date, to be set by the Company's Board of Directors, that stock acquisition rights will be issued to them, without charge, at the rate of one stock acquisition right per share held. Two conditions will be imposed on these stock acquisition rights: (i) the exercise provision that certain parties including the purchaser will not be allowed to exercise those rights; and (ii) the acquisition provision that the Company will acquire one stock acquisition right in exchange for one Company share from any shareholder other than the purchaser and related parties.

For details of the applicable stock acquisition rights, see Appendix 3, "Guidelines on Stock Acquisition Rights."

#### **VI. Approval of the Plan by the General Meeting of Shareholders**

The Plan will be rescinded if it fails to be approved by the shareholders at the Ordinary General Meeting of Shareholders.

#### **VII. Effective Term, Repeal, and Revision of the Plan**

The effective term of the Plan will be for the approximately three years from the conclusion of the Ordinary General Meeting of Shareholders, until the conclusion of the Ordinary General Meeting of Shareholders relating to the fiscal term ending on May 31, 2019.

The Company can repeal the Plan before its effective term expires by a resolution of the Board of Directors.

In the interests of maintaining and enhancing its corporate value and the common interests of its shareholders, the Company can also modify the Plan during its effective term by a resolution of the Board of Directors, as long as the modifications do not violate the spirit of the Plan as approved by the Ordinary General Meeting of Shareholders.

The Company can repeal or revise the Plan during the effective term of the Plan with the approval of a majority of the shareholders at a General Meeting of Shareholders. If the Plan is repealed or revised, the Company will promptly disclose the relevant details.

#### **VIII. The Reasonableness of the Plan**

In line with the Company's basic policy, the Plan fulfills related laws and regulations, court precedents, Regulations for Trading Supervision Systems at Trading Participants to Prevent Unfair Trading set out by Tokyo Stock Exchange, Inc., and three principles set out in the related laws and regulations the Guidelines on Anti-takeover Measures Designed to Guarantee or Enhance Corporate Value and the Common Interests of Shareholders (Ministry of Economy, Trade and Industry and Ministry of Justice, May 27, 2005): (i) the principle of guaranteeing and enhancing corporate value and the common interests of shareholders; (ii) the principle of prior disclosure and the will of the shareholders; and (iii) the principle of necessity and appropriateness as well as contents of guideline set forth in the "Takeover Defense Measures in Light of Recent Environmental Changes" (Corporate Value Study Group, June 30, 2008).



### **1. The Will of Shareholders Is Respected**

The Plan will be rescinded if the essential thinking behind it fails to be approved by the shareholders at the Ordinary General Meeting of Shareholders.

The effective term of the Plan is restricted to approximately three years. In addition, the Company's directors serve for a term of one year; hence shareholders have a chance for their voice to be heard once a year when the directors come up for election.

### **2. Decisions Are Based on the Recommendation of Highly Independent Outsiders, and Information Is Duly Disclosed**

Under the Plan, a Special Panel is established consisting of individuals who are in a position to oversee the Board of Directors, to wit, outside directors, outside corporate auditors, and outside eminent persons such as lawyers or university professors. The decision on whether or not to invoke the Plan is made by a resolution of the Board of Directors in accordance with the Panel's recommendation. The adoption of these procedures creates a mechanism that prevents arbitrary decisions by the Company's management and ensures that the Plan is administered fairly in such a way as to contribute to maintaining and enhancing the corporate value of the Company and the common interests of its shareholders.

To further increase the transparency of the Special Panel's decisions, a summary of the purchase description submitted by the purchaser, the opinions of the Company's Board of Directors on the specifics of the purchase by the purchaser, a summary of the Board's alternative plan, and such other information as the Special Panel deems appropriate are in principle promptly disclosed to shareholders.

### **3. Objective Conditions Are Established for Invoking the Plan**

The Plan is designed not to kick in unless certain rational, objective conditions defined in advance are met. This mechanism serves to prevent arbitrary decisions by the Company's Board of Directors.

### **4. The Views of Third-party Experts Are Obtained**

The Special Panel can, at the Company's expense, seek the advice of independent third parties including certified public accountants, lawyers, consultants, financial advisers, and other experts. This further strengthens the impartiality and objectivity of the Special Panel's decision.

### **5. The Plan Is Not a Dead-hand or Slow-hand Defense**

The Plan can, before its effective term expires, be repealed by a resolution of the Company's Board of Directors. It is therefore not a so-called dead-hand defense.

