

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities Code: 5331)
June 3, 2021

To Shareholders:

Hiroshi Kato
Representative Director & President
NORITAKE CO., LIMITED
3-1-36, Noritake-shinmachi, Nishi-ku,
Nagoya, Japan

CONVOCATION NOTICE OF THE 140TH ANNUAL SHAREHOLDERS' MEETING

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby notify you that the 140th Annual Shareholders' Meeting of NORITAKE CO., LIMITED (the "Company") will be held as described below.

Instead of attending the meeting, you may exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by 5:15 p.m. on Thursday, June 24, 2021, Japan time.

1. Date and Time: Friday, June 25, 2021 at 10:00 a.m., Japan time

2. Place: Head Office of the Company located at
3-1-36, Noritake-shinmachi, Nishi-ku, Nagoya, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 140th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company's 140th Fiscal Year (April 1, 2020 - March 31, 2021)

Proposals to be resolved:

- Proposal 1:** Election of Six (6) Directors
Proposal 2: Election of Two (2) Audit & Supervisory Board Members
Proposal 3: Election of One (1) Supplementary Audit & Supervisory Board Member

4. Matters concerning the Exercise of Voting Rights:

If you exercise your voting rights both in writing and via the Internet, etc., the Company will only deem the exercise via the Internet, etc. valid.

Also, if you exercise your voting rights multiple times via the Internet, etc., the Company will only deem the last exercise valid. If you exercise your voting rights by a personal computer, smartphone and mobile phone, the Company will only deem the last exercise valid.

-
- **When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk.**

Reference Documents for the Shareholders' Meeting

Proposal 1: Election of Six (6) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of six (6) Directors.



In order to strengthen corporate governance and enhance management transparency, two (2) of the six (6) candidates are candidates for Directors (Outside).



The candidates for Directors are as follows:


No.	Name		Position (status) and assigned duties at the Company	Attendance at Board of Directors' meetings
1	Tadashi Ogura	Re-elected	Representative Director & Chairman	13/13 (100%)
2	Hiroshi Kato	Re-elected	Representative Director & President	13/13 (100%)
3	Akira Higashiyama	Re-elected	Director & Senior Managing Executive Officer Group General Manager of Industrial Products Group	13/13 (100%)
4	Yuko Fuma	Re-elected	Director & Executive Officer Group General Manager of Corporate Administration Group	13/13 (100%)
5	Masanao Tomozoe	Re-elected Director (Outside) Independent Director	Director (Outside)	13/13 (100%)
6	Ryoichi Yamamoto	New candidate Director (Outside) Independent Director		—/— (—%)


Director (Outside): Candidate for Outside Director

Independent: Candidate for Independent Officer as defined in the provisions set forth by Tokyo Stock Exchange, Inc., etc.

No.	Name (Date of birth)	Brief biography, position (status), assigned duties and significant concurrent position(s) at other organization(s)		Number of shares of the Company held
1	 <p>Tadashi Ogura (January 7, 1951) 70 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 16 years</p> <p>Attendance at Board of Directors' meetings 13/13 (100%)</p>	<p>April 1975 Joined the Company</p> <p>June 2005 Director of the Company</p> <p>April 2008 Director & Managing Executive Officer of the Company</p> <p>June 2010 Director & Senior Managing Executive Officer of the Company</p> <p>June 2011 Director & Vice President of the Company</p> <p>April 2012 Representative Director & Vice President of the Company</p> <p>June 2013 Representative Director & President of the Company</p> <p>June 2018 Representative Director & Chairman of the Company (currently in service)</p>		9,600
<p>[Reasons for nomination as a candidate for Director] Mr. Tadashi Ogura has been engaged in management of the Company for many years. Based on his wealth of experience and achievements, he is expected to contribute to strengthening of decision-making functions and oversight functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>				
2	 <p>Hiroshi Kato (January 29, 1957) 64 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 10 years</p> <p>Attendance at Board of Directors' meetings 13/13 (100%)</p>	<p>April 1979 Joined the Company</p> <p>June 2011 Director & Executive Officer of the Company</p> <p>June 2014 Director & Managing Executive Officer of the Company</p> <p>June 2017 Representative Director & Vice President of the Company</p> <p>June 2018 Representative Director & President of the Company (currently in service)</p>		6,300
<p>[Reasons for nomination as a candidate for Director] Mr. Hiroshi Kato has been engaged in management of the Company for many years. Based on his wealth of experience and achievements, he is expected to contribute to strengthening of decision-making functions and oversight functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>				

