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(Stock Exchange Code 8029)  
March 6, 2020

**To Shareholders with Voting Rights:**

Kazuhiro Tada  
President and Representative Director  
LOOK HOLDINGS INCORPORATED  
8-5-30 Akasaka, Minato-ku, Tokyo

**NOTICE OF  
THE 58th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 58th Ordinary General Meeting of Shareholders of LOOK HOLDINGS INCORPORATED (the “Company”). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting rights by means of either of the following methods. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:00 p.m. (Japan time) on Thursday, March 26, 2020.**

**[Exercising your voting rights by mail]**

Please indicate approval or disapproval for the proposals on the enclosed Voting Rights Exercise Form and return it so that it will reach the Company no later than the deadline designated above.

**[Exercising your voting rights via the Internet, etc.]**

Please refer to the following “Exercising Voting Rights via the Internet, etc.” (page 4 in the Japanese version only), access the website for exercise of voting rights (<https://www.web54.net>) designated by the Company, and input approval or disapproval for the proposals no later than the deadline designated above.

- 1. Date and Time:** Friday, March 27, 2020 at 10:00 a.m. Japan time
- 2. Place:** Hanautage Room, 2F, HOTEL GAJOEN TOKYO located at  
1 Chome-8-1 Shimomeguro Meguro-ku, Tokyo, Japan
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report, Consolidated Financial Statements for the Company’s 58th Fiscal Year (January 1, 2019 - December 31, 2019) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 58th Fiscal Year (January 1, 2019 - December 31, 2019)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Five (5) Directors
- Proposal 3:** Election of Two (2) Auditors
- Proposal 4:** Election of One (1) Substitute Auditor
- Proposal 5:** Renewal of Countermeasures against Large-Scale Purchase of The Company’s Shares (Takeover Defense Measures)

#### 4. Exercise of Voting Rights

(Treatment of multiple exercise of voting rights)

- (1) If voting rights are exercised redundantly through both mail and the Internet, etc., the last vote received will be considered the valid vote. If redundant votes are received on the same day, then the vote received via the Internet will be considered the valid vote.
- (2) When exercising voting rights via the Internet, etc. multiple times, the last vote will be considered the valid vote.

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎ Among the documents which should be provided together with this Notice, Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are posted on the Company's website (<https://www.look-holdings.jp/irinfo/>) in accordance with provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation and therefore are not provided in the Appendix of this Notice. The Appendix provided on the above-mentioned website have been audited as part of the Business Report, Consolidated and Non-Consolidated Financial Statements when the audit report and the accounting audit report were prepared by the Auditors and the Accounting Auditor, respectively.
  - ◎ Should the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated and Non-Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.look-holdings.jp/irinfo/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The basic policy of the Company is to distribute profits while considering the state of revenue as we endeavor to strengthen our financial structure and enhance internal reserves to facilitate proactive business development.

Based on this policy, the Company proposes that year-end dividends for the year under review be provided as detailed below.

(1) Type of dividend property

Cash

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

30 yen per share of common stock of the Company

Total of 230,371,380 yen

(3) Date the distribution of surplus comes into effect

March 30, 2020

**Proposal 2:** Election of Five (5) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of five (5) Directors is proposed.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities at the Company	
1	Kazuhiro Tada	President and Representative Director	[Reappointment]
2	Haruo Shibuya	Managing Director	[Reappointment]
3	Masaaki Saito	Director and Senior Operating Officer in charge of Accounting & Finance	[Reappointment]
4	Kazuhiko Fukuchi	Director	[Reappointment] [External] [Independent]
5	Kazunori Inoue	Director	[Reappointment] [External] [Independent]

[Reappointment]: Candidate for reappointment as Director

[External]: Candidate for External Director

[Independent]: Independent Director as provided for by stock exchanges, etc.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	[Reappointment]  Kazuhiro Tada (January 2, 1965)	<p>March 1988      Joined the Company</p> <p>March 2013      Director and Operating Officer, General Manager of Boutique Division</p> <p>March 2013      Director, I.D. LOOK LTD. (to present)</p> <p>March 2015      President and Representative Director, the Company (to present)</p> <p>February 2017    President and Representative Director, LOOK Split Preparation Company (currently LOOK INCORPORATED)</p> <p>March 2019      Director, LOOK (H.K.) LTD. (to present)</p> <p>July 2019        Representative Director, Bisonte Italia Holding S.r.l. (to present)</p> <p>July 2019        Director, Il Bisonte S.p.A. (to present)</p> <p>[Significant concurrent positions] Director, I.D. LOOK LTD. Director, LOOK (H.K.) LTD. Representative Director, Bisonte Italia Holding S.r.l. Director, Il Bisonte S.p.A.</p>	40,549
<p>[Reason for nomination as a candidate for Director] Having served as President and Representative Director of the Company since 2015, Mr. Kazuhiro Tada has promoted efforts to grow the Group including enhancing revenue of existing businesses and developing new businesses, and contributed to the enhancement of its corporate value. The Company has continued to nominate him as a candidate for Director because it believes he has appropriately served his role in providing decisions on important matters and supervising the business execution of the Group, and will continue to contribute to the sustainable growth and further enhancement of corporate value of the Group.</p>			
2	[Reappointment]  Haruo Shibuya (December 18, 1964)	<p>March 1987      Joined the Company</p> <p>January 2012      General Manager of Operation Division 2</p> <p>January 2014      Operating Officer, General Manager of SCAPA Division</p> <p>January 2016      Operating Officer, General Manager of National Brand Division</p> <p>January 2017      Operating Officer, General Manager of Operation Division 1</p> <p>January 2018      Managing Director and General Manager of Operational Headquarters, LOOK INCORPORATED</p> <p>January 2019      President and Representative Director and General Manager of Operational Headquarters, LOOK INCORPORATED (to present)</p> <p>March 2019      Director, the Company</p> <p>January 2020      Managing Director, the Company (to present)</p> <p>January 2020      President and Representative Director, FFI INC. (to present)</p> <p>[Significant concurrent positions] President and Representative Director and General Manager of Operational Headquarters, LOOK INCORPORATED President and Representative Director, FFI INC.</p>	11,774
<p>[Reason for nomination as a candidate for Director] Having held important positions in the Sales department, Mr. Haruo Shibuya has extensive experience and achievements as Managing Director and General Manager of Operational Headquarters of LOOK INCORPORATED from January 2018 and the President and Representative Director and General Manager of Operational Headquarters of the same company from January 2019. The Company has continued to nominate him as a candidate for Director because it believes that he will utilize his extensive experience and achievements in the overall management of the Group, and contribute to the sustainable growth and further enhancement of corporate value.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p>[Reappointment]</p> <p>Masaaki Saito (April 3, 1969)</p>	<p>March 1992      Joined the Company</p> <p>January 2012    General Manager of Management Planning Department</p> <p>March 2012      Director, L.LOGISTICS INC.</p> <p>January 2013    Director, LOOK MODE INC.</p> <p>January 2013    Director, LOOK (H.K.) LTD.</p> <p>April 2013       Operating Officer, General Manager of Management Planning Department, the Company</p> <p>April 2013       Director, FFI INC.</p> <p>April 2014       Director, LAISSE PASSE CO., LTD.</p> <p>April 2016       Operating Officer, General Manager of Management Planning Department, General Manager of Sales Personnel Division, the Company</p> <p>March 2017      Director and Operating Officer, General Manager of Management Planning Department, General Manager of Sales Personnel Division</p> <p>January 2018    Director, LOOK INCORPORATED (to present)</p> <p>January 2018    Director, A.P.C. JAPAN LTD. (to present)</p> <p>March 2018      Director, I.D. LOOK LTD. (to present)</p> <p>March 2019      Managing Director, LOOK (H.K.) LTD. (to present)</p> <p>March 2019      Director, LOOK CHINA CO., LTD. (to present)</p> <p>July 2019       Chairman, Il Bisonte S.p.A. (to present)</p> <p>January 2020    Director and Senior Operating Officer in charge of Accounting &amp; Finance, the Company (to present)</p> <p>[Significant concurrent positions] Director, LOOK INCORPORATED Director, A.P.C. JAPAN LTD. Director, I.D. LOOK LTD. Managing Director, LOOK (H.K.) LTD. Director, LOOK CHINA CO., LTD. Chairman, Il Bisonte S.p.A.</p>	8,428
<p>[Reason for nomination as a candidate for Director]</p> <p>Having engaged in the Sales department and Management Planning department, Mr. Masaaki Saito has extensive experience and achievements including the formulation of management strategies for the Group as Director and General Manager of Management Planning Department from 2017 and serving concurrently in important positions in other companies of the Group. The Company has continued to nominate him as a candidate for Director because it believes that he will continue to utilize his experience and achievements in the overall management of the Group, and contribute to the sustainable growth and further enhancement of corporate value.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	[Reappointment] [External] [Independent]  Kazuhiko Fukuchi (January 6, 1954)	<p>April 1976      Joined Mitsui &amp; Co., Ltd.</p> <p>January 2003    General Manager of Materials Division, Goods Business Unit, Mitsui &amp; Co., Ltd.</p> <p>April 2005      Senior Vice President, Consumer Service Business Dept., New York Headquarters, Mitsui &amp; Co. (U.S.A.), Inc.</p> <p>April 2009      Managing Officer, Chief Operating Officer of Consumer Service Business Unit, Mitsui &amp; Co., Ltd.</p> <p>April 2011      Managing Officer, General Manager of Kyushu Office, Mitsui &amp; Co., Ltd.</p> <p>July 2013        Corporate Advisor, COACH A Co., Ltd.</p> <p>March 2014     Director, the Company (to present)</p>	0
<p>[Reason for nomination as a candidate for External Director]</p> <p>Having extensive international experience and broad knowledge and insight in general trading companies, Mr. Kazuhiko Fukuchi has utilized these in the overall management of the Company as External Director of the Company and has provided opinions and advice to enhance the adequacy and appropriateness of the decision making of the Company's Board of Directors. The Company has continued to nominate him as a candidate for External Director because it expects him to continue to utilize his knowledge and insight in the overall management of the Company and provide opinions and advice. The term of office of Mr. Kazuhiko Fukuchi as External Director of the Company will be six years at the conclusion of this General Meeting of Shareholders.</p>			
5	[Reappointment] [External] [Independent]  Kazunori Inoue (December 27, 1958)	<p>April 1983      Joined Itoman Corporation (currently NIPPON STEEL TRADING CORPORATION)</p> <p>February 2005   Representative Director, Tokyo Blouse Inc.</p> <p>June 2005        Outside Director, Hotta Sangyo K.K. (currently Marusho hotta Co., Ltd.)</p> <p>August 2006     Representative Director, Alps Kawamura Co., Ltd.</p> <p>July 2007        Representative Director, TK Consulting Inc. (currently LEADERS, Inc.) (to present)</p> <p>November 2011   Director, Dateya Co., Ltd. (to present)</p> <p>April 2012        Professor, Bunka Fashion Graduate University, Bunka Gakuen (to present)</p> <p>March 2018     Director, the Company (to present)</p> <p>[Significant concurrent positions] Representative Director, LEADERS, Inc. Director, Dateya Co., Ltd. Professor, Bunka Fashion Graduate University, Bunka Gakuen</p>	0
<p>[Reason for nomination as a candidate for External Director]</p> <p>Having served for many years in the textile and apparel/fashion business, Mr. Kazunori Inoue has broad knowledge and insight. He has utilized these in the overall management of the Company as External Director of the Company and has provided opinions and advice to enhance the adequacy and appropriateness of the decision making of the Company's Board of Directors. The Company has continued to nominate him as a candidate for External Director because it expects him to continue to utilize his knowledge and insight in the overall management of the Company and provide opinions and advice. The term of office of Mr. Kazunori Inoue as External Director of the Company will be two years at the conclusion of this General Meeting of Shareholders.</p>			