The Company's directors serve for one-year terms, and those terms are not staggered. The Plan is thus not a so-called slow-hand defense either.

## **IX. Impact on Shareholders**

### **1. Impact on Shareholders at the Time of the Plan's Adoption**

At the time of the Plan's initial adoption, there is no direct specific impact on the rights and interests of shareholders and investors, since no issuance of applicable stock acquisition rights without charge then takes place.

### **2. Impact on Shareholders When Applicable Stock Acquisition Rights Are Issued**

Applicable stock acquisition rights will be granted, without charge, to all persons who are shareholders of the Company as of a specific date, which date is set separately by the Company's Board of Directors in the resolution deciding that stock acquisition rights are to be issued. One stock acquisition right will be issued per share held. All shareholders will automatically receive their stock acquisition rights on the date when the issue of those rights takes effect; no application procedures are thus required.

In exchange for Company shares, the Company will, by resolution of the Board of Directors, acquire applicable stock acquisition rights from any shareholder except the purchaser, which will be unable to exercise stock acquisition rights under the provisions of "2.4. Conditions for exercising stock acquisition rights" of the Guidelines on Stock Acquisition Rights in Appendix 3 (that purchaser will be referred to hereinafter as "the rights-restricted purchaser"). Shareholders other than the rights-restricted purchaser will thus receive Company shares without exercising the applicable stock acquisition rights or paying moneys equivalent to the exercise price; the Company shares they hold will therefore not be diluted.

When applicable stock acquisition rights are to be issued without charge, a base date relating to issue of those stock acquisition rights will be announced. Stock acquisition rights will then be granted, without charge, to shareholders as of that base date. Shareholders must therefore promptly complete registration transfer procedures. Shareholders whose certificates are deposited with the Japan Securities Depository Center, however, do not need to complete registration transfer procedures.

When the Board of Directors passes a resolution deciding to acquire applicable stock acquisition rights, the Company will acquire those rights as of a date separately determined by the Board of Directors in accordance with legally prescribed procedures. Shareholders will be issued Company stock in return. In such cases the Company may ask such shareholders to separately submit a written statement, in a format prescribed by the Company, asserting, among other matters, that they are not the rights-restricted purchaser.

Even after the base date for issue of the applicable stock acquisition rights, or after the issue of those rights takes effect, the Company may, by the day before the first day of the exercise period for the applicable rights, cancel the issuance of the applicable rights or acquire the applicable stock acquisition rights without charge and without issuing Company shares to those holding those rights under certain circumstances such as where the purchaser withdraws its large-scale purchase bid. In such cases the value per share will not be diluted; considerable damages may therefore be sustained by shareholders or investors who trade the stock in anticipation of a dilution in its per-share value.

In addition to the above, details of method of allotment, exercise and acquisition by the Company will be disclosed or announced to shareholders upon adoption by the Board of Directors of a resolution to issue applicable stock acquisition rights without charge.

## **The Special Panel Rules**

### **Article 1**

This set of rules governs the operation and activities of the Special Panel to be established by the Board of Directors in order to consider the question of whether to invoke the policy on the large-scale purchase of shares and other securities of the Company (“the Policy”).

### **Article 2**

The Special Panel shall be established by resolution of the Board of Directors.

### **Article 3**

The Special Panel shall consist of three or more members. These members shall be appointed by the Board of Directors from among individuals independent of the management team that runs the Company’s operations, which individuals shall fall into one of the following categories:

- (i) outside directors of the Company;
- (ii) outside corporate auditors of the Company; or
- (iii) outside eminent persons other than the above.

The category “outside eminent persons” excludes individuals falling into Categories (i) or (ii). An outside eminent person must be one of the following; a chief company executive whose company does not have a vested interest in any executive of the Company Group and the Group itself; a former government official; a financial adviser; a lawyer; a certified public accountant; an academic; or the equivalent. An outside eminent person must also have executed an agreement with the Company, in a format to be separately prescribed by the Board of Directors, which includes a due-diligence clause.

