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(Securities Code: 8935)

June 5, 2020

To our shareholders:

Yukiharu Hida,
Chairman, President and CEO

FJ Next Co., Ltd.
6-5-1, Nishi-shinjuku, Shinjuku-ku, Tokyo

Notice of the 40th Annual General Meeting of Shareholders

You are cordially invited to attend the 40th Annual General Meeting of Shareholders of FJ Next Co., Ltd. (the “Company”), which will be held as indicated below.

In place of attending the meeting in person, you may exercise your voting rights in writing or over the Internet. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Tuesday, June 23, 2020 (JST).

1. **Date and Time:** Wednesday, June 24, 2020, at 10:00 (JST) (Reception opens at 9:00 a.m.)
2. **Venue:** HILTON TOKYO, 3F “Fuji Ballroom”
6-6-2, Nishi-shinjuku, Shinjuku-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the Company’s 40th fiscal year (from April 1, 2019 to March 31, 2020) and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 40th term (from April 1, 2019 to March 31, 2020)

Matters to be resolved:

Proposal No. 1: Appropriation of Surplus

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

Proposal No. 3: Election of 11 Board Directors (Excluding Board Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 4: Election of Two Substitute Board Directors Who Are Audit and Supervisory Committee Members

Proposal No. 5: Payment of Retirement Benefits to Retired Board Director

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company recognizes that the return of profit to its shareholders is one of the key issues for management, and its basic policy is to pay stable dividends on an ongoing basis that reflect the level of profits, after having given comprehensive consideration to such factors as internal reserves for active development of the business, and the balance of its finances.

In accordance with this policy, and having given serious consideration to business results for the fiscal year under review, and the development of the business over the medium to long term, from the next fiscal year onward, the Company proposes to pay a year-end dividend, and to make other appropriations of surplus, as follows.

1. Year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property and their aggregate amount
¥22 per common share of the Company
Total dividends: ¥719,077,546
 - (3) Effective date of dividends of surplus
June 25, 2020

As the Company has already paid an interim dividend of ¥22 per share, the annual dividend will be ¥44 per share, which is ¥8 higher than for the previous fiscal year.

2. Other appropriation of surplus
 - (1) Item of surplus to be decreased and amount of decrease
Retained earnings brought forward: ¥3,000,000,000
 - (2) Item of surplus to be increased and amount of increase
General reserve: ¥3,000,000,000

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

1. Reasons for the proposal

To prepare for the future development of the business of the Company, a purpose item shall be added to Article 2 (Purpose) of the current Articles of Incorporation. The numbers of the existing items shall be adjusted accordingly.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed amendments
(Purpose) Article 2 The Company is established for the purpose of conducting the following operations. (1) Operations related to the sale, purchase, mediation, rental, leasing and management of, as well as consulting regarding, real estate (Newly established) (2) Operations related to the design, installation, subcontracting and supervision of, as well as consulting regarding, architectural and civil-works projects (3) Holding, sale and purchase of trust beneficiary rights regarding real estate (4) Operations related to non-life insurance agency operations and life insurance solicitation (5) Agency operations for the administration of home loans (6) Possession, leasing, rental and management of facilities such as hotels, inns, restaurants, sports facilities, hospitals and homes for the elderly (7) Other operations ancillary to the above	(Purpose) Article 2 (Unchanged) (1) (Unchanged) <u>(2) Business based on the Act on Specified Joint Real Estate Ventures</u> <u>(3)</u> Operations related to the design, installation, subcontracting and supervision of, as well as consulting regarding, architectural and civil-works projects <u>(4)</u> Holding, sale and purchase of trust beneficiary rights regarding real estate <u>(5)</u> Operations related to non-life insurance agency operations and life insurance solicitation <u>(6)</u> Agency operations for the administration of home loans <u>(7)</u> Possession, leasing, rental and management of facilities such as hotels, inns, restaurants, sports facilities, hospitals and homes for the elderly <u>(8)</u> Other operations ancillary to the above

Proposal No. 3: Election of 11 Board Directors (Excluding Board Directors Who Are Audit and Supervisory Committee Members)

The terms of office of 10 Board Directors (excluding Board Directors who are Audit and Supervisory Committee Members), Yukiharu Hida, Shigeo Masuko, Atsushi Nagai, Yuji Kato, Eiji Fukushima, Yasuo Ito, Takahisa Tanaka, Toru Tsushima, Tatsumi Yamamoto, and Keisuke Hida, will expire at the conclusion of this meeting. In addition, Board Director Mie Kuranami resigned from the position on March 31, 2020. Therefore, the Company proposes the election of 11 Board Directors (excluding Board Directors who are Audit and Supervisory Committee Members).

