

NEWS RELEASE

Notice of Transition to Company with an Audit and Supervisory Committee, Changes in Officers, and Partial Amendment of the Articles of Incorporation

At a meeting held today, the Board of Directors of ITO EN, LTD. (“the Company”), resolved to transition from a Company with a Board of Company Auditors to a Company with an Audit and Supervisory Committee, conditional on receiving approval at the 58th Annual General Meeting of Shareholders scheduled to be held on July 26, 2023. Consequently, it was resolved to submit proposals to said Annual General Meeting of Shareholders in relation to changes in Officers after the transition to a company with an Audit and Supervisory Committee and regarding the partial amendment of the Articles of Incorporation, as described below.

1. Transition to a company with an Audit and Supervisory Committee

(1) Purpose of the transition

With the goal of attaining sustainable growth and further enhancing corporate value over the medium to long term, the Company has made the decision to transition to a company with an Audit and Supervisory Committee, seeking to further strengthen the supervisory functions of the Board of Directors and enhance corporate governance systems, as well as speeding up decision-making and increasing the agility of business execution by creating structures to enable important decisions pertaining to business execution to be delegated to Executive Directors.

(2) Timing of the transition

The Company intends to transition to a company with an Audit and Supervisory Committee if it obtains approval for the changes to the Articles of Incorporation required for the transition at the 58th Annual General Meeting of Shareholders scheduled to be held on July 26, 2023.

2. Changes in Officers

Personnel changes among Officers following the transition to a company with an Audit and Supervisory Committee have been provisionally decided as follows. This proposal is scheduled to be formally decided at the 58th Annual General Meeting of Shareholders.

(1) Candidates for Director (excluding Directors who are Audit and Supervisory Committee Members)

Chairman of the Board and CEO Hachiro Honjo (currently Chairman of the Board and CEO)

President and Executive Officer Daisuke Honjo (currently President and Executive Officer)

Executive Vice President, Representative Director and Executive Officer

Shusuke Honjo (currently Executive Vice President, Representative Director and Executive Officer)

Vice Chairman, Director and Executive Officer

Minoru Watanabe (currently Vice Chairman, Director and Executive Officer)

Director and Senior Managing Executive Officer

Yoshihisa Nakano (currently Director and Senior Managing Executive Officer)

Director and Senior Managing Executive Officer

Shigeru Kamiya (currently Director and Senior Managing Executive Officer)

Director and Executive Officer Yosuke Jay Oceanbright Honjo (currently Director)

Director and Senior Managing Executive Officer

Atsushi Hirata (currently Director and Senior Managing Executive Officer)

Outside Director

Hideo Takano (currently Outside Director)

Outside Director

Keiko Abe (currently Outside Director)

(2) Candidates for Directors who are Audit and Supervisory Committee Members

Director Kiyoshi Kondo (currently Advisor) *

Outside Director Yuichi Usui (currently Outside Director)

Outside Director Yutaka Tanaka (currently Outside Director)

Outside Director Hitoshi Yokokura (currently Outside Director)

* Career summary of candidate to be newly elected

Kiyoshi Kondo (Date of birth: February 10, 1962)

August 1989	Joined the Company
May 1999	General Manager of South Tokyo Sales Department
May 2002	General Manager of Sales Promotion Department III
May 2009	General Manager of Vending Machine Department
May 2012	Manager of Internal Auditing Office
May 2014	General Manager of Regional Sales Management Division
May 2019	General Manager of Sales and Management Division
May 2020	Executive Officer
May 2022	Advisor (current post)

(3) Directors and Audit & Supervisory Board Members scheduled to resign

Shuji Nakagomi (currently Audit & Supervisory Board Member)

Morikazu Taguchi (currently Outside Audit & Supervisory Board Member)

Yoshiaki Takasawa (currently Outside Audit & Supervisory Board Member)

Takashi Miyajima (currently Outside Audit & Supervisory Board Member)

Mr. Shuji Nakagomi, Mr. Morikazu Taguchi, Mr. Yoshiaki Takasawa, and Mr. Takashi Miyajima intend to resign at the conclusion of the 58th Annual General Meeting of Shareholders scheduled to be held on July 26, 2023.