### **Article 4**

1. The term of office of Special Panel members shall expire at the end of the Ordinary General Meeting of Shareholders relating to the last business year to end within one year of their appointment, except if decided otherwise by resolution of the Board of Directors.
2. If a Special Panel member as defined above is an outside director or outside corporate auditor, but later ceases to be a director or corporate auditor, his or her term of office as a member of the Special Panel shall expire at the same time. Nonetheless, if the Special Panel member still fulfills the requirements for being deemed an outside eminent person, the Board of Directors may reappoint him or her to the Special Panel by following the prescribed procedures.

### **Article 5**

1. The Special Panel shall deliberate and decide on the following matters independently of the Board of Directors:
  - (i) whether or not the issue of applicable stock acquisition rights without charge should be implemented;
  - (ii) the cancellation of the issue, without charge, of applicable stock acquisition rights, or the acquisition, without charge, of those rights; and
  - (iii) such other matters as are to be decided by the Board of Directors and are referred by it to the Special Panel.

The Special Panel shall then make a recommendation to the Board of Directors containing the details of its decision, stating also the reasons for it. In reaching that decision, the members of the Special Panel shall consider whether or not the corporate value of the Company and the common interests of its shareholders are best served. Their objective must not be the pursuit of their own personal interests or those of Company management.

2. As the body enshrined in the Corporation Law, the Board of Directors shall pass a resolution deciding, for instance, to issue or not to issue applicable stock acquisition rights without charge, in so far as possible respecting the above recommendation by the Special Panel.
3. In addition to the matters enumerated in Clause 1, the Special Panel shall also be responsible for the following:
  - (i) determining whether the purchase in question merits invoking the Policy;
  - (ii) deciding what information the purchaser and the Board of Directors should provide to the Special Panel, and setting the deadline for doing so;
  - (iii) determining and extending the length of the period for deliberation by the Special Panel;
  - (iv) scrutinizing and analyzing the details of the purchase by the purchaser;
  - (v) negotiating and consulting with the purchaser and others, whether directly or through the Board of Directors;
  - (vi) asking the Board of Directors to submit an alternative plan, examining the alternative plan drawn up by the Board of Directors;
  - (vii) approving revisions or changes to the Policy;
  - (viii) performing such other functions as the Special Panel is authorized to carry out under the Policy; and
  - (ix) performing such functions as the Special Panel is authorized to carry out by the Board of Directors.

#### Article 6

1. If the Special Panel determines that the information contained in the purchase description falls short of what is required under the Policy, it shall ask the purchaser to submit such additional information as is required under the Policy.
2. Once the purchaser has submitted the purchase description, as well as such additional information as is required under the Policy as per the preceding clause, the Special Panel can ask the Company's Board of

Directors to submit, by a reasonable deadline, its opinions on the specifics of the purchase by the purchaser, along with documentation to back them up, an alternative plan, and such other information and data as the Special Panel may deem necessary.

#### Article 7

1. If it deems it necessary, the Special Panel shall, either directly or through the Board of Directors, consult and negotiate with the purchaser in order to improve the terms of the purchase in the interests of protecting the corporate value of the Company and the common interests of its shareholders.
2. In accordance with the results achieved as per the provisions of the preceding clause, the Special Panel shall present an alternative plan to the shareholders.

#### Article 8

In order to gather necessary information, the Special Panel can ask the Board of Directors to arrange for the attendance of directors, corporate auditors, executive officers, employees, and any other persons whose attendance the Special Panel deems necessary, and can ask those persons to brief it on such matters as it stipulates.

#### Article 9

The Special Panel can, at the Company's expense, seek the advice of independent third parties (e.g., financial advisers, certified public accountants, lawyers, consultants, and other experts).

#### Article 10

Any member of the Special Panel can convene the Special Panel whenever a purchase bid has occurred or at any other time.

#### Article 11

Resolutions of the Independent Panel shall in principle be adopted by a majority of the members present with all members in attendance. In the absence or disability of a member, however, a resolution can be adopted by a majority of the members present with a majority of members in attendance.