No.	Name (Date of birth)	Brief biography, position (status), assigned duties and significant concurrent position(s) at other organization(s)		Number of shares of the Company held
3	 <p>Akira Higashiyama (June 17, 1960) 60 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 3 years</p> <p>Attendance at Board of Directors' meetings 13/13 (100%)</p>	<p>April 1986 June 2014</p> <p>June 2017</p> <p>June 2018</p> <p>April 2019</p> <p>June 2019</p> <p>April 2020</p> <p>April 2021</p>	<p>Joined the Company Executive Officer of the Company, Group General Manager of Engineering Group</p> <p>Managing Executive Officer of the Company, Group General Manager of Engineering Group</p> <p>Director & Managing Executive Officer of the Company, Group General Manager of Engineering Group</p> <p>Director & Managing Executive Officer of the Company, Group Deputy General Manager of Industrial Products Group</p> <p>Director & Senior Managing Executive Officer of the Company, Group Deputy General Manager of Industrial Products Group, Division General Manager of Sales Division</p> <p>Director & Senior Managing Executive Officer of the Company, Group General Manager of Industrial Products Group, Division General Manager of Sales Division</p> <p>Director & Senior Managing Executive Officer of the Company, Group General Manager of Industrial Products Group (currently in service)</p>	1,684
<p>[Reasons for nomination as a candidate for Director] Mr. Akira Higashiyama has been engaged in management of the Engineering Group and the Industrial Products Group at the Company. Based on his wealth of experience and achievements, he is expected to contribute to strengthening of decision-making functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>				
4	 <p>Yuko Fuma (September 12, 1963) 57 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 2 years</p> <p>Attendance at Board of Directors' meetings 13/13 (100%)</p>	<p>April 1986 February 2015</p> <p>April 2017</p> <p>June 2018</p> <p>April 2019</p> <p>June 2019</p>	<p>Joined the Company General Manager, Corporate Planning Office and Re-development Planning Office of the Company</p> <p>General Manager, Corporate Planning Office, Corporate Administration Group of the Company</p> <p>Executive Officer & Group Deputy General Manager of Corporate Administration Group, General Manager, Corporate Planning Office of the Company</p> <p>Executive Officer & Group General Manager of Corporate Administration Group, General Manager, Corporate Planning Office of the Company</p> <p>Director & Executive Officer of the Company, Group General Manager of Corporate Administration Group (currently in service)</p>	0
<p>[Reasons for nomination as a candidate for Director] Ms. Yuko Fuma has been engaged in corporate administration at the Company. Based on her wealth of experience and achievements, she is expected to contribute to strengthening of decision-making functions of the Board of Directors. Thus, the Company nominated her as a candidate for Director.</p>				

