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(Stock Exchange Code 9974)
May 11, 2021

To Shareholders with Voting Rights:

Issei Harashima
President and Representative
Director
Belc CO., LTD.
1646, Suneori,
Tsurugashima-shi, Saitama,
Japan

**NOTICE OF
THE 62ND ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are informed by this notice that the 62nd Annual General Meeting of Shareholders of Belc CO., LTD. (the “Company”) will be held for the purposes as described below.

If you do not attend the meeting, you can exercise your voting rights in writing or by electromagnetic means (the Internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by no later than 6:00 p.m. on Wednesday, May 26, 2021, Japan time.

[Notes on the exercise of voting rights concerning prevention of the coronavirus disease (COVID-19)]

To avoid the risk of spreading the coronavirus disease (COVID-19) infection, shareholders are strongly advised not to attend this General Meeting of Shareholders, and instead exercise their voting rights in writing, by the internet, or other means. We ask our shareholders to make an especially careful decision on the attendance of elderly people, people with underlying disease, and pregnant people, who are considered to be at a higher risk of severe illness from the coronavirus disease (COVID-19) infection.

[Exercising Voting Rights by Mail (in Writing)]

Please return the enclosed Voting Rights Exercise Form after indicating your consent/dissent for each proposal.

[Exercising Voting Rights by Electromagnetic Means (the Internet, etc.)]

Please enter your consent/dissent for each proposal on the Voting Rights Exercise Website designated by the Company (<https://evote.tr.mufg.jp/>).

Date and Time: Thursday, May 27, 2021 at 10:00 a.m. Japan time (reception opens at 9:00 a.m.)

Place: Hou-ou Room, 2nd floor, Sakado Grand Hotel WIN (2-6-32 Sekima, Sakado-shi, Saitama)
(Please refer to the attached “Guide to Meeting Venue for the General Meeting of Shareholders” (Japanese version only).)

Meeting Agenda:

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company’s 62nd Fiscal Year (March 1, 2020 – February 28, 2021) and results of audit by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company’s 62nd Fiscal Year (March 1, 2020 – February 28, 2021)

Proposals to be resolved:

Proposal 1: Distribution of Surplus

Proposal 2: Election of 10 Directors

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

Proposal 4: Payment of Retirement Benefits to Retiring Director

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Furthermore, if a shareholder is unable to attend the meeting, one other shareholder who holds voting rights of the Company may attend the General Meeting of Shareholders as a proxy. Please note, however, that the submission of a document proving the authority to represent shall be required.
- Of the documents accompanying this Notice, the “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” are posted on the website below, in accordance with laws and regulations and the provisions of Article 15 of the Company’s Articles of Incorporation, and therefore are not included in the documents accompanying this Notice.
Accordingly, the documents accompanying this Notice comprise part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by Audit & Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
- The results of resolutions at this Annual General Meeting of Shareholders will be posted on the website below after the conclusion of this Annual General Meeting of Shareholders, in lieu of sending notification of resolutions in writing.
- Should matters in the Business Report, Non-consolidated Financial Statements, Consolidated Financial Statements, and Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the website below.

The Company’s website: (<https://www.belc.jp/company>)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Distribution of Surplus

The Company proposes a distribution of surplus as follows.

1. Items Related to the Year-end Dividend

Taking into consideration business performance in the fiscal year under review, future business development, and other factors, the Company proposes a year-end dividend for the Company's 62nd fiscal year as follows.

(1) Items related to the allocation of dividend property to shareholders and its total amount

46 yen per common share of the Company

Total of 959,865,762 yen

(Note) The annual dividend for the fiscal year under review, including the interim dividend, will be 86 yen per share.