**Candidates for the Special Panel**

**Nobuo Nakamura**

April 1991	Full-time Lecturer, Faculty of Law, Aichi Gakuin University
April 1994	Assistant Professor, School of Commerce, Waseda University
April 1996	Associate Professor, School of Commerce, Waseda University
April 2001	Professor of Corporation Law, School of Commerce, Waseda University (to present)
March 2004	Visiting Researcher, Institute of Advanced Legal Studies, University of London
April 2005	Professor of Business Law I, Graduate School of Accountancy, Waseda University (cross appointment, to present)
September 2005	Member, Study Group on Systems for Certifying Corporate Internal Control Systems (funded by the Japan Law Foundation)
August 2007	Outside Director of the Company
August 2008	Retired from his position as Outside Director of the Company
July 2012	ADR Member, General Insurance Counseling and ADR Center, The General Insurance Association of Japan (to present)
March 2013	Chairman and Member, Contract Monitoring Committee, Japan External Trade Organization (JETRO) (to present)
April 2013	Part-time Lecturer, College of Economics, Rikkyo University (in charge of Corporate Law I, Corporate Law II) (to present)
April 2013	Part-time Lecturer, Graduate School of Law, Nihon University (in charge of Commercial Code) (to present)
April 2013	Chairman and Member of Contract Monitoring Committee, Nippon Export and Investment Insurance (to present)

**Daisuke Yamagami**

November 1975	Joins the Tokyo office of Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)
September 1981	Certified as a certified public accountant
November 1984	Posted with Touche Ross in Toronto, partner firm of Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)
March 1988	Appointed to the New York office of Tohmatsu Awoki & Co. (returning to Japan in August 1993 to work at the Tokyo office)
July 1990	Registered as a partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
August 2000	Founds Yamagami CPA Office (to present)

March 2001	Outside Corporate Auditor, Odawara Engineering Co., Ltd. (to present)
June 2001	Outside Corporate Auditor, Nihon Tokushu Toryo Co., Ltd. (to present)
August 2003	Outside Corporate Auditor of the Company (to present)
March 2015	Outside Corporate Auditor, ROYAL ELECTRIC Co., LTD. (to present)

Atsuo Takahashi

April 1964	Joins the Ministry of Finance
June 1988	Director of Coordination Division, Banking Bureau
June 1989	Director General, Tokai Local Finance Bureau
June 1990	Director General, Kinki Local Finance Bureau
June 1991	Deputy Director General, Banking Bureau
June 1993	Director General, Customs and Tariff Bureau
July 1994	Governor, Development Bank of Japan
July 1998	Served as Regular Member Governor, Special Member Governor and Vice-Chairman of Japan Securities Dealers Association
April 2004	Commissioner of Certified Public Accountants and Auditing Oversight Board
July 2005	Chairman of Japan Securities Research Institute
November 2007	Chairman of Japan Investor Protection Fund
August 2010	Outside Director of the Company (to present)
June 2011	Special Advisor, Japan Securities Research Institute
June 2012	Outside Director, KYOKUTO SECURITIES CO., LTD.
June 2012	Outside Director, AIZAWA SECURITIES CO., LTD. (to present)
June 2013	Outside Corporate Auditor, TAKAGI SECURITIES CO., LTD. (to present)
May 2015	President of Japan Tariff Association (to present)



### **Guidelines on Stock Acquisition Rights**

#### **1. Decisions on matters relating to the issuance of stock acquisition rights without charge**

##### **1.1. Shareholders entitled to receive stock acquisition rights**

Stock acquisition rights shall be granted to shareholders recorded in the latest register of shareholders as of a specific date to be set by the Company's Board of Directors ("the issue base date") at the rate of one stock acquisition right per share held in the Company (excluding treasury stock held by the Company).

##### **1.2. Type and number of stock acquisition rights**

By a resolution to issue, without charge, stock acquisition rights such as described in 2 below (which stocks shall be referred to hereinafter, either individually or collectively, as "stock acquisition rights," and which resolution shall be referred to hereinafter as "the resolution on issue of stock acquisition rights without charge"), the same number of stock acquisition rights shall be issued as the latest total number of issued shares of the Company as of the issue base date (excluding the number of treasury stock held by the Company at that point in time).

##### **1.3. Date on which the issue of stock acquisition rights takes effect**

This date shall be set by the Company's Board of Directors in the resolution on issue of stock acquisition rights without charge.

#### **2. Nature of the stock acquisition rights**

##### **2.1. Number of shares to be issued or transferred upon exercise of the stock acquisition rights**

The number of shares to be issued or transferred for each stock acquisition right exercised ("applicable number of shares") shall be one.