No.	Name (Date of birth)	Brief biography, position (status), assigned duties and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
5	 <p>Masanao Tomozoe (March 25, 1954) 67 years old</p> <p>Re-elected</p> <p>Candidate for Director (Outside)</p> <p>Independent Director</p> <p>Number of years served as Outside Director: 2 years</p> <p>Attendance at Board of Directors' meetings 13/13 (100%)</p>	<p>April 1977 Joined Toyota Motor Sales Co., Ltd. (currently TOYOTA MOTOR CORPORATION)</p> <p>June 2005 Managing Officer of TOYOTA MOTOR CORPORATION</p> <p>April 2011 Senior Managing Officer of TOYOTA MOTOR CORPORATION</p> <p> Senior Vice President of Toyota Motor North America, Inc.</p> <p>June 2012 President & Representative Director of Toyota Motor Sales & Marketing Co., Ltd.</p> <p>June 2015 President & CEO of Central Japan International Airport Co., Ltd.</p> <p>June 2019 Advisor of Central Japan International Airport Co., Ltd.(scheduled to resign in June 2021)</p> <p>June 2019 Outside Audit & Supervisory Board Member of TOYOTA INDUSTRIES CORPORATION (currently in service)</p> <p>June 2019 Outside Audit & Supervisory Board Member of Daihatsu Motor Co., Ltd. (currently in service)</p> <p>June 2019 Director (Outside) of the Company (currently in service)</p> <p>March 2020 Member of the Board of Directors (Outside) of HOSHIZAKI CORPORATION (currently in service)</p> <p>(Significant concurrent post(s) at other organization(s))</p> <p>Outside Audit & Supervisory Board Member of TOYOTA INDUSTRIES CORPORATION</p> <p>Outside Audit & Supervisory Board Member of Daihatsu Motor Co., Ltd.</p> <p>Member of the Board of Directors (Outside) of HOSHIZAKI CORPORATION</p>	0
<p>[Reasons for nomination as a candidate for Director (Outside) and expected roles, etc.]</p> <p>Mr. Masanao Tomozoe has many years of experience as an executive manager at TOYOTA MOTOR CORPORATION and Central Japan International Airport Co., Ltd. Utilizing his wealth of experience of corporate management and global knowledge, he has been fulfilling his role appropriately, such as contributing to the strengthening of the oversight functions of the Board of Directors and providing advice from wide-ranging management perspectives. Thus, the Company nominated him as a candidate for Director (Outside). In addition, as a member of the Nomination and Compensation Committee, he actively expresses his opinions from an objective and neutral standpoint regarding the selection of candidates for officers of the Company and determination of the compensation of officers, etc.</p> <p>[Matters concerning independence]</p> <p>Mr. Masanao Tomozoe worked for TOYOTA MOTOR CORPORATION, which is a trading partner of the Company. However, the annual amount of transactions with TOYOTA MOTOR CORPORATION accounts for less than 1%, an insignificant proportion, of the Company's consolidated net sales. Therefore, the Company judges that conflict of interest is unlikely to occur between him and general shareholders and he is deemed independent. Thus, the Company has designated him as an independent director stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. and notified them of the designation of Mr. Masanao Tomozoe as an independent director.</p>			

No.	Name (Date of birth)	Brief biography, position (status), assigned duties and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
6	 <p>Ryoichi Yamamoto (27 March, 1951) 70 years old</p> <p>New candidate</p> <p>Candidate for Director (Outside)</p> <p>Independent Director</p> <p>Number of years served as Outside Director: —</p> <p>Attendance at Board of Directors' meetings —/— (—%)</p>	<p>April 1973 Joined The Daimaru, Inc. (currently Daimaru Matsuzakaya Department Stores Co., Ltd.)</p> <p>May 2003 President and COO and General Manager of Department Store Operations of Group Headquarters of The Daimaru, Inc.</p> <p>September 2007 Director of J. Front Retailing Co., Ltd. Director of Matsuzakaya Co., Ltd. (currently Daimaru Matsuzakaya Department Stores Co., Ltd.)</p> <p>March 2010 President and Representative Director of Daimaru Matsuzakaya Department Stores Co., Ltd.</p> <p>April 2013 President and Representative Director of J. Front Retailing Co., Ltd.</p> <p>May 2017 Director, President and Representative Executive Officer of J. Front Retailing Co., Ltd.</p> <p>May 2020 Director and Chairperson of the Board of Directors of J. Front Retailing Co., Ltd. (currently in service)</p> <p>(Significant concurrent post(s) at other organization(s)) Director and Chairperson of the Board of Directors of J. Front Retailing Co., Ltd.</p>	0
<p>[Reasons for nomination as a candidate for Director (Outside) and expected roles, etc.] Mr. Ryoichi Yamamoto has many years of experience as an executive manager at Daimaru Matsuzakaya Department Stores Co., Ltd. and J. Front Retailing Co., Ltd. The Company expects that he will utilize his wealth of experience and knowledge in corporate management to fulfill his role appropriately, such as contributing to the strengthening of the oversight functions of the Board of Directors and providing advice from wide-ranging management perspectives. Thus, the Company nominated him as a candidate for Director (Outside). If he is elected, the Company intends to seek his involvement in the selection of candidates for officers of the Company and determination of the compensation of officers, etc. from an objective and neutral standpoint as a member of the Nomination and Compensation Committee.</p> <p>[Matters concerning independence] Mr. Ryoichi Yamamoto worked for Daimaru Matsuzakaya Department Stores Co., Ltd., which is a trading partner of the Company. However, the annual amount of transactions with Daimaru Matsuzakaya Department Stores Co., Ltd. accounts for less than 1%, an insignificant proportion, of the Company's consolidated net sales. In addition, there are no business transactions between the Company and J. Front Retailing Co., Ltd., where he serves as Director and Chairperson of the Board of Directors. Therefore, the Company judges that conflict of interest is unlikely to occur between him and general shareholders and he is deemed independent. Thus, the Company plans to designate him as an independent director stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. and notify them of the designation of Mr. Ryoichi Yamamoto as an independent director.</p>			

(Notes)

1. There is no special interest between each candidate for Director and the Company.
2. The Company has entered into a liability limitation agreement with Mr. Masanao Tomozoe, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum liability amount stipulated by laws and regulations.
3. If the election of Mr. Ryoichi Yamamoto is approved, the Company intends to enter into a liability limitation agreement with him, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum

liability amount stipulated by laws and regulations.