(2) Date the distribution of surplus comes into effect

May 28, 2021

2. Other Items Related to the Distribution of Surplus

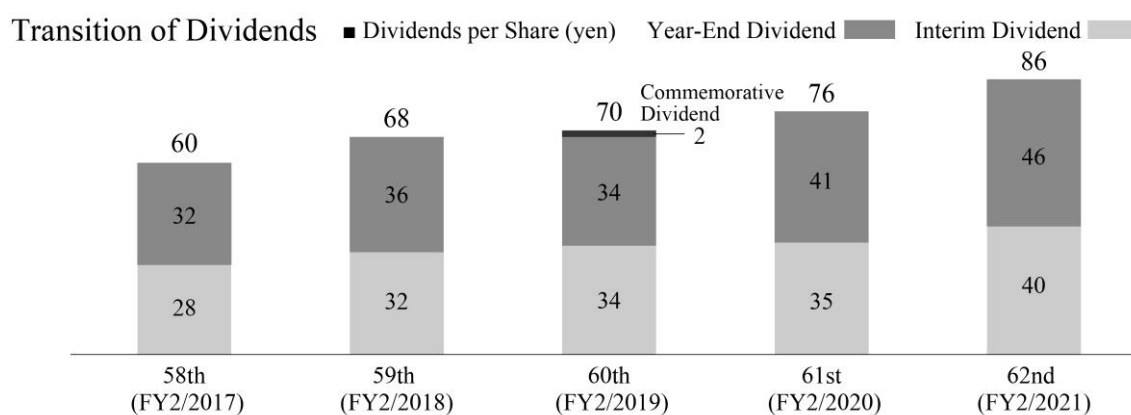
In order to prepare for sound business development and strengthen the Company's financial position, taking into consideration the future business environment, the Company proposes a distribution of surplus as follows.

(1) Surplus item to be increased and amount of increase

General reserve 4,000,000,000 yen

(2) Surplus item to be decreased and amount of decrease

Retained earnings brought forward 4,000,000,000 yen



Proposal 2: Election of 10 Directors

The terms of office of all 11 incumbent Directors will expire at the conclusion of this General Meeting of Shareholders. To prepare for enhancing corporate governance, the Company proposes to reduce the number of Directors by one. Accordingly, the election of 10 Directors is proposed.

The candidates for Director are as follows.

Policy and Procedures for the Nomination of Candidates for Director

When nominating candidates for Director, the Company nominates persons with the knowledge and experience to execute the management of the Company in an accurate, fair, and efficient manner. In addition, the Board of Directors shall be an appropriate structure, consisting of personnel from diverse backgrounds with a balance of knowledge, experience, and abilities, of a size that promotes prompt decision-making.

In regard to the procedures for nominating candidates for Director, the Board of Directors determines candidates after explanation and deliberation of the reasons for their nomination, and discloses the reasons for their nomination.

No.	Name	Current positions and responsibilities
1	[Reappointment] [Male] Tamotsu Harashima	Chairman of the Board of Directors
2	[Reappointment] [Male] Issei Harashima	President and Representative Director
3	[Reappointment] [Male] Hideo Ueda	Senior Managing Director; Associate GM of Compliance Office; Responsible for Operations Support Department and in charge of legal affairs
4	[Reappointment] [Male] Yoichiro Harashima	Senior Managing Director; General Manager of Logistics Control Department; Grocery Product Development MD
5	[Reappointment] [Male] Mitsuhiro Nakamura	Managing Director; General Manager of Sales and Operation Department; General Manager of Checker Department
6	[Reappointment] [Male] Yoshihiro Osugi	Managing Director; General Manager of Human Resources Development Department
7	[Reappointment] [Male] Kanji Ueda	Director; General Manager of Development Control Department
8	[Reappointment] [Male] Hiroyuki Harada	Director; General Manager of System Reform Department
9	[Reappointment] [Female] [Outside] [Independent Officer] Tomoko Furukawa	Outside Director
10	[Reappointment] [Male] [Outside] [Independent Officer] Kunihiko Hisaki	Outside Director

No.
1 Tamotsu Harashima [Reappointment] [Male]

Date of birth	July 3, 1957	Number of shares of the Company held	499,020
Past experience, positions, responsibilities, and significant concurrent positions	April 1984	Joined the Company	
	February 1995	General Manager of Sales Department	
	May 1995	Director; General Manager of Sales Department	
	May 1997	Managing Director; General Manager of Sales Department	
	March 2001	Managing Director; General Manager of Merchandise Headquarters	
	May 2002	Senior Managing Director; General Manager of Merchandise Headquarters	
	May 2006	Senior Managing Director; General Manager of Administration Headquarters	
	May 2014	Vice Chairman	
	April 2015	Chairman of the Board of Directors (to present)	
Reason for nomination as candidate for Director	Mr. Tamotsu Harashima serves as Chairman of the Board of Directors of the Company and possesses abundant experience and knowledge related to corporate management and business strategy. Since he is expected to be suitable as a manager and supervisor in business management in general from a wide-ranging and high-level perspective, the Company has judged that he is appropriately qualified to be a Director of the Company and nominated him as a candidate for Director.		