- (Notes)
1. There is no special interest between each candidate for Director and the Company.
  2. The candidates for Director, Messrs. Kazuhiko Fukuchi and Kazunori Inoue, are candidates for External Director. The Company has designated them as Independent Directors as set forth by the Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and notified the Exchange to that effect. If they are reelected as Director and assume their positions, they will continue to be Independent Directors.
  3. In accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, the candidates for Director, Messrs. Kazuhiko Fukuchi and Kazunori Inoue, have entered into agreements with the Company under which their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount provided for in laws and regulations. If they are reelected as Director and assume their positions, the Company plans to continue the above-mentioned liability limitation agreements.
  4. The number of shares of the Company held includes those held in the name of the Board Members' Shareholding Association.

**Proposal 3: Election of Two (2) Auditors**

Auditors Masatoshi Nagase and Toru Sugita will resign from office at the conclusion of this General Meeting of Shareholders. Accordingly, the election of two (2) Auditors to fill vacancies is proposed.

The Board of Auditors has previously given its approval to this proposal.

The Company proposes the election of candidate for Auditor Eiji Takayama to fill the vacancy of resigning Auditor Masatoshi Nagase and candidate for Auditor Shigeta Hattori to fill the vacancy of resigning Auditor Toru Sugita. In addition, the terms of office of Auditors elected to fill the vacancies shall be the remaining terms of office of the respective resigned Auditors in accordance with the provisions of Article 31, Paragraph 2 of the Company's Articles of Incorporation.

The candidates for Auditor are as follows:

No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
1	[New appointment]  Eiji Takayama (May 26, 1958)	<p>March 1981      Joined the Company</p> <p>March 2009      Director and Senior Operating Officer, General Manager of Accounting &amp; Finance Division</p> <p>March 2009      Director, L.LOGISTICS INC.</p> <p>April 2010      Director, A.P.C. JAPAN LTD.</p> <p>March 2011      Director, LOOK (H.K.) LTD. (to present)</p> <p>March 2011      Director, I.D. LOOK LTD. (to present)</p> <p>March 2011      Director, LOOK CHINA CO., LTD. (to present)</p> <p>March 2012      Managing Director, the Company (to present)</p> <p>April 2014      Director, LAISSE PASSE CO., LTD.</p> <p>January 2016     President and Representative Director, LOOK MODE INC.</p> <p>[Significant concurrent positions] Director, I.D. LOOK LTD. Director, LOOK (H.K.) LTD. Director, LOOK CHINA CO., LTD.</p>	28,967
<p>[Reason for nomination as a candidate for Auditor] Having engaged primarily in the Administration department, Mr. Eiji Takayama has extensive experience and achievements including supervising the overall Administration department as Managing Director from 2012 and serving concurrently in important positions in other companies of the Group. The Company has nominated him as a candidate for Auditor because it expects him to utilize his extensive experience and achievements, and appropriately perform duties as Auditor.</p>			



No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
2	[New appointment] [External] [Independent]  Shigeta Hattori (September 9, 1988)	December 2015 Registered as attorney (Tokyo Bar Association) December 2015 Joined Hattori Sougou Law Office	200
	[Reason, etc., for nomination as a candidate for External Auditor] Mr. Shigeta Hattori is an attorney with extensive knowledge and deep insight and expertise. The Company has nominated him as a candidate for External Auditor because it expects him to appropriately perform duties as External Auditor from a standpoint independent of the Group's management as a legal specialist.		

- (Notes)
1. There is no special interest between each candidate for Auditor and the Company.
  2. The candidate for Auditor, Mr. Shigeta Hattori, is a candidate for External Auditor. If he is elected as Auditor and assumes his position, he will be an Independent Auditor as provided for by the Tokyo Stock Exchange, Inc.
  3. In accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, if both candidates for Auditor, Messrs. Eiji Takayama and Shigeta Hattori are elected as Auditor and assume their positions, the Company plans to enter into agreements with them under which their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount provided for in laws and regulations.
  4. With the expiration of his term of office as the Company's Managing Director at the conclusion of this General Meeting of Shareholders, the candidate for Auditor, Mr. Eiji Takayama will resign from the position of the Company's Managing Director. In addition, by the conclusion of this General Meeting of Shareholders, he is scheduled to resign from his positions at the three companies described in Significant Concurrent Positions.
  5. The number of shares of the Company held includes those held in the name of the Board Members' Shareholding Association.

**Proposal 4: Election of One (1) Substitute Auditor**

The effective term of Substitute Auditor Yoshihide Hino, who was elected at the 54th Ordinary General Meeting of Shareholders held on March 30, 2016, shall expire at the beginning of this General Meeting of Shareholders. Therefore, the election of one (1) Substitute Auditor is proposed in preparation for the case in which the number of Auditors falls below the number required by laws and regulations.