As for this proposal, the Audit and Supervisory Committee of the Company has judged that all the candidates for Board Directors are eligible.

The candidates for Board Directors (excluding Board Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings [FY2020]
1	Yukiharu Hida	Chairman, President and CEO Reelection	16/16 (Attendance rate: 100%)
2	Shigeo Masuko	Senior Managing Director, Chief Director of Sales Division Reelection	16/16 (Attendance rate: 100%)
3	Atsushi Nagai	Senior Managing Director, Chief Director of Administration Division Reelection	16/16 (Attendance rate: 100%)
4	Yuji Kato	Executive Managing Director, General Manager of Development Business Department Reelection	16/16 (Attendance rate: 100%)
5	Eiji Fukushima	Executive Managing Director Reelection	16/16 (Attendance rate: 100%)
6	Yasuo Ito	Board Director, General Manager of Sales Promotion Department Reelection	16/16 (Attendance rate: 100%)
7	Takahisa Tanaka	Board Director, General Manager of Residence Business Department Reelection	16/16 (Attendance rate: 100%)
8	Toru Tsushima	Board Director Reelection	16/16 (Attendance rate: 100%)
9	Tatsumi Yamamoto	Board Director, General Manager of Accounting and General Affairs Department Reelection	16/16 (Attendance rate: 100%)
10	Keisuke Hida	Board Director, General Manager of Corporate Planning Office Reelection	16/16 (Attendance rate: 100%)
11	Keiko Kyoda	Operating Officer, General Manager of Customer Consulting Center New election	—