3. Executive Officer

(1) Executive Officer to be newly appointed (as of June 1, 2023)

Director and Executive Officer, in charge of U.S. businesses Yosuke Jay Oceanbright Honjo
(currently Director)

4. Partial Amendment of the Articles of Incorporation

(1) Reason for the amendment

- i) The purpose of this amendment is to establish new provisions, required for the transition to a company with an Audit and Supervisory Committee, related to Audit and Supervisory Committee Members and the Audit and Supervisory Committee, and to perform deletions, etc. of provisions relating to Audit & Supervisory Board Members and the Audit & Supervisory Board, in accordance with the transition to a company with an Audit and Supervisory Committee as stated in 1. above.
- ii) New provisions will be established to achieve the effect of speeding up decision-making and increasing the agility of business execution by enabling important decisions pertaining to business execution to be delegated to Directors (amended Article 33 of the Articles of Incorporation).
- iii) With the aim of implementing agile capital and dividend policies, the Company proposes to establish new provisions enabling dividends of surplus to be determined by a resolution of the Board of Directors (Article 48 of the proposed amendment) pursuant to Article 459, paragraph 1 of the Companies Act, and to delete the current Article 6 (Purchase of Treasury Shares), which duplicates part of said Article 48.
- iv) The Company proposes to perform various other required amendments, including changing article numbers, adding and deleting article text, reorganizing wordings, and correcting expressions.

(2) Details of the amendments

The details of the amendments are as presented in the appendix.

(3) Timetable

General Meeting of Shareholders held for the partial amendment of Articles of Incorporation

July 26, 2023 (scheduled)

Date on which the partial amendment of Articles of Incorporation comes into effect

July 26, 2023 (scheduled)

Appendix

(Amended portions are underlined.)