The validity of the election under this proposal may only be nullified before his assumption of office by a Board of Directors' resolution with the approval of the Board of Auditors.

In addition, the Board of Auditors has previously given its approval to this proposal.

The candidate for Substitute Auditor is as follows:

Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
Yoshihide Hino (August 2, 1962)	April 1990 Registered as attorney (Daini Tokyo Bar Association) Joined Sakano, Seo & Hashimoto Law Office (currently Tokyo Hatchobori Law Office) April 2000 Partner, Tokyo Hatchobori Law Office (to present) October 2013 Part-time Judge (Civil Conciliator), Tokyo District Court April 2016 Commissioner, Tokyo Summary Court (to present) April 2018 Review Committee Member, Housing Dispute Resolution Body, Japan Federation of Bar Associations (to present) January 2019 Civil Rights Commissioner, the Ministry of Justice (to present)  [Significant concurrent positions] Partner, Tokyo Hatchobori Law Office	200
[Reason, etc., for nomination as a candidate for Substitute Auditor] Mr. Yoshihide Hino is an attorney with extensive knowledge and deep insight and expertise gained from many years of professional experience. The Company has continued to nominate him as a candidate for Substitute Auditor because it expects him to appropriately perform duties as External Auditor from a standpoint independent of the Group's management as a legal specialist.		

- (Notes) 1. There is no special interest between the candidate for Substitute Auditor, Mr. Yoshihide Hino, and the Company.
2. The candidate for Substitute Auditor, Mr. Yoshihide Hino, is a candidate for External Auditor.
3. If the election of the candidate for Substitute Auditor, Mr. Yoshihide Hino is approved, and he assumes his position, he will be an Independent Auditor as provided for by the Tokyo Stock Exchange, Inc.
4. In accordance with Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, if the election of the candidate for Substitute Auditor, Mr. Yoshihide Hino is approved, and he assumes his position, the Company plans to enter into an agreement with him under which his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be limited to the minimum amount provided for in laws and regulations.

**Proposal 5: Renewal of Countermeasures against Large-Scale Purchase of The Company's Shares (Takeover Defense Measures)**

At the 55th Ordinary General Meeting of Shareholders held on March 30, 2017, shareholders approved a proposal regarding the renewal of “countermeasures against large-scale purchase of the company's shares (takeover defense measures)” (hereinafter, the renewed countermeasures are referred to as the “Current Plan”), but the effective period of the Current Plan is until the conclusion of the 58th Ordinary General Meeting of Shareholders to be held on March 27, 2020.

As the expiration of the effective period of the Current Plan approaches, the Company has considered its stance toward the Current Plan, including the appropriateness of its renewal, as a measure for protecting and enhancing the corporate value of the Company and shareholders' common interests, taking into consideration changes in social and economic situations and the development of various trends and discussions surrounding takeover defense measures since the introduction of the Current Plan. As a result, at a meeting held on February 27, 2020, the Board of Directors of the Company resolved to renew the Current Plan (hereinafter, the “countermeasures against large-scale purchase of the company's shares (takeover defense measures)” to be renewed are referred to as the “Plan”) to be effective subject to the approval at this General Meeting of Shareholders. The Company therefore submits the following proposal.

In this resolution, the Company decided to submit this proposal at this General Meeting of Shareholders based on the unanimous approval of all Directors, including two (2) External Directors. In addition, all Auditors, including two (2) External Auditors, attended this meeting and consented to this resolution, subject to the specific implementation of the Plan being conducted in an appropriate manner.

Furthermore, the main changes to the Plan from the Current Plan are the following points, based on further demands from capital markets and other factors:

- (I) A period has been established when the Board of Directors of the Company may request necessary information from the purchaser (the so-called Information Submission Period; up to 60 days, in principle), in order to prevent the Board of Directors of the Company delaying procedures by continuously requesting information from the Purchaser, Etc.
- (II) The Independent Committee may now recommend that the Board of Directors of the Company convene a General Meeting of Shareholders to confirm the will of shareholders if it judges that the will of shareholders should be confirmed in regard to whether to activate countermeasures based on the Plan, and the Board of Directors of the Company will convene a General Meeting of Shareholders in accordance with this recommendation and confirm the will of shareholders, in order to increase opportunities for the will of shareholders to be directly reflected.

In addition, in the Plan, formal amendments have been made to certain words and phrases, including amending and streamlining certain terms.

**1. Reasons for this Proposal**

**(1) Basic Policies Regarding Control of the Stock Company**

The Company believes that parties controlling decisions on the Company's financial and business policies must understand the sources of the Company's corporate value, and support the Company to secure and enhance its corporate value and shareholders' common interests in a continuous and sustainable manner.

As a listed company, the Company recognizes the free purchase and sale of the Company's shares, and even in the case of a large-scale purchase of shares, the Company will not automatically reject it, if it contributes to the Company's corporate value and shareholders' common interests. In addition, the Company believes that decisions related to purchase proposals accompanied by a transfer of control of the stock company should ultimately be made based on the will of the Company's shareholders.

Among large-scale purchases of shares, however, there are many that do not contribute to the corporate value of the target company and shareholders' common interests, including those that may cause clear harm to corporate value and shareholders' common interests in view of their objectives, etc., those that will effectively force shareholders to sell their shares, those that do not provide sufficient time and information for the Board of Directors and shareholders of the target company to analyze the details of the purchase, etc. and the Board of Directors of the target company to make an alternative proposal, and those where it is necessary for the target company to negotiate with the purchaser to secure terms that are more advantageous than those proposed by the purchaser.

Adhering to its philosophy that the “Customer Comes First,” the Company is committed to increasing customer satisfaction through fashion. Reflecting this commitment, since its founding in 1962, the Company has been engaged in the planning, manufacturing, and sales of mainly women's apparel. Through these integrated business activities, we have sought to create new lifestyles and values and enhance people's everyday lives. In addition, our management policy is to aim to fulfill the expectations of our shareholders

through solid results while also creating more fulfilling lifestyles for working people, and our management has been centered on the “Spirit of ‘Challenge,’” “Spirit of ‘Creativity,’” and “Spirit of ‘Craftsmanship.’”

As a medium- to long-term management strategy, the Company has built a structure capable of securing stable profits without disrupting our prioritization of efficiency, by engaging in integrated planning, manufacturing and sales, and taking steps to enhance existing brands and develop new brands and businesses based on our understanding of the manufacturing and retail industries, with the aim of building deeper relationships with customers. In addition, the Company’s basic management strategy is to create a flexible structure capable of responding quickly to unforeseen circumstances, and thus survive amid difficult global competition. Based on these strategies, we have established brand power as a corporation and enhanced our competitiveness and profitability, while promoting the creation of a better management culture and stronger management systems.

The Company participates in the fashion industry, where business operators need a highly creative sensibility to enable them to swiftly identify recent trends and changes in peoples’ attitudes, and make proposals that make people’s lifestyles more fulfilling. In order to operate a flourishing fashion business while remaining faithful to our highly refined sensibilities, it is essential that we possess a sufficient understanding of the relationships that have been built with the Company’s employees, affiliated companies, clients, customers, and other stakeholders, who possess a high level of technical expertise and ability and rich sensibilities. At the same time, the Company is aware of its corporate social responsibility to conduct business activities in a sincere and fair manner in accordance with laws and corporate ethics, in order to implement our management policies.

The Company believes that if a party conducting a purchase of the Company’s shares lacks a sufficient understanding of the sources of the Company’s corporate value, including management policies, business characteristics, and relationships with different stakeholders, and there is a risk that the Company’s corporate value or shareholders’ common interests will be harmed, then this particular party is considered inappropriate to control decisions on the Company’s financial and business policies, and our basic policy is to take commensurate measures to protect and enhance the Company’s corporate value or shareholders’ common interests.

## (2) Objective of the Renewal of the Plan

The Plan shall be renewed in accordance with the basic policies described in the above item (1), in order to protect and enhance the Company’s corporate value and shareholders’ common interests on an ongoing and sustainable basis.