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Yukiharu Hida (May 3, 1952) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	July 1980 Established the Company, President Aug. 1989 Board Director Feb. 1997 President and CEO June 2019 Chairman, President and CEO (current position) (Significant concurrent positions outside the Company) President and CEO of FJ Resort Management Co., Ltd.		5,832,700 shares
	[Reasons for nomination as candidate for Board Director] As the founder of the Company, he possesses substantial insight into management, and has used his strong leadership and decisiveness to make significant contributions to the enhancement of the corporate value of the Group as a whole. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			
2	Shigeo Masuko (June 25, 1961) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	May 1991 Joined the Company Feb. 2002 Board Director, Chief Director of Sales Division and General Manager of Sales Department No. 1 June 2007 Executive Managing Director, Chief Director of Sales Division and Director of Shinjuku Branch June 2012 Senior Managing Director, Chief Director of Sales Division Oct. 2012 Senior Managing Director, Chief Director of Sales Division and General Manager of Consulting Business Department Apr. 2015 Senior Managing Director, Chief Director of Sales Division (current position)		225,000 shares
	[Reasons for nomination as candidate for Board Director] He has been involved for many years in the management of the Company as a Board Director, was appointed Senior Managing Director in June 2012, and promotes the Company business primarily in his role as the Chief Director of Sales Division of Investment-type Condominium, which are the mainstay product of the Real estate development business. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Atsushi Nagai (August 25, 1956) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	Apr. 1975	Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)	24,000 shares
		May 2006	Shinjuku Branch Manager of The Sanwa Bank, Limited	
		Apr. 2010	Joined the Company, Chief Director of Administration Division and General Manager of Operation Department	
		June 2010	Board Director, Chief Director of Administration Division and General Manager of Operation Department	
		Apr. 2012	Board Director, Chief Director of Administration Division and General Manager of Corporate Planning Office	
		May 2014	Board Director	
		June 2015	Executive Managing Director	
		July 2016	Executive Managing Director, Chief Director of Administration Division	
		July 2017	Senior Managing Director, Chief Director of Administration Division (current position)	
		(Significant concurrent positions outside the Company) President and CEO of FJ Community Co., Ltd.		
[Reasons for nomination as candidate for Board Director] He was appointed Senior Managing Director of the Company in July 2017, and promotes Company business as the Chief Director of Administration, and as Representative Director and President of the Group company that is responsible for the Real estate management segment. Taking into comprehensive consideration his track record and extensive experience in his previous position, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.				
4	Yuji Kato (April 25, 1959) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	Apr. 1982	Joined Tokai Kogyo Co., Ltd.	35,200 shares
		July 2000	Joined the Company	
		June 2008	Board Director, Chief Director of Development Business Division and General Manager of Development Department	
		Apr. 2013	Board Director, General Manager of Development Business Department	
		June 2015	Executive Managing Director, General Manager of Development Business Department (current position)	
[Reasons for nomination as candidate for Board Director] He was appointed Managing Director of the Company in June 2015, and promotes Company business primarily as the General Manager of the Development Division, which is responsible for the acquisition and development of real estate in the Real estate development segment, as well as for management of building construction. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Eiji Fukushima (October 5, 1948) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	Apr. 1971	Joined Nichiei Housing Material Co., Ltd. (currently Nice Corporation)	3,000 shares
	June 1993	Director of Nichiei Real Estate Co., Ltd.		
		Jan. 2004	Director, General Manager of Housing Business of Nice Corporation	
		June 2016	Joined the Company, Board Director	
		July 2017	Executive Managing Director (current position)	
		(Significant concurrent positions outside the Company)		
		President and CEO, RESITEC Co, Ltd.		
	[Reasons for nomination as candidate for Board Director] He was appointed Senior Managing Director of the Company in July 2017, and promotes Company business primarily as President and CEO of the Group company that is responsible for the Construction segment. Taking into comprehensive consideration not only his long years of involvement in the real estate industry, but also the wide-ranging knowledge and extensive experience accumulated during his service in previous important posts, as well as his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			
6	Yasuo Ito (May 13, 1964) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	Feb. 1986	Joined the Company	171,600 shares
	Mar. 1990	Board Director, General Manager of Sales Department		
		Jan. 2005	Board Director, Chief Director of Sales Division	
		Oct. 2005	Board Director	
		Jan. 2010	Board Director, Chief Director of Sales Promotion Division	
		Apr. 2013	Board Director, General Manager of Sales Promotion Department (current position)	
	[Reasons for nomination as candidate for Board Director] He has been involved for many years in the management of the Company as a Board Director, and promotes the Company business primarily as General Manager of Sales Promotion Department, which is responsible for real estate logistics operations in the Real estate development segment. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			
7	Takahisa Tanaka (January 29, 1964) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	Apr. 1988	Joined the Company	40,600 shares
	Feb. 2002	Board Director, General Manager of Sales Department No. 2		
		Jan. 2005	Board Director, Director of Tokyo Branch	
		Feb. 2006	Board Director	
		Apr. 2013	Board Director, General Manager of Residence Business Department (current position)	
	[Reasons for nomination as candidate for Board Director] He has been involved for many years in the management of the Company as a Board Director, and promotes the Company business primarily as General Manager of Residence Business Department, which is responsible for sales of family condominiums in the Real estate development segment. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<p>Toru Tsushima (September 29, 1961)</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)</p>	<p>Mar. 1994 Joined the Company</p> <p>Apr. 2004 Director of Tokyo Branch</p> <p>Jan. 2005 General Manager of Sales Department No. 3</p> <p>Apr. 2006 General Manager of Sales Department No. 1</p> <p>June 2013 Board Director, General Manager of Sales Department No. 1</p> <p>Apr. 2015 Board Director, Deputy Chief Director of Sales Division and General Manager of Consulting Business Department</p> <p>Apr. 2018 Board Director (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Senior Managing Director of FJ Community Co., Ltd.</p>	38,000 shares
<p>[Reasons for nomination as candidate for Board Director]</p> <p>He was appointed Board Director of the Company in June 2013, and from April 2018, has promoted Company business primarily as Senior Managing Director of the Group company that is responsible for the Real estate management segment. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
9	<p>Tatsumi Yamamoto (September 28, 1959)</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)</p>	<p>Apr. 1982 Joined Heiwa Life Insurance Company Limited (currently Nippon Wealth Life Insurance Company Limited)</p> <p>Mar. 2004 General Manager, Funding and Business Expense Department of Heiwa Life Insurance Company Limited</p> <p>June 2005 Joined the Company, Assistant General Manager of Accounting Department</p> <p>Oct. 2005 General Manager of Accounting Department</p> <p>Apr. 2008 General Manager of Accounting Department and Internal Control Promotion Office</p> <p>Apr. 2011 Deputy Chief Director of Administration Division and General Manager of General Affairs Department</p> <p>Apr. 2012 General Manager of Operation Department</p> <p>June 2014 Executive Officer, General Manager of Corporate Planning Office and Operation Department</p> <p>June 2015 Board Director, General Manager of Corporate Planning Office and Operation Department</p> <p>June 2018 Board Director, General Manager of Accounting Department and Operation Department</p> <p>Apr. 2019 Board Director, General Manager of Accounting Department and Controller of General Affairs Department</p> <p>Apr. 2020 Board Director, General Manager of Accounting and General Affairs Department (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and CEO of Allied life, Co. Ltd.</p> <p>Chairman of Taiwan FJ Corporation</p>		3,000 shares
<p>[Reasons for nomination as candidate for Board Director]</p> <p>He was appointed Board Director of the Company in June 2015 and promotes Company business primarily as the General Manager of the Accounting Department and concurrently as the General Manager of the General Affairs Department, thereby handling the financial strategy as well as the general affairs and human resources business of the Group. Taking into comprehensive consideration his track record and extensive experience in his previous position, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
10	Keisuke Hida (September 25, 1982) Reelection Attendance at Board of Directors meetings 16/16 meetings (Attendance rate: 100%)	June 2005	Joined Avex Marketing Communications Inc. (currently Avex Entertainment Inc.)	67,000 shares
		Jan. 2008	Joined the Company	
		Apr. 2017	Assistant Manager of Corporate Planning Office	
		June 2018	Board Director, General Manager of Corporate Planning Office (current position)	
	[Reasons for nomination as candidate for Board Director] He was appointed Board Director in June 2018, and promotes Company business primarily as the General Manager of Corporate Planning Office, which is responsible for drawing up and promoting the business strategy of the Group. Taking into comprehensive consideration his track record, his extensive experience, and his broad discernment and abilities in relation to corporate management, the Company once again nominates him as a candidate for Board Director.			
11	Keiko Kyoda (August 11, 1959) New election	May 1994	Joined the Company	11,600 shares
		Apr. 2016	General Manager of Operation Department, Customer Consulting Center	
		Apr. 2020	Operating Officer, and General Manager of Sales Division, Customer Consulting Center (current position)	
	[Reasons for nomination as candidate for Board Director] She has been involved in customer support business at the Company for many years, promoting Company business primarily as the General Manager of the Customer Consulting Center, a position that manages the customer information of the Group and provides support to customers. Taking into comprehensive consideration her track record, her extensive experience, and broad discernment and abilities in relation to corporate management, the Company nominates her as a new candidate for Board Director.			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. In addition to the aforementioned number of times that meetings of the Board of Directors were held, based on Article 370 of the Companies Act and Article 24 of the Company's Articles of Incorporation, there were three written resolutions that were deemed resolutions by the Board of Directors.
 3. For each candidate, the number of the Company's shares owned indicates the current number of shares in the shareholder register as of the end of the fiscal year under review (March 31, 2020).