Current	Proposed Amendment
<p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1 (Omitted)</p> <p>Article 2 (Purpose)</p> <p style="padding-left: 40px;">The purpose of the Company shall be to engage in the following <u>operations</u>:</p> <p>(1)–(22) (Omitted)</p> <p>Article 3–Article 4 (Omitted)</p>	<p style="text-align: center;">Chapter 1 General Provisions</p> <p>Article 1 (Unchanged)</p> <p>Article 2 (Purpose)</p> <p style="padding-left: 40px;">The purpose of the Company shall be to engage in the following <u>businesses</u>:</p> <p>(1)–(22) (Unchanged)</p> <p>Article 3–Article 4 (Unchanged)</p>
<p style="text-align: center;">Chapter 2 Shares</p> <p>Article 5 (Omitted)</p> <p><u>Article 6 (Purchase of treasury shares)</u></p> <p style="padding-left: 40px;"><u>Pursuant to Article 165, paragraph 2 of the Companies Act, the Company may purchase treasury shares in market transactions, etc. following a resolution of the Board of Directors.</u></p> <p>Article 7–Article 10 (Omitted)</p> <p>Article 11 (Rights of shareholders holding fractions of one unit of stock)</p> <p style="text-align: center;">(Omitted)</p> <p>(1)–(3) (Omitted)</p> <p>(4) Right to make a demand as provided for in Article 9</p> <p>Article 12 (Omitted)</p>	<p style="text-align: center;">Chapter 2 Shares</p> <p>Article 5 (Unchanged)</p> <p style="text-align: center;">(Deleted)</p> <p>Article 6–Article 9 (Unchanged)</p> <p>Article 10 (Rights of shareholders holding fractions of one unit of stock)</p> <p style="text-align: center;">(Unchanged)</p> <p>(1)–(3) (Unchanged)</p> <p>(4) Right to make a demand as provided for in Article 8</p> <p>Article 11 (Unchanged)</p>
<p style="text-align: center;">Chapter 3 Preferred stock</p> <p>Article 13–Article 15 (Omitted)</p> <p>Article 16 (Resolution of a general meeting of class shareholders)</p> <p style="text-align: center;">(Omitted)</p> <p>2. The provisions of Article 12, paragraph 1 shall apply mutatis mutandis to a general meeting of class shareholders in cases where matters to be resolved at an annual general meeting of shareholders require a resolution of a general meeting of class shareholders, in addition to the resolution at said general meeting of shareholders.</p> <p>3. The provisions of Article 20, Article 21, and Article 23 shall apply mutatis mutandis to a general meeting of class shareholders.</p> <p>4. The provisions of Article 22, paragraph 2 shall apply mutatis mutandis to a resolution of a general meeting of class shareholders pursuant to the provisions of Article 324, paragraph 2 of the Companies Act.</p> <p>Article 17–Article 18 (Omitted)</p>	<p style="text-align: center;">Chapter 3 Preferred stock</p> <p>Article 12–Article 14 (Unchanged)</p> <p>Article 15 (Resolution of a general meeting of class shareholders)</p> <p style="text-align: center;">(Unchanged)</p> <p>2. The provisions of Article 11, paragraph 1 shall apply mutatis mutandis to a general meeting of class shareholders in cases where matters to be resolved at an annual general meeting of shareholders require a resolution of a general meeting of class shareholders, in addition to the resolution at said general meeting of shareholders.</p> <p>3. The provisions of Article 19, Article 20, and Article 22 shall apply mutatis mutandis to a general meeting of class shareholders.</p> <p>4. The provisions of Article 21, paragraph 2 shall apply mutatis mutandis to a resolution of a general meeting of class shareholders pursuant to the provisions of Article 324, paragraph 2 of the Companies Act.</p> <p>Article 16–Article 17 (Unchanged)</p>
<p style="text-align: center;">Chapter 4 General Meeting of Shareholders</p> <p>Article 19 (Convocation)</p> <p style="padding-left: 40px;"><u>Unless otherwise provided for by laws and regulations, the annual general meeting of shareholders of the Company shall be convened within <u>three months of the last day</u> of each business year and Extraordinary General Meetings of Shareholders shall be convened where necessary <u>by the Chairman or the President.</u></u></p> <p>Article 20 (Omitted)</p> <p>Article 21 (Chairperson)</p> <p>1. The duties of <u>Chairperson</u> of General Meeting of Shareholders shall be <u>undertaken by</u> the Chairman or President.</p>	<p style="text-align: center;">Chapter 4 General Meeting of Shareholders</p> <p>Article 18 (Convocation)</p> <p style="padding-left: 40px;">The annual general meeting of shareholders of the Company shall be convened <u>within three months of the end</u> of each business year, and Extraordinary General Meeting of Shareholders shall be convened <u>when</u> necessary.</p> <p>Article 19 (Unchanged)</p> <p>Article 20 (<u>Persons Entitled to Convene Meetings and Chairperson</u>)</p> <p>1. The <u>Director and Chairman</u> or <u>Director and President</u> shall <u>convene and act as Chairperson</u> of a General Meeting of Shareholders</p>