As set forth in the basic policies described in the above item (1), the Board of Directors of the Company believes that parties conducting Large-Scale Purchases, Etc. that will not contribute to the corporate value of the Company and shareholders’ common interests are considered inappropriate as parties controlling decisions on the Company’s financial and business policies. Accordingly, in order to prevent decisions on the Company’s financial and business policies being controlled by such inappropriate parties, the Company believes a framework is required to prevent purchases that will violate the Company’s corporate value and shareholders’ common interests, by making it possible to secure the necessary information and time for shareholders to assess whether a purchase is inappropriate, etc. in the event of a large-scale purchase of the Company’s shares, etc. and for the Company to engage in negotiations with the purchaser on shareholders’ behalf. The Company has thus decided to renew the Current Plan as a reasonable framework for requiring parties conducting or attempting to conduct a large-scale purchase of the Company’s shares, etc. to submit in advance necessary information regarding the Large-Scale Purchase, Etc. that the parties conducting or attempting to conduct the purchase, etc. is attempting to implement, in addition to ensuring the necessary time for the evaluation and analysis thereof, and negotiations with the purchaser.

## 2. Details of the Proposal

### (1) Overview of the Plan

In order to protect and enhance the Company’s corporate value and shareholders’ common interests, the Company hereby sets forth its takeover defense measures based on having set forth procedures that parties conducting or attempting to conduct a large-scale purchase of the Company’s shares, etc. should comply with; ensuring awareness of the details of the Plan through timely disclosure on the Tokyo Stock Exchange, Inc., disclosure via the Company’s business report and other statutory disclosure documents, posting on the Company’s website, etc.; and providing advance notice of the fact that there are procedures that parties conducting or attempting to conduct a large-scale purchase of the Company’s shares, etc. should comply with, and the fact that the Company may take countermeasures if such parties do not comply with these procedures, or even in cases when they have complied with the procedures, as an exception when it is judged that the purchase, etc. will harm the Company’s corporate value and shareholders’ common interests.

(2) Details of the Plan

(A) Procedures Related to the Plan

(a) Applicable Large-Scale Purchases, Etc.

The Plan shall apply in cases when a purchase of the Company's share certificates, etc. falling under the below items (I) or (II) or similar action (however, this excludes those approved in advance by the Board of Directors of the Company; hereinafter, these actions are referred to as "Large-Scale Purchase, Etc.") is conducted, and the party conducting or attempting to conduct the Large-Scale Purchase, Etc. (hereinafter, referred to as a "Purchaser, Etc.") must comply with the procedures set forth in the Plan in advance.

- (I) Purchases of share certificates, etc.<sup>1</sup> issued by the Company in which a holder's<sup>2</sup> ownership ratio of share certificates, etc.<sup>3</sup> will be 20% or more;
- (II) Tender offers<sup>5</sup> for share certificates, etc.<sup>4</sup> issued by the Company in which the total of the ownership ratio of share certificates, etc.<sup>6</sup> pertaining to the tender offer and the ownership ratio of share certificates, etc. of any specially related parties<sup>7</sup> will be 20% or more.

(b) Advance Submission of "Letter of Intent" to the Company

With the exception of Purchaser, Etc. recognized as friendly by the Board of Directors of the Company, the Purchaser, Etc. shall submit to the Board of Directors of the Company a document in Japanese in the format prescribed by the Company that includes a pledge to the effect that the Purchaser, Etc. will comply with the procedures set forth in the Plan when conducting the Large-Scale Purchases, Etc. (hereinafter, referred to as the "Letter of Intent"), ahead of the implementation of the Large-Scale Purchases, Etc.

Specifically, the "Letter of Intent" shall include the following information.

(i) Overview of the Purchaser, Etc.

- (I) Name or company name and address or location;
- (II) Name of representative;
- (III) Objective and business details in the case of a company, etc.;
- (IV) Overview of major shareholders or major investors (top 10 in terms of shareholding ratio or investment ratio);
- (V) Contact details in Japan;
- (VI) Governing law of incorporation.

(ii) Number of the Company's share certificates, etc. actually held by the Purchaser, Etc. and the status of any transactions pertaining to the Company's share certificates, etc. by the Purchaser, Etc. in the 60 days prior to submission of the Letter of Intent

(iii) Overview of the Large-Scale Purchases, Etc. proposed by the Purchaser, Etc. (including the class and number of the Company's share certificates, etc. that the Purchaser, Etc. intends to acquire in the Large-Scale Purchases, Etc. and the objective of the Large-Scale Purchases, Etc. (acquisition of control or participation in management, pure investment or strategic investment, transfer of the Company's share certificates, etc. to a third party after the Large-Scale Purchases, Etc., or in the event of a material proposal, etc.<sup>8</sup>, notification to that effect and the details thereof; furthermore, if there are multiple objectives, details of all objectives shall be provided.))

(iv) A pledge to comply with the procedures set forth in the Plan.

(c) Submission of the "Required Information"

After the submission of the "Letter of Intent" described in the above item (b), the Purchaser, Etc. shall comply with the following procedures, and submit to the Company the necessary and sufficient information, in Japanese, for shareholders to make a decision concerning the Large-Scale Purchase, Etc. (hereinafter, referred to as the "Required Information").

Within ten (10) business days<sup>9</sup> (not including the initial day) of the submission of the "Letter of Intent," the Company shall dispatch to the Purchaser, Etc. at their point of contact in Japan as described in the above item (b) (i) (V) an "Information List" that describes the information that should initially be submitted.

The Board of Directors of the Company shall establish a period of 60 days (not including the initial day) after the dispatch of the "Information List" as a period for the Board of Directors of the Company to request the submission of the Required Information from the Purchaser, Etc. and for the Purchaser, Etc. to submit the Required Information (hereinafter, referred to as the "Information Submission Period"), and once the Information Submission Period has expired, a period for evaluation, analysis, negotiation, opinion-forming, and creation of an alternative proposal by the Board of Directors of the Company (hereinafter, referred to as the "Board of Directors' Evaluation Period") shall immediately begin. Provided, however, that the Board of Directors of the Company may extend the Information Submission

Period by up to 30 days (not including the initial day) as required in cases when the Board of Directors of the Company recognizes that a request was made from the Purchaser, Etc. to extend the Information Submission Period based on reasonable grounds. Furthermore, in cases when the Board of Directors of the Company judges that the information initially submitted by the Purchaser, Etc. is not sufficient to serve as the Required Information, it may request the submission of additional information only during the Information Submission Period.

On the other hand, once the Board of Directors of the Company judges that the information submitted by the Purchaser, Etc. is sufficient to serve as the Required Information, it shall provide notification to the Purchaser, Etc. to the effect that the submission of the Required Information has been completed (hereinafter, referred to as the "Notification of Completion of Information Submission"), and make disclosure to that effect at a time judged appropriate, even if this occurs prior to the expiration of the Information Submission Period.

Furthermore, if there is information recognized as necessary for the decision of shareholders, including the fact that a proposal was made concerning a Large-Scale Purchase, Etc. by a Purchaser, Etc., an overview thereof, an overview of the Required Information, and other information, the Board of Directors of the Company shall disclose all or part of this information at a time judged appropriate.

In this regard, regardless of the details and format, etc. of the Large-Scale Purchase, Etc., information related to each of the following items shall be included in part of the "Information List," in principle.

- (I) Details of the Purchaser, Etc. and their group (including any joint holders<sup>10</sup>, any specially related parties, and any members and other constituent members in the case of a fund) (including specific names, capital structure, business details, financial details, status of profit and loss, names and career summaries of officers, number of shares held, etc.);
- (II) Objective, method, and details of the Large-Scale Purchase, Etc. (including the type and amount of consideration for the Large-Scale Purchase, Etc., timing of the Large-Scale Purchase, Etc., structure of any related transactions, legality of the Large-Scale Purchase, Etc. method, and feasibility of the implementation of the Large-Scale Purchase, Etc.);
- (III) Basis for calculation of consideration for the Large-Scale Purchase, Etc. (including any facts forming the basis of the calculation, calculation method, numerical data used in the calculation, details of any synergies expected to arise as a result of transactions related to the Large-Scale Purchase, Etc., including the details of synergies allocated to minority shareholders, and, in the event that the views of a third party have been solicited in regard to the calculation, the name of the third party, an overview of their views, and their process for determining the amount based on these views);
- (IV) Backing for funds required for the Large-Scale Purchase, Etc. (including the specific name of any providers of funds (including de facto providers), procurement method, and the details of any related transactions);
- (V) If the Purchaser has entered into any important agreements or arrangements on rental, hypothecation, sell-back and reservation on the sale and purchase for the Company's shares, etc. (hereinafter the "Hypothecation Agreements, Etc."), already held by the Purchaser, or the Purchaser, Etc. intends to conclude Hypothecation Agreements, Etc. in relation to the Company's share certificates, etc. that they intend to acquire in the Large-Scale Purchase, Etc., the specific content thereof such as the type of such agreements/arrangements, contractual counterparts and the number of shares, etc., covered by said Hypothecation Agreements, Etc.;
- (VI) Whether there has been any communication of intent with any third parties concerning the Large-Scale Purchase, Etc. and, if there has been a communication of intent, an overview of the details thereof and the relevant third parties;
- (VII) In cases when there are plans to acquire more of the Company's share certificates, etc. after the Large-Scale Purchase, Etc., the reasons and details thereof;
- (VIII) Management policies, business plans, capital policies, and dividend policies for the Company and the Group after the Large-Scale Purchase, Etc.;
- (IX) Policies regarding the treatment, etc. of the Company's employees, labor unions, business partners, clients, local communities, and other stakeholders of the Company after the Large-Scale Purchase, Etc.;
- (X) Specific measures to avoid conflicts of interest with other shareholders of the Company.