Proposal No. 4: Election of Two Substitute Board Directors Who Are Audit and Supervisory Committee Members

It is proposed that two substitute Board Directors who are Audit and Supervisory Committee Members be elected to be ready to fill a vacant position should the number of Board Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

The Company proposes that Mitsuru Ozawa be elected substitute for Kenichi Suzuki, Board Director who is an Audit and Supervisory Committee Member and that Kie Oshiro be elected substitute for Kiyoshi Suzuki and Daisuke Takaba, Outside Board Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee for this proposal has been obtained.

The candidates for substitute Board Directors who are Audit and Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Mitsuru Ozawa (February 7, 1959)	Oct. 1982 Joined Chiba Construction Co., Ltd. (currently Livlan Co., Ltd.) Oct. 2008 Director, Executive Officer and President of Livlan Co., Ltd. Sept. 2009 Joined FJ Fudosan Hanbai Co., Ltd. (currently FJ Next Co., Ltd.) General Manager of Izukogen Branch (current position)	—
	[Reasons for nomination as candidate for substitute Board Director who is an Audit and Supervisory Committee Member] Taking into consideration his experience in company management in his previous role, and track record as a branch manager of the Company, and so forth, the Company nominates him as a candidate for substitute Board Director who is an Audit and Supervisory Committee Member.		
2	Kie Oshiro (April 4, 1975)	Oct. 2004 Registered as an attorney at law at Daini Tokyo Bar Association Joined LINK LAW OFFICE Kito and Partners May 2005 Registered as an attorney at law at Dai-Ichi Tokyo Bar Association Joined Takaba Law Office (current position) (Significant concurrent positions outside the Company) Attorney at law of Takaba Law Office	—
	[Reasons for nomination as candidate for substitute Board Director who is an Audit and Supervisory Committee Member] Kie Oshiro has no experience of direct involvement in company management in the past, however, having taken into comprehensive consideration her broad discernment, specialist knowledge and experience, the Company nominates her as a candidate for substitute Board Director who is an Audit and Supervisory Committee Member.		

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Kie Oshiro is a candidate for substitute outside Board Director.
 3. In the event that the candidates are all appointed Board Directors who are Audit and Supervisory Board Members, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into agreements with them to limit their liability for damages under Article 423, paragraph (1) of the same Act to the minimum liability amount provided for under laws and regulations.

Proposal No. 5: Payment of Retirement Benefits to Retired Board Director

To reward her for her services performed during her time in office, the Company proposes to pay an appropriate retirement benefits in line with Company-determined standards to Mie Kuranami, who retired on March 31, 2020.

The Company requests that matters such as the specific monetary amount, the time of payment, and the payment method be entrusted to the Board of Directors.

The career summary of this retired Board Director is as follows.

Name	Career summary	
Mie Kuranami	June 2018	Board Director
	Mar. 2020	Resigned from position as Board Director