4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430, Paragraph 3, Item 1 of the Companies Act with an insurance company, which will cover any damages, etc. in the event that the insured directors and officers are to bear liability for damages resulting from their duties. However, the agreement does include certain exemption clauses, such as no compensation being given for damages caused by a criminal act by the insured or damages caused by the insured by acts in violation of laws or regulations that were carried out with the knowledge of their illegality. If the candidates assumes the position of Directors, each of them will be insured under the insurance agreement, which is to be renewed during their terms of office.


Proposal 2: Election of Two (2) Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Member Naoyuki Shiraishi will expire at the conclusion of this Annual Shareholders' Meeting. Further, Audit & Supervisory Board Member Ryuichi Murata will resign at the conclusion of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of two (2) Audit & Supervisory Board Members.

The Audit & Supervisory Board has already given its approval for the submission of this proposal.

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

No.	Name (Date of birth)	Brief biography, position (status), and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
1	 <p>Kazumasa Yoshida (February 18, 1964) 57 years old</p> <p>New candidate</p>	<p>April 1988 Joined the Company</p> <p>April 2016 General Manager, Quality Assurance Dept., Industrial Products Group of the Company</p> <p>April 2017 General Manager, Quality Management Headquarters and Technical Headquarters of NIPPON RESIBON CORPORATION</p> <p>June 2017 Director of NIPPON RESIBON CORPORATION</p> <p>June 2019 Executive Officer, General Manager of Engineering Division of Industrial Products Group of the Company</p> <p>April 2021 Executive Officer, Attached to the Secretary Office, Corporate Administration Group of the Company (currently in service)</p>	2,100
<p>[Reasons for nomination as a candidate for Audit & Supervisory Board Member]</p> <p>Mr. Kazumasa Yoshida has been engaged in the industrial products business at the Company and has been involved in the management of subsidiaries, giving him a wealth of experience and wide range of knowledge. Therefore, the Company believes that he is capable of fulfilling duties as an Audit & Supervisory Board Member appropriately, and thus nominated him as a candidate for Audit & Supervisory Board Member.</p>			

No.	Name (Date of birth)	Brief biography, position (status), and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
2	 <p>Takashi Morisaki (January 1, 1955) 66 years old</p> <p>New candidate</p> <p>Candidate for Audit & Supervisory Board Member (Outside)</p> <p>Independent Audit & Supervisory Member</p>	<p>April 1978 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 2008 Managing Executive Officer of Mitsubishi UFJ Financial Group, Inc. Managing Executive Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2010 Managing Executive Officer and Chief Executive Officer, Headquarters for Asia of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2012 Senior Managing Executive Officer and Chief Executive, Global Markets Unit of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2012 Senior Managing Director and Chief Executive, Global Markets Unit of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>July 2012 Managing Executive Officer and Group Head, Integrated Global Markets Business Group of Mitsubishi UFJ Financial Group, Inc.</p> <p>May 2014 Deputy President of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2016 Corporate Advisor of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>September 2016 Senior Counselor of Mitsubishi Research Institute, Inc.</p> <p>October 2016 Executive Vice President and Executive Officer of Mitsubishi Research Institute, Inc.</p> <p>December 2016 President and Representative Director of the Mitsubishi Research Institute, Inc. (currently in service)</p> <p>(Significant concurrent post(s) at other organization(s)) President and Representative Director of Mitsubishi Research Institute, Inc.</p>	0
<p>[Reasons for nomination as a candidate for Audit & Supervisory Board Member (Outside)] Mr. Takashi Morisaki is expected to reflect his wealth of experience and wide range of knowledge gained from many years as an executive manager of financial institutions in the audit work of the Company and the Company has thus nominated him as a candidate for Audit & Supervisory Board Member (Outside).</p>			
<p>[Matters concerning independence] Mr. Takashi Morisaki worked for MUFG Bank, Ltd., which is a trading partner of the Company. However, the amount of the Company's borrowing from the Bank is insignificant, and the percentage of shares of the Company held by the Bank is approximately 3.9%. In addition, there are no business transactions between the Company and Mitsubishi Research Institute, Inc., where he serves as Representative Director. Therefore, the Company judges that conflict of interest is unlikely to occur between him and general shareholders and he is deemed independent. Thus, the Company plans to designate him as an independent audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. and notify them of the designation of Mr. Takashi Morisaki as an independent audit & supervisory board member.</p>			