- (d) Analysis of the Details of the Purchase, Negotiation with the Purchaser, etc., and the Presentation of an Alternative Proposal by the Board of Directors, etc.

After the Notification of Completion of Information Submission has been provided or the Information Submission Period has expired, the Board of Directors of the Company shall establish a period as described in the following item (I) or (II) below, calculated from the date the Notification of Completion of Information Submission is provided or the date the Information Submission Period expires (not including the initial day in both cases), in accordance with the difficulty of evaluating the Large-Scale Purchase, Etc., as the Board of Directors' Evaluation Period.

- (I) Up to 60 days for tender offers for all shares of the Company, where the consideration is in cash (Japanese yen) only;  
(II) Up to 90 days for other Large-Scale Purchases, Etc.

Furthermore, if the Board of Directors of the Company recognizes that the above Board of Directors' Evaluation Period must be extended, the periods described in the above items (I) and (II) may be extended as necessary, up to a maximum of 30 days, after consulting the Independent Committee and respecting the recommendation thereof to the maximum extent possible. However, no more than one extension may be made, in principle. If the Board of Directors' Evaluation Period is extended, the Board of Directors of the Company shall promptly disclose the reasons for the extension, the period of the extension, etc.

The Purchaser, Etc. may only commence the Large-Scale Purchase, Etc. after the Board of Directors' Evaluation Period has passed (however, if the Board of Directors of the Company resolves to convene a General Meeting of Shareholders to confirm the will of shareholders regarding the activation of countermeasures as described in the below item (f), this shall be after the conclusion of the relevant General Meeting of Shareholders).

During the Board of Directors' Evaluation Period, the Board of Directors of the Company shall sufficiently evaluate and analyze the Required Information submitted by the Purchaser, Etc. and analyze the details of the Large-Scale Purchase, Etc. by the Purchaser, Etc. from the perspective of protecting and enhancing the corporate value of the Company and shareholders' common interests, etc., while obtaining advice from external specialists, etc. who are independent from the Company as necessary. Through this evaluation and analysis, the Board of Directors of the Company shall carefully compile its views regarding the Large-Scale Purchase, Etc. as the Board of Directors of the Company, and notify the Purchaser, Etc. to that effect, while also publicly announcing these views to shareholders in a timely and appropriate manner. In addition, the Board of Directors may, as necessary, negotiate the terms and method of the Large-Scale Purchase, Etc. with the Purchaser, Etc. and, furthermore, present an alternative proposal to shareholders.

- (e) Recommendation from the Independent Committee Regarding the Activation of Countermeasures

The Board of Directors of the Company shall ultimately determine whether or not to activate countermeasures based on the Plan, but in order to guarantee the objectivity and reasonableness of the decision of the Board of Directors of the Company, an Independent Committee shall be established, consisting only of persons with more than a certain level of experience in corporate management, specialists, experts, etc. who are independent of the management team of the Company. At present, the Company has appointed the three (3) persons listed in Attachment 1 as the members of the Independent Committee. In addition, please refer to Attachment 2 for an overview of the Independent Committee Regulations.

If there is a Purchaser, Etc., the Independent Committee shall make a recommendation to the Board of Directors regarding the appropriateness of activating countermeasures, in accordance with the prescribed procedures during the Board of Directors' Evaluation Period, following consultation regarding the appropriateness of activating countermeasures by the Board of Directors of the Company during the Board of Directors' Evaluation Period (however, this shall be as appropriate in cases when the Purchaser, Etc. does not comply with the procedures prescribed in the above items (b) through (d); hereinafter, the same applies in items (e) and (f)). In order to ensure that decisions by the Independent Committee are made in a way that will contribute to protecting and enhancing the corporate value of the Company and shareholders' common interests, the Independent Committee may obtain advice, at the Company's expense, from third parties who are independent of the management team engaged in the execution of business operations at the Company (including investment banks, securities companies, financial advisors, certified public accountants, attorneys, consultants, and other specialists). Furthermore, after the Independent Committee has made a recommendation to the Board of Directors of the Company as set forth below, the Board of Directors of the Company shall promptly disclose the fact that this recommendation was made, an overview of the recommendation, and any other information judged appropriate by the Board of Directors of the Company.

- (I) Cases when the Independent Committee Makes a Recommendation to Activate Countermeasures
- The Independent Committee shall recommend the activation of countermeasures to the Board of Directors of the Company in cases when the Purchaser, Etc. has not complied with the procedures prescribed in the above items (b) through (d), and cases when the Large-Scale Purchase, Etc. by the Purchaser, Etc. will cause significant harm to the corporate value of the Company and shareholders' common interests, as a result of, for example, the fact that it is judged that the Large-Scale Purchase, Etc. falls under any of the categories listed below or there are circumstances under which it may be reasonably suspected that the Large-Scale Purchase, Etc. falls under any of these categories, or other factors, and it is also recognized that the activation of countermeasures would be appropriate.
- (1) Cases when it is judged that, despite having no true intention to participate in corporate management, the Purchaser, Etc. is acquiring or attempting to acquire the Company's share certificates, etc. in order only to increase the share price and force parties related to the Company to purchase the Company's share certificates, etc. at a high price, or similar actions (a so-called green mailer);
  - (2) Cases when it is judged that the Purchaser, Etc. is acquiring the Company's share certificates, etc. with the objective of taking temporary control of the management of the Company and transferring the important assets of the Company or companies in the Group to the Purchaser, Etc. or group companies of the Purchaser, Etc. (including, but not limited to assets of the Company or companies in the Group such as intellectual property rights required for the management of business operations, expertise, confidential corporate information, and major business partners or clients);
  - (3) Cases when it is judged that the Purchaser, Etc. is acquiring the Company's share certificates, etc. with the objective of acquiring control of the management of the Company and using assets of the Company or companies in the Group as collateral or repayment funds for the obligations of the Purchaser, Etc. or group companies of the Purchaser, Etc.;
  - (4) Cases when it is judged that the Purchaser, Etc. is acquiring the Company's share certificates, etc. in order to take temporary control of the management of the Company, sell or otherwise dispose of real estate, marketable securities, or other high-value assets, etc. not immediately related to the businesses of the Company or companies in the Group, and use the proceeds from the disposal to pay a one-time high dividend or take advantage of the rapid increase in share price created by this one-time high dividend to sell the Company's share certificates, etc. at a high price, or similar actions;
  - (5) Cases when it is judged that the purchase terms for the Company's share certificates, etc. proposed by the Purchaser, Etc. are significantly insufficient or inappropriate in view of the corporate value of the Company (including, but not limited to the type and amount of consideration for the purchase, calculation basis for this amount, specific details of other terms (including the timing and method of the acquisition), legality and feasibility of the acquisition, etc.);
  - (6) Cases when it is judged that the purchase method for the Company's share certificates, etc. proposed by the Purchaser, Etc. may limit shareholders' opportunity or freedom to make a decision and effectively force shareholders to sell the Company's share certificates, etc., including a so-called coercive two-tiered takeover (referring to cases such as those where share certificates, etc. are purchased by tender offer, etc., and the Purchaser, Etc. does not offer to purchase all of the Company's share certificates, etc. in the initial purchase, while setting unfavorable or unclear purchase terms for the second stage);
  - (7) Cases when it is judged that the acquisition of control by the Purchaser, Etc. will cause significant harm to the interests of the Company's shareholders, clients, employees, business partners, local communities, and other stakeholders, and that significant harm may be expected to the corporate value of the Company and shareholders' common interests as a result;
  - (8) Cases when it is judged that the Purchaser, Etc. is significantly inappropriate as a controlling shareholder of the Company from the perspective of public order and morals.
- (II) Cases when the Independent Committee Makes a Recommendation not to Activate Countermeasures

In cases other than those set forth in the above item (I), the Independent Committee shall recommend that the Board of Directors of the Company does not activate countermeasures.