No.
2 Issei Harashima [Reappointment] [Male]

Date of birth	May 22, 1978	Number of shares of the Company held	380,710
Past experience, positions, responsibilities, and significant concurrent positions	March 2005	Joined the Company	
	February 2012	General Manager of Confectionary Department	
	May 2013	General Manager Attached to General Manager of Administration Headquarters	
	May 2013	Director; General Manager Attached to General Manager of Administration Headquarters	
	December 2013	Director; General Manager Attached to General Manager of Sales Headquarters	
	May 2014	Senior Managing Director; General Manager of Sales Headquarters	
	April 2015	Representative Director; Senior Managing Director; General Manager of Sales Headquarters	
	May 2020	President and Representative Director (to present)	
Reason for nomination as candidate for Director	(Significant concurrent positions)		
	President and Representative Director, Home Delica Co., Ltd.		
	President and Representative Director, Joytech, Inc.		
Reason for nomination as candidate for Director	Mr. Issei Harashima serves as President and Representative Director and possesses abundant insight and achievements as a corporate manager. He has demonstrated appropriate discernment and decision-making skills in corporate management, and the Company has thus judged that he is appropriately qualified to be a Director of the Company and nominated him as a candidate for Director.		

No. 3 Hideo Ueda [Reappointment] [Male]

Date of birth	January 24, 1964	Number of shares of the Company held	10,700
Past experience, positions, responsibilities, and significant concurrent positions	April 1986	Joined the Company	
	February 2003	General Manager of Information Systems Department	
	May 2004	Corporate Officer; General Manager of Information Systems Department	
	January 2006	Corporate Officer; General Manager of Sales Planning Department	
	May 2006	Director; General Manager of Sales Planning Department	
	February 2009	Director; General Manager of Corporate Planning Department	
	May 2014	Managing Director; General Manager of Administration Headquarters and Corporate Planning Department	
	July 2015 May 2020	Managing Director; General Manager of Administration Headquarters Senior Managing Director; Associate GM of Compliance Office; Responsible for Operations Support Department and in charge of legal affairs (to present)	
Reason for nomination as candidate for Director	Mr. Hideo Ueda has held management positions in charge of the sales planning and information systems departments, in addition to the corporate planning department, and possesses abundant experience and achievements. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No. 4 Yoichiro Harashima [Reappointment] [Male]

Date of birth	July 30, 1966	Number of shares of the Company held	10,700
Past experience, positions, responsibilities, and significant concurrent positions	April 1990	Joined the Company	
	January 2004	General Manager of Logistics Department	
	May 2004	Corporate Officer; General Manager of Logistics Department	
	May 2006	Director; General Manager of Store Operation Department	
	March 2007	Director; General Manager of Sales and Operation Department	
	July 2009	Director; Representative of Fresh Food Products and General Manager of Food Control Office	
	June 2012	Director; General Manager of Merchandise Control Department	
	August 2012	Director; General Manager of Merchandise Control Department and Grocery Control Department	
	March 2013	Director; General Manager of Grocery Control Department	
	May 2014	Director; General Manager of Grocery Control Department and Bakery Department	
	November 2014	Director; General Manager of Grocery Control Department and Logistics Control Department; General Manager of Bakery Department	
	May 2017	Managing Director; General Manager of Grocery Control Department and Logistics Control Department and General Manager of Bakery Department	
May 2020	Senior Managing Director; General Manager of Grocery Control Department and Logistics Control Department and General Manager of Bakery Department		
March 2021	Senior Managing Director; General Manager of Logistics Control Department; Grocery Product Development MD (to present)		
Reason for nomination as candidate for Director	Mr. Yoichiro Harashima has held management positions in charge of sales departments in general, and possesses abundant experience and achievements. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No.
5 Mitsuhiro Nakamura [Reappointment] [Male]

Date of birth	July 10, 1969	Number of shares of the Company held	2,000
Past experience, positions, responsibilities, and significant concurrent positions	April 1992	Joined the Company	
	December 2013	General Manager of Checker Department	
	April 2014	General Manager of Sales and Operation Department and Checker Department	
	May 2014	Corporate Officer; General Manager of Sales and Operation Department and Checker Department	
	May 2015	Director; General Manager of Sales and Operation Department; General Manager of Checker Department	
	May 2020	Managing Director; General Manager of Sales and Operation Department; General Manager of Checker Department (to present)	
Reason for nomination as candidate for Director	Mr. Mitsuhiro Nakamura has abundant insight and achievements as a manager in charge of the sales and operation department. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No.
6 Yoshihiro Osugi [Reappointment] [Male]