##### **2.2. Amount to be paid upon exercise of the stock acquisition rights**

The amount to be paid upon exercise of the stock acquisition rights, to take the form of cash, shall be an amount determined by the Company's Board of Directors in the resolution on issue of stock acquisition rights without charge (which amount shall be no less than one yen and no more than 50% of the market price), multiplied by the applicable number of shares. The term "market price" as used here means the average of the closing prices of ordinary transactions in the common shares of the Company on the Tokyo Stock Exchange for the ninety days, counting backwards, from the day preceding the resolution by the Board of Directors on issue of stock acquisition rights without charge (excluding days on which no trading took place); fractions of

less than one yen shall be rounded up.

### 2.3. Exercise period for the stock acquisition rights

The exercise period for the stock acquisition rights shall be the period set by the Company's Board of Directors in the resolution on issue of stock acquisition rights without charge, which period shall be between one month and three months starting from the date on which the issue of stock acquisition rights without charge takes effect (or, if the Company's Board of Directors sets a different date instead, from that date). However, if the Company acquires stock acquisition rights in accordance with the provisions of 2.7 below, the exercise period for those stock acquisition rights to be acquired shall be until the day preceding the acquisition date. Additionally, if the final day of the exercise period falls on a holiday at the location where payment of moneys is to be made upon exercise of stock acquisition rights, the final day of the exercise period shall be the last preceding day of business at that location.

### 2.4. Conditions for exercising stock acquisition rights

#### 2.4.1. None of the following parties can exercise stock acquisition rights:

- (i) a specified large shareholder<sup>1</sup>;
- (ii) a joint shareholder with a specified large shareholder<sup>2</sup>;
- (iii) a specified large purchaser<sup>3</sup>;
- (iv) a special stakeholder of a specified large purchaser<sup>4</sup>;
- (v) any party that, without obtaining the approval of the Company's Board of Directors, acquires or succeeds to ownership of stock acquisition rights from any party listed in (i) through (iv) above;
- (vi) any related party of any party listed in (i) through (v) above<sup>5</sup>.

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<sup>1</sup> A *specified large shareholder* means a holder (including a person included in the category of holders under Paragraph 3, Article 27-23 of the Securities and Exchange Law of Japan) of shares or other securities issued by the Company (as defined in Paragraph 1, Article 27-23 of the said Law; this definition shall also apply below unless otherwise stated), where the ratio of such shares and securities held (as defined in Paragraph 4, Article 27-23 of the said Law) by that holder is 20% or greater. (This shall include any party that the Company's Board of Directors considers to fall into that category.)

<sup>2</sup> A *joint shareholder* means a joint shareholder as defined in Paragraph 5, Article 27-23 of the Securities and Exchange Law, including persons deemed joint shareholders under Paragraph 6 of that Article. (This shall include any party that the Company's Board of Directors considers to fall into those categories.)

<sup>3</sup> A *specified large purchaser* means a party that has publicly announced its intention to make a purchase etc. (as defined in Paragraph 1, Article 27-2 of the Securities and Exchange Law; the same shall apply hereinafter) of shares or other securities issued by the Company (as defined in Paragraph 1, Article 27-2 of the said Law; this definition shall apply throughout Note 3) by means of a tender offer (as defined in Paragraph 6, Article 27-2 of the said Law), where the ratio of shares and securities held (as defined in Paragraph 8, Article 27-2 of the said Law; the same shall apply hereinafter) in the possession of that holder (including such cases of possession as defined in Paragraph 3, Article 7 of the Enforcement Order of the Securities and Exchange Law) upon implementation of that purchase will be 20% or greater, once combined with the ratio of shares and securities held by its special stakeholders.

<sup>4</sup> A *special stakeholder* is as defined in Paragraph 7, Article 27-2 of the Securities and Exchange Law (including any party that the Company's Board of Directors considers to fall into that category). This excludes, however, any party covered by Item 1 of the relevant paragraph if that party is such as designated in Paragraph 1, Article 3 of the Cabinet Order Concerning Disclosure of Tender Offers for Shares and Other Securities by Persons Other than the Issuer.