In addition, the Independent Committee may recommend that the Board of Directors of the Company convenes a General Meeting of Shareholders to confirm the will of shareholders in cases when it judges that the will of shareholders should be confirmed regarding whether or not the Board of Directors of the Company shall activate countermeasures based on the Plan.



(f) Resolution by the Board of Directors

If there is a Purchaser, Etc., the Board of Directors of the Company shall consult the Independent Committee during the Board of Directors' Evaluation Period, as described in the above item (e), regarding the appropriateness of activating countermeasures, in order to guarantee the fairness of decisions regarding the appropriateness of activating countermeasures.

The Board of Directors of the Company shall respect the recommendation of the Independent Committee based on this consultation to the maximum extent possible, and shall make a resolution regarding the activation of countermeasures based on this recommendation.

In addition, the Board of Directors of the Company shall resolve to convene a General Meeting of Shareholders as soon as practically possible to confirm the will of shareholders in cases when the Independent Committee recommends that a General Meeting of Shareholders is convened to confirm the will of shareholders regarding the activation of countermeasures and cases when the Board of Directors of the Company judges that following the recommendation of the Independent Committee regarding the activation of countermeasures may violate the duty of due care of a prudent manager of the Company's Directors, and other cases when the Board of Directors of the Company judges that shareholders should make a decision regarding whether to activate countermeasures based on the Plan. In this case, the Board of Directors of the Company shall make a resolution regarding the activation of countermeasures in accordance with the resolution at this General Meeting of Shareholders. Furthermore, if the Board of Directors of the Company resolves to convene a General Meeting of Shareholders to confirm the will of shareholders regarding the activation of countermeasures, it shall promptly disclose that fact.

If the Board of Directors of the Company makes a resolution based on the above recommendation of the Independent Committee (in accordance with the result of the resolution at the General Meeting of Shareholders if a General Meeting of Shareholders is held to confirm the will of shareholders regarding the activation of countermeasures as described above), it shall promptly disclose an overview of that resolution together with any other information judged appropriate by the Board of Directors of the Company, regardless of whether it is resolved to activate or not to activate countermeasures.

(B) Specific Details of Countermeasures under the Plan

In principle, the Directors of the Company shall conduct a gratis allotment of share acquisition rights (hereinafter, the "Share Acquisition Rights") as a countermeasure to be activated based on the resolution described in the above item (A) (f). However, if it is judged that it would be appropriate to activate other countermeasures permitted under the Companies Act, other laws and regulations, and the Articles of Incorporation of the Company, these other countermeasures may be adopted.

An overview of the gratis allotment of the Share Acquisition Rights is as provided in Attachment 3 "Overview of Gratis Allotment of Share Acquisition Rights."

In addition, the Company shall make a shelf registration for the Share Acquisition Rights, in order to ensure the flexibility of the activation of countermeasures by issuing the Share Acquisition Rights.

(C) Cancellation or Withdrawal of Countermeasures

Even if the Board of Directors of the Company resolves to activate countermeasures in accordance with the procedures described in the above item (A) (f), the Board of Directors of the Company shall consult the Independent Committee once again regarding the appropriateness of maintaining countermeasures and consider the cancellation or withdrawal of countermeasures that have been activated, while obtaining advice from external specialists, etc. as necessary, in cases when (I) the Purchaser, Etc. has cancelled or withdrawn the Large-Scale Purchase, Etc., or (II) the facts, etc. forming the basis for the decision regarding whether to activate countermeasures have changed and circumstances are such that it is judged that maintaining countermeasures that have been activated would not be appropriate from the perspective of protecting and enhancing the Company's corporate value and shareholders' common interests.

Based on this consultation, the Independent Committee shall consider the appropriateness of maintaining the countermeasures, while obtaining advice from external specialists, etc. who are independent from the Company as necessary, and make a recommendation to the Board of Directors of the Company. Furthermore, the Board of Directors of the Company shall also promptly disclose information related to this recommendation from the Independent Committee, in a manner equivalent to recommendations described in the above item (A) (e).

The Board of Directors of the Company shall respect the above recommendation of the Independent Committee to the maximum extent possible, and if, based on this recommendation, the Board of Directors of the Company determines that it would not be appropriate to maintain countermeasures from the perspective of protecting and enhancing the corporate value of the Company and shareholders' common interests, the Board of Directors of the Company shall pass a normal resolution to cancel or withdraw from any activated countermeasures, by methods including cancelling the gratis allotment of Share Acquisition

Rights up to the day before the ex-rights date of the gratis allotment of Share Acquisition Rights, or by the Company acquiring the Share Acquisition Rights without consideration from the effective date of the gratis allotment of Share Acquisition Rights up to the day before the start date of the exercise period of the Share Acquisition Rights, and the Company shall also promptly disclose information to that effect.

**(3) Effective Period of the Plan, Discontinuation, and Amendments**

The effective period of the Plan shall be until the conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within three (3) years from this General Meeting of Shareholders.

However, even prior to the end of this effective period, the Plan shall be discontinued if (I) a proposal to discontinue the Plan is approved at a General Meeting of Shareholders of the Company, or (II) a resolution to discontinue the Plan is passed by the Board of Directors of the Company based on the recommendation of the Independent Committee.

In addition, the Company may amend the Plan as necessary from the perspective of protecting and enhancing corporate value and shareholders' common interests. If these amendments are related to the content of the Plan, they shall be based on the recommendation of the Independent Committee, excluding formal matters, and if the details of the amendments will cause significant change to the content of the Plan, approval at a General Meeting of Shareholders must be obtained again for the amended plan.

If the Plan is discontinued or amended, the Company shall promptly disclose the fact that this discontinuation or amendment was implemented, the details thereof, and any other information recognized as appropriate by the Board of Directors of the Company, in accordance with applicable laws and regulations and the stock exchange regulations. Furthermore, the provisions of laws and regulations quoted in the Plan are based on provisions in effect as of February 27, 2020, and if it becomes necessary to make amendments to the meaning of clauses, terms, etc. in the Plan owing to the new creation, amendment, or discontinuation of laws and regulations on or after February 27, 2020, the meaning of these clauses, terms, etc. may be deemed to be replaced within an appropriate and reasonable scope, taking into consideration the intent of the new creation, amendment, or discontinuation of laws and regulations.

**(4) Reasonableness of the Plan**

**(A) Satisfying All Requirements of the Guidelines Regarding Takeover Defense, Etc.**

The Plan satisfies all three principles set forth in the "Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 (the principle of protecting and enhancing corporate value and the interests of shareholders as a whole, the principle of prior disclosure and shareholders' will, and the principle of ensuring the necessity). In addition, the Plan also takes into consideration the "Takeover Defense Measures in View of Recent Environmental Changes" announced by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008. Furthermore, the Plan also takes into consideration content related to takeover defense measures in "Japan's Corporate Governance Code -Seeking Sustainable Corporate Growth and Increased Corporate Value over the Mid- to Long-Term-" announced by the Tokyo Stock Exchange on June 1, 2015 ([Principle 1.5 Anti-Takeover Measures] etc.).

**(B) Being Introduced in Order to Protect and Enhance the Company's Corporate Value and Shareholders' Common Interests**

As described in the above item (2) "Objective of the Renewal of the Plan," the Plan is being introduced in order to protect and enhance the corporate value of the Company and shareholders' common interests by making it possible to secure the necessary information and time for shareholders to assess whether to accept a Large-Scale Purchase, Etc., if a Large-Scale Purchase, Etc. is conducted for the Company's shares, or for the Board of Directors of the Company to present an alternative proposal, engage in negotiations with the Purchaser, Etc. on shareholders' behalf, etc.