Current	Proposed Amendment
<p>2. When the Chairman and President are unable to perform these duties, another Director shall <u>undertake</u> them in accordance with the order determined in advance by the Board of Directors.</p>	<p>2. When the <u>Director and Chairman</u> or <u>Director and President</u> are unable to perform these duties, another Director <u>shall convene a General Meeting of Shareholders and act as Chairperson</u> in accordance with the order determined in advance by the Board of Directors.</p>
<p>Article <u>22</u> (Method of resolution)</p>	<p>Article <u>21</u> (Method of resolution) (Change in Japanese only; English unchanged)</p>
<p>1. Unless otherwise provided for by laws and regulations and these Articles of Incorporation, resolutions of a General Meeting of Shareholders shall be made by a majority of the votes of the shareholders present at the meeting and entitled to exercise their votes at such meetings.</p> <p>2. Unless otherwise provided for by in these Articles of Incorporation, resolutions subject to the rules of Article 309, Paragraph 2 of the Companies Act shall be made by two-thirds or more of the votes of the shareholders present at the meeting where the shareholders holding one-third or more of the votes of the shareholders entitled to vote at such shareholders meeting are present.</p>	<p>1. Unless otherwise provided for by laws and regulations and these Articles of Incorporation, resolutions of a General Meeting of Shareholders shall be made by a majority of the votes of the shareholders present at the meeting and entitled to exercise their votes at such meetings. (Change in Japanese only; English unchanged)</p> <p>2. Unless otherwise provided for by in these Articles of Incorporation, resolutions subject to the rules of Article 309, Paragraph 2 of the Companies Act shall be made by two-thirds or more of the votes of the shareholders present at the meeting where the shareholders holding one-third or more of the votes of the shareholders entitled to vote at such shareholders meeting are present. (Change in Japanese only; English unchanged)</p>
<p>Article <u>23</u> (Proxy Voting)</p>	<p>Article <u>22</u> (Proxy Voting)</p>
<p>1. Every shareholder may exercise their votes by having one other shareholder of the Company with voting rights act as a proxy on their behalf.</p> <p>2. A shareholder or proxy must submit to the Company a document evidencing the proxy's authority to represent at every general meeting of shareholders.</p>	<p>1. Every shareholder may exercise their votes by having one other shareholder of the Company with voting rights act as a proxy on their behalf. (Change in Japanese only; English unchanged)</p> <p>2. A shareholder or proxy must submit to the Company a document evidencing the proxy's authority to represent at every general meeting of shareholders. (Change in Japanese only; English unchanged)</p>
<p>Article <u>24</u> (Omitted)</p>	<p>Article <u>23</u> (Unchanged)</p>
<p style="text-align: center;">Chapter 5 Directors and Board Of Directors</p>	<p style="text-align: center;">Chapter 5 Directors and Board Of Directors</p>
<p>Article <u>25</u> (Omitted)</p>	<p>Article <u>24</u> (Unchanged)</p>
<p>Article <u>26</u> (Number of Directors)</p>	<p>Article <u>25</u> (Number of Directors)</p>
<p>The Company shall have not more than <u>20</u> Directors.</p> <p style="text-align: center;">(Newly established)</p>	<p>1. The Company shall have not more than <u>11</u> Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u></p> <p>2. <u>The Company shall have not more than 4 Directors who are Audit and Supervisory Committee Members.</u></p>
<p>Article <u>27</u> (Method of Election)</p>	<p>Article <u>26</u> (Method of Election)</p>
<p>1. Directors of <u>the Company</u> shall be elected by resolution at a general meeting of shareholders.</p> <p>2. Resolutions on the election <u>in the preceding paragraph</u> shall be made by a majority of the votes <u>of the shareholders present</u> at a meeting where the shareholders holding one-third or more of the votes of the shareholders entitled to exercise their votes at such shareholders meeting are present.</p> <p>3. Resolutions for Directors' elections shall not be conducted by cumulative voting.</p>	<p>1. Directors shall be elected by votes at a general meeting of shareholders, <u>with a distinction being made between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p>2. Resolutions on the election of a <u>Director</u> shall be made by a majority of the votes at a meeting where the shareholders holding one-third or more of the votes of the shareholders entitled to exercise their votes at such meeting are present.</p> <p>3. Resolutions for the Directors' elections shall not be conducted by cumulative voting. (Change in Japanese only; English unchanged)</p>
<p>Article <u>28</u> (Terms of Office)</p>	<p>Article <u>27</u> (Terms of Office)</p>
<p>The term of office of a Director shall expire at the conclusion of the annual General Meeting of Shareholders for the latest business year ending within 1 year after their election.</p>	<p>1. The term of office of a Director <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the annual General Meeting of Shareholders for the latest business year ending within 1 year after their election.</p>