<sup>5</sup> A *related party* of a party means a party considered by the Company's Board of Directors to have de facto control over that party, to be controlled by that party, or to be under the same control as that party, or a party considered by the Company's Board of Directors to act in concert with that party. *Control* refers to "cases of control over decision-making on the financial and business policies" of another company etc. (as defined in Article 3 of the Enforcement Regulations of the Corporation

2.4.2. Notwithstanding the provisions of 2.4.1 above, none of the following shall be considered to be a specified large shareholder or a specified large purchaser:

- (i) the Company, subsidiaries of the Company (as defined in Paragraph 3, Article 8 of the Regulations on Terminology, Format, and Compilation Procedures for Financial Statements Etc.), or affiliates of the Company (as defined in Paragraph 5, Article 8 of the Regulations on Terminology, Format, and Compilation Procedures for Financial Statements Etc.);
- (ii) any party that, in the opinion of the Company's Board of Directors, has become a specified large shareholder as defined in 2.4.1(i) above with no intention of gaining control of the Company, and that, within ten days of becoming a specified large shareholder as defined in 2.4.1(i) above (which period however the Company's Board of Directors may extend), ceases to be a specified large shareholder as defined in 2.4.1(i) above by disposing of the shares and other securities of the Company in its possession;
- (iii) any party that, in the opinion of the Company's Board of Directors, has become a specified large shareholder as defined in 2.4.1(i) above through no will of its own but due to acquisition of treasury stock by the Company or for some other reason (except if the party then newly acquires shares or other securities of the Company of its own accord);
- (iv) any party whose acquisition and possession of shares and other securities of the Company will not, in the opinion of the Company's Board of Directors, undermine the corporate value of the Company or the common interests of its shareholders (even if, in the opinion of the Board of Directors, a party falls into one of the categories (i)-(vi) in 2.4.1 above, the Board can determine that the corporate value of the Company and the common interests of its shareholders will not be undermined; if the Board determines that the corporate value of the Company and the common interests of its shareholders will not be undermined only under certain conditions, this proviso shall apply only if those conditions are met).

2.4.3. If applicable foreign laws require that, when a party located in a jurisdiction subject to those laws exercises stock acquisition rights, either the prescribed procedures be implemented, the prescribed conditions (including any prohibition on exercising those rights for a particular period and the submission of prescribed documentation) be satisfied, or both (which procedures and conditions are hereinafter referred to collectively as "procedures and/or conditions under governing law"), the party located in the relevant jurisdiction may exercise the stock acquisition rights only if the Company's Board of Directors considers the said procedures and/or conditions under governing law to have been fully implemented and/or satisfied. The Board of Directors, however, bears no obligation to implement or satisfy any procedures and/or conditions under governing law that must be implemented and/or satisfied by the Company in order to enable a party located in the relevant jurisdiction to exercise stock acquisition rights. Moreover, if the exercise of stock acquisition rights by a party located in a particular jurisdiction is prohibited under the laws of that jurisdiction (such cases

being referred to below as “grounds for prohibition of the exercise of rights under governing law”), parties located in that jurisdiction may not exercise the stock acquisition rights.

2.4.4. Notwithstanding the provisions of 2.4.3 above, a party located in the United States may exercise stock acquisition rights only if that party (i) represents and warrants to the Company that that party is an accredited investor as defined under Rule 501(a) of the US Securities Act of 1933, and (ii) pledges to resell any common stock of the Company acquired as a result of exercising the stock acquisition rights only through ordinary transactions on the Tokyo Stock Exchange (which resale shall moreover not be based on prior agreements nor solicited in advance). Only in such cases shall the Company implement and/or satisfy the procedures and/or conditions under governing law — specifically, Regulation D of the US Securities Act of 1933 and US state laws — that must be implemented and/or satisfied in order to enable a party located in the United States to exercise the applicable stock acquisition rights. If, due to an amendment in US laws or for other reasons, the Company’s Board of Directors determines that, even when Conditions (i) and (ii) above are fulfilled, a party located in the United States cannot legally exercise the stock acquisition rights under US Securities Law, parties located in the United States may not exercise the stock acquisition rights.

2.4.5. A holder of stock acquisition rights may exercise those rights only if the holder submits to the Company a written statement that represents and warrants, among other matters, that the holder does not fall into any of Categories (i)-(vi) in 2.4.1 above, nor intends to exercise the stock acquisition rights on behalf of any party that falls into any of those categories, and that the holder satisfies the conditions for exercising the stock acquisition rights, which written statement shall also contain an indemnification provision as well as such other provisions as the Company may prescribe; and if, moreover, the holder submits any other documents required under relevant laws and statutes.

2.4.6. If a party holding stock acquisition rights is prevented from exercising those rights by the provisions of 2.4.4 above, the Company shall accept no liability to compensate the party holding those rights for any damages or losses whatsoever.