Date of birth	March 16, 1975	Number of shares of the Company held	3,600
Past experience, positions, responsibilities, and significant concurrent positions	April 1997	Joined the Company	
	April 2013	General Manager of Human Resources Development Department	
	May 2014	Corporate Officer; General Manager of Human Resources Development Department	
	May 2015	Director; General Manager of Human Resources Development Department	
	May 2020	Managing Director; General Manager of Human Resources Development Department (to present)	
Reason for nomination as candidate for Director	Mr. Yoshihiro Osugi has abundant insight and achievements as a manager in charge of the human resources development department. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No.
7

Kanji Ueda

[Reappointment]

[Male]

Date of birth	March 5, 1965	Number of shares of the Company held	1,700
Past experience, positions, responsibilities, and significant concurrent positions	May 2002	Joined the Company	
	May 2005	General Manager of Store Development Department I	
	September 2007	General Manager of Store Development Department	
	April 2016	Corporate Officer; General Manager of Development Headquarters and Store Development Department	
	May 2016	Director; General Manager of Development Headquarters and Store Development Department	
	September 2016	Director; General Manager of Development Headquarters	
	April 2020	Director; General Manager of Development Headquarters and Store Development Department	
	May 2020	Director; General Manager of Development Control Department and Store Development Department	
	October 2020	Director; General Manager of Development Control Department (to present)	
Reason for nomination as candidate for Director	Mr. Kanji Ueda has abundant experience and achievements as a manager in charge of the store development department. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No.
8

Hiroyuki Harada

[Reappointment]

[Male]

Date of birth	September 6, 1975	Number of shares of the Company held	5,000
Past experience, positions, responsibilities, and significant concurrent positions	April 1998	Joined the Company	
	March 2012	General Manager of General Food Department	
	March 2017	General Manager of Fruit and Vegetable Department	
	May 2017	Corporate Officer; General Manager of Fruit and Vegetable Department	
	May 2020	Director; General Manager of System Reform Department (to present)	
Reason for nomination as candidate for Director	Mr. Hiroyuki Harada has held management positions in charge of the merchandise department and the operation improvement department, and possesses abundant experience and achievements. The Company has judged from his experience and insight that he is appropriately qualified to be a Director of the Company and therefore nominated him as a candidate for Director.		

No.	Tomoko Furukawa		[Candidate for Outside Director]	[Independent Officer]
9	[Reappointment]			[Female]
Date of birth	February 25, 1951	Number of shares of the Company held		—
Past experience, positions, responsibilities, and significant concurrent positions	April 1973	Joined Wakodo Co., Ltd.		
	April 2000	Instructor of Correspondence Course, Kagawa Nutrition University		
	January 2001	Lifelong Study Tutor (to present)		
	May 2016	Outside Director, the Company (to present)		
Reason for nomination and roles expected as candidate for Outside Director	Ms. Tomoko Furukawa has never been directly involved in corporate management, but she has served as a lecturer at an undergraduate school of nutrition sciences of a university over many years, and possesses abundant knowledge about food. The Company has therefore nominated her as a candidate for Outside Director. She has provided accurate advice and opinions at meetings of the Board of Directors of the Company through her abundant knowledge about food. The Company expects that she is capable of continuing to sufficiently fulfill her role as an Outside Director of the Company.			
Independence	The Company has designated Ms. Tomoko Furukawa as an Independent Officer, pursuant to the rules of the Tokyo Stock Exchange, and if her election is approved, she is expected to continue to be an Independent Officer.			
Liability limitation agreement	The Company has entered into an agreement with Ms. Tomoko Furukawa to limit her liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the same. If her reelection is approved, the Company intends to continue the above liability limitation agreement with her. The maximum amount of liability for damages based on this agreement shall be the higher of five million yen or the minimum amount provided for in Article 425, Paragraph 1 of the same.			