**(C) Prioritizing the Will of Shareholders**

The Plan shall be renewed if the resolution to renew the Plan is approved and passed at this General Meeting of Shareholders.

Additionally, if the renewal of the Plan is passed, the effective period of the Plan shall be until the conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within three (3) years from the conclusion of this General Meeting of Shareholders, and, as described in the above item (3) "Effective Period of the Plan, Discontinuation, and Amendments," if a resolution is passed to discontinue the Plan at a General Meeting of Shareholders of the Company, even prior to the end of the effective period of the Plan, the Plan shall be discontinued at that time, and therefore a mechanism is in place to ensure that the will of shareholders is sufficiently reflected in the renewal and discontinuation of the Plan.

Furthermore, as described in the above item (2) (A) (f) “Resolution by the Board of Directors,” if a General Meeting of Shareholders is held to confirm the will of shareholders on whether to activate countermeasures based on the Plan, the Board of Directors of the Company shall make a resolution regarding the activation of countermeasures in accordance with the results of the resolution at this General Meeting of Shareholders, and so in this case the will of shareholders shall also be directly depended upon regarding the activation of countermeasures based on the Plan.

**(D) Prioritizing the Decision of Highly Independent External Persons**

When introducing the Plan, the Company shall establish an Independent Committee as an advisory body for Directors, to make resolutions and provide recommendations in an objective manner regarding the implementation of the Plan, including the activation of countermeasures, in order to eliminate arbitrary judgments by the Board of Directors of the Company.

The Independent Committee consists of three (3) members selected from among experts who are independent of the management team engaged in the execution of business operations at the Company, who have no special interests with the Company.

In addition, the Company shall disclose information to shareholders regarding an overview of the decisions of the Independent Committee, as necessary.

As a result, a mechanism is in place to ensure that the Plan is implemented in a transparent manner that will contribute to the Company’s corporate value and shareholders’ common interests, while also preventing the arbitrary implementation of the Plan and activation of countermeasures by the Board of Directors of the Company.

**(E) Establishment of Reasonable and Objective Activation Requirements**

As described in the above items (2) (A) (e) and (f), the Plan is designed in such a way that it will not be activated unless reasonable and objective activation requirements are satisfied, and therefore a mechanism to prevent arbitrary activation by the Board of Directors of the Company has been ensured.

**(F) Not a Dead-Hand Type or Slow-Hand Type Takeover Defense Measure**

As described in the above item (3) “Effective Period of the Plan, Discontinuation, and Amendments,” the Plan may be discontinued at any time by the Board of Directors, which consists of Directors elected at the General Meeting of Shareholders of the Company. Accordingly, the Plan is not a dead-hand type takeover defense measure (takeover defense measures whose activation cannot be prevented, even if a majority of members of the Board of Directors are replaced). In addition, the term of office of Directors of the Company is one (1) year, and therefore the Plan is not a slow-hand type takeover defense measure (takeover defense measures whose activation requires time to prevent because Directors comprising the Board of Directors cannot all be replaced at once).

**(5) Impact on Shareholders**

**(A) Impact on Shareholders and Investors when the Plan is Renewed**

There shall be no actual issuance of Share Acquisition Rights when the Plan is renewed. Accordingly, the Plan shall not directly or concretely impact the statutory rights and economic interests pertaining to the Company’s shares held by shareholders and investors when it is renewed.

**(B) Impact on Shareholders in Case of Gratis Allotment of Share Acquisition Rights**

If the Board of Directors of the Company decides to activate countermeasures and conducts a gratis allotment of Share Acquisition Rights, the Share Acquisition Rights shall be allotted gratis to shareholders listed or recorded in the shareholder register on the allotment date, which will be separately determined, at a ratio of one (1) share acquisition right per share held. Based on this mechanism, the Company does not expect any direct or concrete impact on the statutory rights, economic rights, or economic interests pertaining to the Company’s shares held by shareholders and investors because although the economic value of each of the Company’s shares held by shareholders and investors shall be diluted at the time of the gratis allotment of the Share Acquisition Rights, there shall be no dilution to the economic value of the Company’s shares held as a whole, and there shall not be any dilution to the voting rights for each of the Company’s shares.

Furthermore, please note that investors who have conducted a sale or purchase based on the assumption that the economic value of each of the Company’s shares will be diluted may suffer a loss owing to fluctuations in the share price, because even in cases when the Board of Directors of the Company makes a resolution to conduct a gratis allotment of Share Acquisition Rights, the economic value of each of the Company’s shares held by shareholders and investors will not be diluted if the Board of Directors of the Company decides to cancel or withdraw from countermeasures that have been activated, in accordance with the procedures, etc. described in the above item (2) (C) “Cancellation or Withdrawal of Countermeasures.”

In addition, it is expected that the statutory rights, etc. of the Purchaser, Etc. will be diluted if the Share

Acquisition Rights are exercised or acquired because discriminatory conditions are expected to be attached, but even in this case, the Company does not expect any direct or concrete impact on the statutory rights or economic interests pertaining to the Company's shares held by shareholders and investors other than the Purchaser, Etc.

(C) Required Procedures for Shareholders for the Gratis Allotment of Share Acquisition Rights

If the Board of Directors of the Company resolves to conduct a gratis allotment of Share Acquisition Rights, it shall determine and publicly announce an allotment date. The Share Acquisition Rights shall be allotted gratis to shareholders listed or recorded in the shareholder register on the allotment date, but shareholders shall not be required to complete any transfer procedures as the shareholder register on the allotment date shall be created based on the Notice to All Shareholders provided to the shareholder register administrator of the Company by the Japan Securities Depository Center.

Since shareholders listed or recorded in the shareholder register on the allotment date will automatically become holders of the Share Acquisition Rights on the effective date of the gratis allotment of Share Acquisition Rights, application procedures shall not be necessary.

In addition, shareholders may be required to exercise the Share Acquisition Rights within the prescribed period in order to acquire new shares (this will require the payment of a certain amount of cash).

In addition to the above, please refer to the content of the disclosure or notification for the details of procedures related to the allotment method, exercise method, method of acquisition by the Company, etc., which the Company will provide in a timely, appropriate manner based on the applicable laws and regulations and the stock exchange regulations, after the Board of Directors of the Company has made a resolution regarding the gratis allotment of Share Acquisition Rights.

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1. As defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. Hereinafter, the same applies unless otherwise provided for.
  2. Includes parties included as holders pursuant to Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act.
  3. As defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. Hereinafter, the same applies.
  4. As defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. Hereinafter the same applies in item (II).
  5. As defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act. Hereinafter, the same applies.
  6. As defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. Hereinafter, the same applies.
  7. Refers to specially related parties as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, for parties listed in item (i) of the same paragraph, this excludes parties set forth in Article 3, Paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers. Hereinafter, the same applies.
  8. Refers to a material proposal, etc. as provided for in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Order on Disclosure of the Status of Large-Volume Holdings in Share Certificates. Hereinafter, the same applies unless otherwise provided for.
  9. A business day refers to a day other than those described in each item of Article 1, Paragraph 1 of the Act on Holidays of Administrative Organs. Hereinafter, the same applies.
  10. Refers to joint holders as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, and includes parties deemed joint holders based on Paragraph 6 of the same paragraph. Hereinafter, the same applies.

## Attachment 1 (Independent Committee Member Career Summaries)

Shuichi Hattori

April 1984	Registered as attorney (Tokyo Bar Association)
July 1988	Established Hattori Legal Office (currently Hattori Sogo Legal Office) (to present)
June 2004	Statutory Auditor, USHIO INC.
April 2007	Lecturer and Supervisor for Financial Instruments and Exchange Act, Keio University Law School (to present)
June 2007	External Corporate Auditor, Pokka Corporation
March 2009	External Auditor, the Company
November 2012	External Corporate Auditor, POKKA SAPPORO FOOD & BEVERAGE LTD.
March 2015	Independent Audit & Supervisory Board Member, Tokyo Tatemono Co., Ltd.
June 2016	Outside Director, USHIO INC.
March 2019	External Director, Tokyo Tatemono Co., Ltd. (to present)

\* There is no special interest between Mr. Hattori and the Company.