Current	Proposed Amendment
(Newly established)	<p><u>2. The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual General Meeting of Shareholders for the latest business year ending within 2 years after their election.</u></p>
<p>(Newly established)</p> <p>Article <u>29</u> (Representative Director) <u>The Company shall appoint, by resolution of the Board of Directors, a small number of Representative Directors.</u></p> <p>Article <u>30</u> (Directors with Special Titles) <u>The Company may appoint, by resolution of the Board of Directors, one Chairman and one President, and a small number of Vice Chairmen, Vice Presidents, Senior Managing Directors, and Managing Directors.</u></p> <p>Article <u>31</u> (Remuneration, etc.) <u>Remuneration, etc. of Directors shall be determined by resolution of a general meeting of shareholders.</u></p> <p>Article <u>32</u> (Convocation and Chairperson)</p> <p>1. <u>Notice to convene a meeting of the Board of Directors shall be provided to each Director and Audit & Supervisory Board Member by the Chairman or President no later than three days before the date of the meeting. However, when there is an urgent need this period may be shortened.</u></p> <p>2. <u>The duties of Chairperson of the Board of Directors shall be undertaken by the Chairman or President. However, when the Chairman or President are unable to perform these duties, another Director shall undertake these duties in accordance with the order determined in advance by the Board of Directors.</u></p> <p>(Newly established)</p> <p>Article <u>33</u> (Board of Directors) <u>In addition to matters required by laws and regulations, the Board of Directors shall decide important matters of business execution.</u></p>	<p><u>3. The term of office of a Director who is an Audit and Supervisory Committee Member who is elected as the substitute for a Director who is an Audit and Supervisory Committee Member who retired before the expiration of their term of office shall continue until the time the term of office of the Director who is an Audit and Supervisory Committee Member who retired from office is to expire.</u></p> <p>Article <u>28</u> (Representative Director) <u>The Board of Directors shall by its resolution appoint from among the Directors (excluding Directors who are Audit and Supervisory Committee Members) a small number of Representative Directors.</u></p> <p>Article <u>29</u> (Directors with Special Titles) <u>The Board of Directors may by its resolution appoint from among the Directors (excluding Directors who are Audit and Supervisory Committee Members) one Director and Chairman and one Director and President, and a small number of Director and Vice Chairmen, Director and Vice Presidents, Senior Managing Directors, and Managing Directors.</u></p> <p>Article <u>30</u> (Remuneration, etc.) <u>Directors' remuneration, bonuses and other property benefits given by the Company in consideration for the execution of duties ("remuneration, etc.") shall be determined by resolution of a general meeting of shareholders, with a distinction being made between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p>Article <u>31</u> (Convener and Chairperson of Meetings of the Board of Directors) 1. <u>Unless otherwise provided for by laws and regulations, the Director and Chairman or Director and President shall convene meetings of the Board of Directors and chair the meetings.</u></p> <p>2. <u>When the Director and Chairman or Director and President are unable to perform these duties, another Director shall convene a meeting of the Board of Directors and act as Chairperson in accordance with the order determined in advance by the Board of Directors.</u></p> <p>Article <u>32</u> (Notice to Convene a Meeting of the Board of Directors) 1. <u>Notice to convene a meeting of the Board of Directors shall be provided no later than three days before the date of the meeting. However, when there is an urgent need this period may be shortened.</u></p> <p>2. <u>With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.</u></p> <p>(Deleted)</p>