(Notes)

1. There is no special interest between each candidate for Audit & Supervisory Board Member and the Company.
2. If the election of Mr. Takashi Morisaki is approved, the Company intends to enter into a liability limitation agreement with him, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum liability amount stipulated by laws and regulations.
3. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430, Paragraph 3, Item 1 of the Companies Act with an insurance company, which will cover any damages, etc. in the event that the insured directors and officers are to bear liability for damages resulting from their duties. However, the agreement does include certain exemption clauses, such as no compensation being given for damages caused by a criminal act by the insured or damages caused by the insured by acts in violation of laws or regulations that were carried out with the knowledge of their illegality. If the candidates assumes the position of Audit & Supervisory Board Members, each of them will be insured under the insurance agreement, which is to be renewed during their terms of office.

Proposal 3: Election of One (1) Supplementary Audit & Supervisory Board Member

The effectiveness of Mr. Masao Hojo's election as a Supplementary Audit & Supervisory Board Member at the 136th Annual Shareholders' Meeting held on June 29, 2017 will expire at the beginning of this Annual Shareholders' Meeting. As such, the Company requests the election of one (1) supplementary Audit & Supervisory Board Member in preparation for the possibility of there being insufficient Audit & Supervisory Board Members as provided for by law.

In regards to the effectiveness of the election, the Company may cancel the election by resolution of the Board of Directors upon obtaining the approval of the Audit & Supervisory Board only before the candidate assumes the position.

The Audit & Supervisory Board has already given its approval for the submission of this proposal.

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

Name (Date of birth)	Brief biography, position (status), and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
Masao Hojo (October 25, 1951) 69 years old	<p>April 1984 Admitted to the bar, Nagoya Bar Association (currently Aichi Bar Association), joined the Tsurumi Law Office</p> <p>April 1988 Established the Hojo Law Office, assumed a position as the Head of the law office (currently in service)</p> <p>April 2002 Assumed a position as the vice chairperson of Nagoya Bar Association (currently Aichi Bar Association)</p> <p>(Significant concurrent post(s) at other organization(s)) Head of the Hojo Law Office</p>	0
<p>[Reasons for nomination as a candidate for Supplementary Audit & Supervisory Board Member (Outside)] Mr. Masao Hojo is expected reflect his expert knowledge, experience, etc. as an attorney in the audit work of the Company, and the Company has thus nominated him as a candidate for Supplementary Audit & Supervisory Board Member (Outside). Mr. Masao Hojo has not been involved in corporate management, but for the above reasons, the Company has judged that he would execute his duties as an Audit & Supervisory Board Member (Outside). The Company has commissioned Mr. Masao Hojo as an Outside Member of the Compliance Committee. Based on a services agreement with Mr. Masao Hojo, the Company has paid him commissioning fees and legal consultation fees for the past two years and intends to continue paying him the same into the future.</p>		
<p>[Notification of designation as an independent audit & supervisory board member] If Mr. Masao Hojo assumes the position of Audit & Supervisory Board Member, the Company plans to designate him as an independent audit & supervisory board member stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. and notify them of the designation of Mr. Masao Hojo as an independent audit & supervisory board member.</p>		

(Notes)

1. There is no special interest between Mr. Masao Hojo and the Company.
2. If Mr. Masao Hojo assumes the position of Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with him, which limits his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum liability amount stipulated by laws and regulations.
3. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430, Paragraph 3, Item 1 of the Companies Act with an insurance company, which will cover any damages, etc. in the event that the insured directors and officers are to bear liability for damages resulting from their duties. However, the agreement does include certain exemption clauses, such as no compensation being given for damages caused by a criminal act by the insured or damages caused by the insured by acts in violation of laws or regulations that were carried out with the knowledge of their illegality. If Mr. Masao Hojo assumes the position of Audit & Supervisory Board Member, he will be insured under the insurance agreement.