No. 10	Kunihiko Hisaki	[Reappointment]	[Candidate for Outside Director]	[Independent Officer] [Male]
Date of birth	August 22, 1954	Number of shares of the Company held	—	
Past experience, positions, responsibilities, and significant concurrent positions	April 1977	Joined JUSCO Co., Ltd. (currently AEON CO., LTD.)		
	February 2000	General Manager of H & BC Product Department		
	May 2002	Director		
	May 2003	Executive Officer		
	May 2004	Managing Executive Officer		
	May 2006	Senior Managing Executive Officer; In charge of Products, and General Manager of Housing and Recreational Product Department		
	August 2008	Executive Officer; Chief Manager of Group Products		
	March 2009	President and Representative Director, AEON TOPVALU Co., Ltd.		
	May 2010	President and Representative Director, AEON Product Procurement Co., Ltd.		
	May 2013	Director; Senior Managing Executive Officer; In charge of Products, AEON Retail Co., Ltd		
	May 2014	Director; Executive Officer and Vice President; Representative of Sales and Products, and in charge of Products		
	May 2015	Director; Executive Officer and Vice President; In charge of Products		
	March 2017	Director; Executive Officer and Vice President; In charge of Special missions		
	March 2017	Director; AEON SUPERCENTER Co., Ltd. (to present)		
	March 2019	Director; Executive Officer and Vice President; In charge of Special missions and in charge of Kids Republic Business, AEON Retail Co., Ltd		
	May 2019	Director, SUNDAY co., ltd. (to present)		
	March 2020	Adviser, AEON CO., LTD. (to present)		
	May 2020	Audit & Supervisory Board Member, Medical Ikkou Group Co., LTD. (to present)		
	May 2020	Outside Director, the Company (to present)		
	(Significant concurrent positions)			
	Adviser, AEON CO., LTD.			
	Director; AEON SUPERCENTER Co., Ltd.			
	Director, SUNDAY CO., LTD.			
	Audit & Supervisory Board Member, Medical Ikkou Group Co., LTD.			
Reason for nomination and roles expected as candidate for Outside Director	Since Mr. Kunihiko Hisaki possesses abundant achievements and insight as incumbent Advisor at AEON CO., LTD., the Company has nominated him as a candidate for Outside Director. The Company expects that he is capable of sufficiently fulfilling his role as Outside Director of the Company based on his achievements and experiences.			
Independence	The Company has designated Mr. Kunihiko Hisaki as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, and if his election is approved, he is expected to continue to be an Independent Officer.			
Liability limitation agreement	The Company has entered into an agreement with Mr. Kunihiko Hisaki to limit his liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the same. If his reelection is approved, the Company intends to continue the above liability limitation agreement with him. The maximum amount of liability for damages based on this agreement shall be the higher of five million yen or the minimum amount provided for in Article 425, Paragraph 1 of the same.			

- (Notes) 1. Special interests between each candidate and the Company are as follows.
- (1) Mr. Kunihiko Hisaki serves concurrently as Advisor of AEON CO., LTD., which is a major shareholder and business alliance partner of the Company.
 - (2) There are no special interests between any other candidate and the Company.
2. Ms. Tomoko Furukawa and Mr. Kunihiko Hisaki are candidates for Outside Director.
 3. Ms. Tomoko Furukawa's term of office as Outside Director will be five years at the conclusion of this General Meeting of Shareholders.
 4. Mr. Kunihiko Hisaki's term of office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.
 5. The Company has entered into a directors and officers liability insurance agreement with an insurance company, and intends to renew the agreement in July 2021. The officers, corporate officers, important employees, officers dispatched outside, and retired officers of the Company and all of its subsidiaries are named as the insured. The said insurance agreement will cover such damage as may arise if the insured receives a claim for damages in relation to the execution of duties. If the election of each candidate is approved under this Proposal, each of them will continue to be the insured. All premiums of the insurance agreement are borne by the Company.

6. Other than the above, there are no matters to be noted in regard to matters to be stated in proposals related to the election of Directors, as provided for in Article 74 of the Regulation for Enforcement of the Companies Act.

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

The effectiveness of the current election of the Substitute Audit & Supervisory Board Member shall expire at the commencement of this General Meeting of Shareholders. Accordingly, in order to prepare for cases where the number of Audit & Supervisory Board Members falls below the number prescribed by laws and regulations, the election of one Substitute Audit & Supervisory Board Member is proposed.

If the candidate assumes office as an Audit & Supervisory Board Member, his term of office shall be the remaining term of office of his predecessor.