2.5. Increase in capital stock and capital reserves when stock issued through exercise of stock acquisition rights

This matter shall be determined by the Company’s Board of Directors in the resolution on issue of stock acquisition rights without charge.

2.6. Restrictions on transfer of stock acquisition rights

2.6.1. Acquisition of stock acquisition rights through transfer of ownership shall require the approval of the Company’s Board of Directors.

2.6.2. If a party intending to transfer ownership of stock acquisition rights is located outside Japan and is unable to exercise those rights due to the provisions of 2.4.3 and 2.4.4 above (excluding any party prevented from exercising stock acquisition rights by the provisions of 2.4.1 above), the Company's Board of Directors shall decide whether or not to grant the approval prescribed in 2.6.1 above in light of the following and other considerations:

- (i) whether or not a written statement has been submitted with respect to the transfer of ownership of all or part of the stock acquisition rights held by the party in the relevant jurisdiction, which statement has been drawn up by the transferor and transferee and bears their signatures or names and seals (and which statement contains representations and warranties and indemnification provisions pertaining to (ii) through (iv) below, as well as such other provisions as the Company may prescribe);
- (ii) whether the transferor and transferee clearly fall into none of Categories (i)-(vi) in 2.4.1 above;
- (iii) whether the transferee is clearly not located in the relevant jurisdiction, and clearly does not intend to accept ownership on behalf of a party located in the relevant jurisdiction; and
- (iv) whether the transferee clearly does not intend to accept ownership on behalf of a party prevented from exercising stock acquisition rights by the provisions of 2.4.1 above.

## 2.7. Acquisition of stock acquisition rights by the Company

The Company may, upon the arrival of a date to be set by the Board of Directors, acquire all stock acquisition rights that are held by any party not prevented from exercising stock acquisition rights by the provisions of 2.4.1 above, and that remain unexercised as of the day preceding the said date set by the Board of Directors. In exchange, it will issue the applicable number of shares of the Company per stock acquisition right. Furthermore, if the Board of Directors determines that a party not prevented from exercising stock acquisition rights by the provisions of 2.4.1 above has appeared after the date on which such acquisition took place, the Company may, upon the arrival of a date to be set by the Board of Directors, which date falls after the said acquisition date, acquire all stock acquisition rights that are held by the party in question and that remain unexercised as of the day preceding the date set by the Board of Directors. In exchange, the Company will issue the applicable number of shares of the Company per stock acquisition right. The same shall subsequently apply as well.

## 2.8. Issuance of stock acquisition rights in case of a corporate merger or split-up, exchange of shares, or share transfer, and conditions thereof

Such matters shall be determined by the Company's Board of Directors in the resolution on issue of stock acquisition rights without charge.

## 2.9. Issuance of stock acquisition right certificates

No stock acquisition right certificates shall be issued with respect to the applicable stock acquisition rights.

#### 2.10. Revisions due to legislative changes

The legal provisions cited above are those in effect as of July 1, 2016. If after that date it becomes necessary to modify the provisions or definitions of terms contained in the preceding text due to the enactment, revision, or repeal of legislation, the Company's Board of Directors may, within reasonable bounds, reinterpret any of those provisions or definitions accordingly, having taken into consideration the intent of the enactment, revision, or repeal in question.

**Status of Major Shareholders of the Company**

(1) Matters Concerning Shares (As of May 31, 2016)

i)	Total Number of Authorized Shares	37,000,000
ii)	Total Number of Shares Outstanding	12,936,793
iii)	Number of Shareholders	21,298

(2) Status of Major Shareholders (As of May 31, 2016)

Name	Number of shares owned (Thousand Shares)	Percentage (%)
Nomura Co., Ltd.	632	5.66
Mizuho Bank, Ltd.	544	4.86
Sumitomo Mitsui Banking Corporation	476	4.26
Masamichi Nomura	380	3.39
Takara Printing Employees' Stock Holding Association	223	2.00
Japan Trustee Services Bank, Ltd. (Trust Account)	176	1.58
Sumitomo Mitsui Trust Bank, Limited	169	1.51
Meiji Yasuda Life Insurance Company	168	1.50
Japan Trustee Services Bank, Ltd. (Trust Account 1)	120	1.08
Japan Trustee Services Bank, Ltd. (Trust Account 6)	115	1.03

Note: Percentage of shares held is calculated excluding treasury stock (1,758,546 shares).