Current	Proposed Amendment
<p>(Newly established)</p> <p>Article 34 (Method of resolution, etc. for the Board of Directors)</p> <ol style="list-style-type: none"> Resolutions of the Board of Directors shall be made by a majority <u>of the Directors present</u> at a meeting where a majority of Directors entitled to participate in resolutions are present. <u>Pursuant to the provisions of Article 370 of the Companies Act, if all Directors indicate their intention to agree to matters to be resolved by the Board of Directors in writing or by using an electromagnetic record, it is deemed that a resolution to adopt said matters has been made by the Board of Directors. However, this shall not apply if an objection is raised by an Audit & Supervisory Board Member.</u> <p>(Newly established)</p>	<p><u>Article 33 (Delegation of decisions on important matters of business execution)</u></p> <p><u>Pursuant to the provisions of Article 399-13, paragraph 6 of the Companies Act, by a resolution of the Board of Directors the Company may delegate all or some decisions on important matters of business execution (excluding the items listed in paragraph 5 of the same Article) to a Director.</u></p> <p>Article 34 (Method of resolution for the Board of Directors)</p> <p>Resolutions of the Board of Directors shall be made by a majority at a meeting where a majority of Directors entitled to participate in resolutions are present.</p> <p>(Deleted)</p> <p><u>Article 35 (Omission of Resolutions of the Board of Directors)</u></p> <p><u>The Company shall deem that a resolution of the Board of Directors has been made in cases where the requirements set forth in Article 370 of the Companies Act have been fulfilled.</u></p>
<p>Article 35–Article 36 (Omitted)</p> <p>Chapter 6 <u>Audit & Supervisory Board</u> <u>Members and Audit & Supervisory Board</u></p> <p>Article 37 <u>Establishing of Audit & Supervisory Board Members and Audit & Supervisory Board</u> <u>The Company shall have Audit & Supervisory Board Members and an Audit & Supervisory Board.</u></p> <p>Article 38 (Number of Directors) <u>The Company shall have not more than 5 Audit & Supervisory Board Members.</u></p> <p>Article 39 (Election) <u>Elections of the Audit & Supervisory Board Members of the Company shall be made by a majority of the votes of the shareholders present at a general meeting of shareholders where the shareholders holding one-third or more of the votes of the shareholders entitled to exercise their votes at such meetings are present.</u></p> <p>Article 40 (Terms of Office) <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Audit & Supervisory Board Member. However, the term of office of an Audit & Supervisory Board Member who is elected as the substitute for an Audit & Supervisory Board Member who retired before the expiration of their term of office shall continue until the time the term of office of the Audit & Supervisory Board Member who retired from office is to expire.</u></p>	<p>Article 36–Article 37 (Unchanged)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current	Proposed Amendment
<p><u>Article 41 (Election of Full-Time Audit & Supervisory Board Member)</u> <u>The Audit & Supervisory Board shall elect a Full-Time Audit & Supervisory Board Member from among the Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>Article 42 (Remuneration, etc.)</u> <u>The Remuneration, etc. of Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	(Deleted)
<p><u>Article 43 (Convocation and Chairperson)</u> 1. <u>Notice to convene a meeting of the Audit & Supervisory Board shall be provided to each Audit & Supervisory Board Member no later than three days before the date of the meeting. However, when there is an urgent need this period may be shortened.</u> 2. <u>The duties of Chairperson of the Audit & Supervisory Board shall be undertaken by the Convener.</u></p>	(Deleted)
<p><u>Article 44 (Regulations of the Audit & Supervisory Board)</u> <u>Matters concerning the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board established by the Audit & Supervisory Board, in addition to laws and regulations and these Articles of Incorporation.</u></p>	(Deleted)
<p><u>Article 45 (Reduction in Liabilities of Audit & Supervisory Board Members, etc.)</u> 1. <u>By a resolution of the Board of Directors, the Company may exempt Audit & Supervisory Board Members (and persons who were formerly Audit & Supervisory Board Members) from liability for damages to an amount derived by deducting the minimum liability amount provided for by laws and regulations from the amount of liability for damages, in cases where the requirements of Article 423, paragraph 1 of the Companies Act are satisfied.</u> 2. <u>The Company may enter into agreements with Audit & Supervisory Board Members to limit their liability for damages, in cases where the requirements of Article 423, paragraph 1 of the Companies Act are satisfied. The maximum amount of liability for damages under said agreement shall be the minimum liability amount stipulated by laws and regulations.</u></p>	(Deleted)
<p>(Newly established) (Newly established)</p>	<p><u>Chapter 6 Audit and Supervisory Committee</u> <u>Article 38 (Establishing of Audit and Supervisory Committee)</u> <u>The Company shall have an Audit and Supervisory Committee.</u></p>
<p>(Newly established)</p>	<p><u>Article 39 (Full-Time Audit and Supervisory Committee Member)</u> <u>The Audit and Supervisory Committee may appoint a Full-Time Audit and Supervisory Committee Member by its own resolution.</u></p>
<p>(Newly established)</p>	<p><u>Article 40 (Notice to Convene a Meeting of the Audit and Supervisory Committee)</u> 1. <u>Notice to convene a meeting of the Audit and Supervisory Committee shall be provided no later than three days before the date of the meeting. However, when there is an urgent need this period may be shortened.</u> 2. <u>With the consent of all Audit and Supervisory Committee Members, a meeting of the Audit and Supervisory Committee may be held without following the convening procedures.</u></p>