Furthermore, the consent of the Audit & Supervisory Board has been obtained in regard to the submission of this Proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows.

Policy and Procedures for the Nomination of Candidates for Substitute Audit & Supervisory Board Member

When nominating candidates for Substitute Audit & Supervisory Board Member, the Company nominates persons with the knowledge and experience to audit the execution of duties by Directors in an accurate, fair, and efficient manner.

In regard to the procedures for nominating candidates for Substitute Audit & Supervisory Board Member, the Board of Directors first obtains the consent of the Audit & Supervisory Board, then determines candidates after explanation and deliberation of the reasons for their nomination, and discloses the reasons for their nomination.

Tomoaki Machida

[Candidate for Substitute
Outside Audit & Supervisory
Board Member]

[Male]

Date of birth	January 31, 1954	Number of shares of the Company held	—
Past experience, positions, and significant concurrent positions	<p>April 1986 Registered as attorney Served at Sekii Law Office</p> <p>March 1992 Established Hagiwara & Machida Law Office, Head</p> <p>October 2005 Established Machida Tomoaki Law Office, Head (to present)</p> <p>April 2006 Vice Chairman, Saitama Bar Association</p> <p>July 2007 Chairman, Public Procurement Monitoring Committee, Saitama Labour Bureau, Ministry of Health, Labour and Welfare (to present)</p> <p>January 2018 Outside Audit & Supervisory Board Member, Fiveishome Co., Ltd. (to present) (Significant concurrent positions)</p> <p>Outside Audit & Supervisory Board Member, Fiveishome Co., Ltd.</p>		
Reason for nomination as candidate for Substitute Outside Audit & Supervisory Board Member	<p>Although Mr. Tomoaki Machida has never been involved in corporate management, other than by serving as an Outside Director or Outside Audit & Supervisory Board Member, he possesses wide-ranging insight centered on legal matters, based on his experience as an attorney. The Company has thus judged that he is capable of appropriately executing his duties as an Outside Audit & Supervisory Board Member, and therefore nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member.</p>		
Independence	<p>If Mr. Tomoaki Machida assumes office as an Outside Audit & Supervisory Board Member, the Company intends to designate him as an Independent Officer, pursuant to the rules of the Tokyo Stock Exchange.</p>		
Liability limitation agreement	<p>If Mr. Tomoaki Machida assumes office as an Audit & Supervisory Board Member, the Company intends to enter into an agreement with him to limit his liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the same. The maximum amount of liability for damages based on this agreement shall be the higher of five million yen or the minimum amount provided for in Article 425, Paragraph 1 of the same.</p>		

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Mr. Tomoaki Machida is a candidate for Substitute Outside Audit & Supervisory Board Member.
 3. The Company has entered into a directors and officers liability insurance agreement with an insurance company, and intends to renew the agreement in July 2021. The officers, corporate officers, important employees, officers dispatched outside, and retired officers of the Company and all of its subsidiaries are named as the insured. The said insurance agreement will cover such damage as may arise if the insured receives a claim for damages in relation to the execution of duties. If Mr. Tomoaki Machida assumes office as an Audit & Supervisory Board Member, he will become the insured under the insurance policy. All premiums of the insurance agreement are borne by the Company.
 4. Other than the above, there are no matters to be noted in regard to matters to be stated in proposals related to the election of Audit & Supervisory Board Members, as provided for in Article 76 of the Regulation for Enforcement of the Companies Act.

Proposal 4: Payment of Retirement Benefits to Retiring Director

As of the conclusion of this General Meeting of Shareholders, Mr. Shuji Watanabe will retire as Director due to expiration of his term of office. In order to reward his services during his term of office, the Company proposes the payment of retirement benefits in line with specified standards of the Company. The amount of retirement benefits for the Director is calculated by, for each position the Director served as, multiplying the remuneration of the last month by the number of years he served and by the factor for the position specified by the Company, and adding up the calculated values of all the positions.

The Company requests that specific amounts, timing of payment, methods, etc., be delegated to the discussion by the Board of Directors.

The reason for justifying the payment of retirement benefits is that he made efforts to improve the business performance and corporate value of the Company as a Director. This Proposal is to pay retirement benefits as stated above in line with the policy for determining remuneration and other similar matters for Directors determined by the Board of Directors of the Company.

The past experience of the retiring Director is as follows:

Name	Past experience
Shuji Watanabe	May 2010 Director, the Company (to present)