Current	Proposed Amendment
<p>(Newly established)</p> <p>(Newly established)</p> <p>Chapter 7 Financial Auditor Article 46–Article 48 (Omitted) Article 49 (Remuneration, etc.) Remuneration, etc. for the Financial Auditor shall be determined by the Representative Director after obtaining the approval of the <u>Audit & Supervisory Board</u>.</p> <p>Chapter 8 Accounts Article 50 (Business year) The business year of the Company shall commence on May 1 of each year and end on April 30 of the following year. <u>Article 51 (Dividends of surplus)</u> <u>By a resolution of a general meeting of shareholders, the Company shall pay dividends of surplus to shareholders or pledgees recorded in the shareholder register at the close of business on the last day of each business year (“year-end dividends”).</u></p> <p>(Newly established)</p> <p><u>Article 52 (Interim dividends)</u> <u>Pursuant to Article 454, paragraph 5 of the Companies Act, by a resolution of the Board of Directors, the Company may pay dividends of surplus to shareholders or pledgees recorded in the shareholder register at the close of business on October 31 of each business year (“interim dividends”).</u></p> <p>(Newly established)</p> <p>Article 53 (Prescription Period for Payment of <u>Year-End Dividends</u>)</p> <ol style="list-style-type: none"> 1. <u>For year-end dividends or interim dividends</u>, if the dividends have not been received after three full years have elapsed from the date on which payment commenced, the Company shall be exempt from the obligation to pay such dividends. 2. (Omitted) 	<p><u>Article 41 (Method of resolution for the Audit and Supervisory Committee)</u> <u>Resolutions of the Audit and Supervisory Committee shall be made by a majority at a meeting where a majority of Audit and Supervisory Committee Members entitled to participate in resolutions are present.</u></p> <p><u>Article 42 (Regulations of the Audit and Supervisory Committee)</u> <u>Matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to laws and regulations and these Articles of Incorporation.</u></p> <p>Chapter 7 Financial Auditor Article 43–Article 45 (Unchanged) Article 46 (Remuneration, etc.) Remuneration, etc. for the Financial Auditor shall be determined by the Representative Director after obtaining the approval of the <u>Audit and Supervisory Committee</u>.</p> <p>Chapter 8 Accounts Article 47 (Business year) The business year of the Company shall commence on May 1 of each year and end on April 30 of the following year. (Change in Japanese only; English unchanged) (Deleted)</p> <p><u>Article 48 (Organizational Body to Determine Dividends of Surplus, etc.)</u> <u>Unless otherwise provided for by laws and regulations, the Company may, by resolution of the Board of Directors, determine dividends of surplus and other matters set forth in the items of Article 459, paragraph 1 of the Companies Act.</u></p> <p>(Deleted)</p> <p><u>Article 49 (Record Date for Dividends of Surplus)</u></p> <ol style="list-style-type: none"> 1. <u>The record date for year-end dividends of the Company shall be April 30 of each year.</u> 2. <u>The record date for interim dividends of the Company shall be October 31 of each year.</u> 3. <u>In addition to the provisions of the preceding two paragraphs, the Company may pay dividends of surplus by setting a record date.</u> <p>Article 50 (Prescription Period for Payment of Dividends)</p> <ol style="list-style-type: none"> 1. <u>In cases where the dividend property is monetary</u> and the dividends have not been received after three full years have elapsed from the date on which payment commenced, the Company shall be exempt from the obligation to pay such dividends. 2. (Unchanged)

Current	Proposed Amendment
(Newly established)	<p data-bbox="818 188 1075 217"><u>Supplementary Provisions</u></p> <p data-bbox="818 221 1417 280"><u>Article 1 (Transitional Measures for Exemption of Liability for Audit & Supervisory Board Members)</u></p> <p data-bbox="818 284 1426 566"><u>Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt Audit & Supervisory Board Members (and persons who were formerly Audit & Supervisory Board Members) from liability for neglect of duties, before the amended Articles of Incorporation approved by the 58th Annual General Meeting of Shareholders come into effect, to the minimum amount provided for in laws and regulations.</u></p>