Chieko Nemoto

October 1981	Joined Chuo Audit Corporation
March 1985	Registered as certified public accountant
September 1994	Registered as certified public tax accountant, established Nemoto Certified Public Accountant Office (to present)
February 2011	Representative Partner, Kyanos Tax & Accounting Co. (to present)

\* There is no special interest between Ms. Nemoto and the Company.

Yutaro Inagawa

April 1986	Joined Dai Nippon Printing Co., Ltd.
June 2002	External Director, NICHIMO CO., LTD.
June 2003	Representative Director and Senior Managing Director
March 2011	Executive Officer, COACH A Co., Ltd.
February 2020	Director and Executive Vice President (to present)

\* There is no special interest between Mr. Inagawa and the Company.

## **Attachment 2 (Overview of Independent Committee Regulations)**

### **Overview of Independent Committee Regulations**

1. The Independent Committee shall be established by resolution of the Board of Directors of the Company, as an advisory body for the Board of Directors.
2. The Independent Committee shall have three (3) members, who shall be selected by resolution of the Board of Directors of the Company from among External Auditors, External Directors, or outside experts who are independent of the management team engaged in the execution of business operations at the Company, in order to facilitate fair and neutral decisions.
3. The terms of office of members of the Independent Committee shall expire upon the conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within three (3) years from their election, or a date separately agreed upon between the members and the Company. However, this shall not apply in cases otherwise provided for by resolution of the Board of Directors of the Company.
4. A Representative Director of the Company or each member of the Independent Committee shall convene meetings of the Independent Committee.
5. The Chair of the Independent Committee shall be mutually elected by each member.
6. In principle, resolutions of the Independent Committee shall be passed by the votes of a majority of members, at meetings when all members are in attendance. However, if any member is unable to act or there are other special circumstances, resolutions shall be passed by the votes of a majority of members in attendance, at meetings when a majority of members are in attendance.
7. After being consulted by the Board of Directors of the Company, the Independent Committee shall deliberate and make resolutions regarding the matters in each of the following items, and, in principle, the Independent Committee shall make recommendations to the Board of Directors consisting of the content of those resolutions, together with the reasons and basis thereof.
  - (1) The appropriateness of activating countermeasures under the Plan;
  - (2) The cancellation of or withdrawal from countermeasures under the Plan;
  - (3) The discontinuation and amendment of the Plan (excluding formal matters);
  - (4) Any other matters related to the Plan about which the Board of Directors of the Company consults the Independent Committee.Furthermore, when deliberating and passing resolutions at meetings of the Independent Committee, each member of the Independent Committee shall do so solely from the perspective of whether it will contribute to the corporate value of the Company and shareholders' common interests.
8. The Independent Committee may, as necessary, request the attendance of Directors, Auditors, employees, or other persons deemed necessary, and the submission of views and explanations on matters that it chooses.
9. When executing its duties, the Independent Committee may obtain advice from investment banks, securities companies, attorneys, certified public accountants, consultants, and other external specialists at the Company's expense.

## Attachment 3 (Overview of Gratis Allotment of Share Acquisition Rights)

### Overview of Gratis Allotment of Share Acquisition Rights

1. Total Number of Share Acquisition Rights to be Allotted  
The total number of Share Acquisition Rights to be allotted shall be the same as the final total number of issued shares of the Company (however, this excludes the number of the Company's shares held by the Company) as of the allotment date (hereinafter, referred to as the "Allotment Date") determined separately by resolution of the Board of Directors regarding the gratis allotment of Share Acquisition Rights (hereinafter, referred to as the "Resolution on Gratis Allotment of Share Acquisition Rights").
2. Shareholders Eligible for Allotment  
The Share Acquisition Rights shall be allotted gratis to shareholders listed or recorded in the final shareholder register on the Allotment Date at a ratio of one (1) Share Acquisition Right per share of common stock of the Company held (however, this excludes the Company's shares held by the Company at this moment).
3. Effective Date of the Gratis Allotment of Share Acquisition Rights  
The effective date of the gratis allotment of Share Acquisition Rights shall be a date separately determined by the Resolution on Gratis Allotment of Share Acquisition Rights.
4. Class and Number of Shares Entitled to Share Acquisition Rights  
The class of shares entitled to the Share Acquisition Rights shall be shares of the Company's common stock, and the number of shares entitled to each Share Acquisition Right shall be one (1) share (hereinafter, referred to as the "Applicable Number of Shares"). If, however, the Company conducts a share split, consolidation of shares, etc., the required adjustments shall be made.
5. Type and Amount of Property to be Contributed Upon Exercise of the Share Acquisition Rights  
Contributions to be made upon exercise of the Share Acquisition Rights shall be in cash, and the amount of property per share of common stock of the Company to be contributed when exercising the Share Acquisition Rights shall be one (1) yen or more and an amount separately determined by the Resolution on Gratis Allotment of Share Acquisition Rights.
6. Transfer Restrictions on the Share Acquisition Rights  
The approval of the Board of Directors of the Company shall be required for the transfer of the Share Acquisition Rights.
7. Exercise Conditions of the Share Acquisition Rights  
The following parties shall not be able to exercise the Share Acquisition Rights: (I) specified large-volume holders<sup>11</sup>, (II) joint holders of specified large-scale holders, (III) specified large-scale purchasers<sup>12</sup>, (IV) specially related parties of specified large-scale purchasers, or (V) parties to whom the Share Acquisition Rights have been transferred or who have succeeded to the Share Acquisition Rights from parties described in categories (I) through (IV) without obtaining the approval of the Board of Directors of the Company, or (VI) related parties<sup>13</sup> of any party falling under categories (1) through (5) (hereinafter, these parties are collectively referred to as "Unqualified Parties"). Furthermore, the details of the exercise conditions of the Share Acquisition Rights shall be separately determined by the Resolution on Gratis Allotment of Share Acquisition Rights.
8. Acquisition of the Share Acquisition Rights by the Company  
The Company may acquire Share Acquisition Rights held by parties other than Unqualified Parties and deliver the Applicable Number of Shares of the Company's common stock per Share Acquisition Right in exchange, on a date separately determined by the Board of Directors of the Company. Furthermore, the details of the acquisition conditions of the Share Acquisition Rights shall be separately determined by the Resolution on Gratis Allotment of Share Acquisition Rights.
9. Acquisition without Consideration When Cancelling the Activation of Countermeasures, etc.  
The Company may acquire all Share Acquisition Rights without consideration if the Board of Directors of the Company resolves to cancel or withdraw from countermeasures that have been activated, or in other cases separately determined by the Resolution of the Board of Directors of the Company on Gratis Allotment of Share Acquisition Rights.



10. Exercise Period of the Share Acquisition Rights, etc.

Furthermore, the details of the exercise conditions of the Share Acquisition Rights shall be separately determined by the Resolution on Gratis Allotment of Share Acquisition Rights.

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11. Refers to holders of shares, etc. issued by the Company with an ownership ratio of shares for these shares, etc. of 20% or more, or parties considered to fall under this category by the Board of Directors of the Company. However, this shall not apply to parties which the Board of Directors of the Company considers that their acquisition or holding of the Company's share certificates, etc. will not harm the Company's corporate value or shareholders' common interests, and other parties separately determined by the Resolution of the Board of Directors of the Company on Gratis Allotment of Share Acquisition Rights.
  12. Refers to parties which have provided public notice to the effect that they will conduct a purchase, etc. (referring to a purchase, etc. as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; hereinafter, the same applies) for share certificates, etc. (referring to share certificates, etc. as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; hereinafter, the same applies in this note) issued by the Company by tender offer, and whose total ownership ratio of share certificates, etc. held (including cases set forth as equivalent to holding in Article 7, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act) together with the ownership ratio of share certificates, etc. of any specially related parties will be 20% or more after the purchase, etc., or parties deemed as falling under this category by the Board of Directors of the Company. However, this shall not apply to parties which the Board of Directors of the Company considers that their acquisition or holding of the Company's share certificates, etc. will not harm the Company's corporate value or shareholders' common interests, and other parties separately determined by the Resolution of the Board of Directors of the Company on Gratis Allotment of Share Acquisition Rights.
  13. A "related party" of a party refers to a party which effectively controls such a party, a party controlled by such a party, or a party under common control with such a party (including parties deemed to fall under this category by the Board of Directors of the Company), or a party deemed by the Board of Directors of the Company to be acting in concert with such a party. Furthermore, "control" refers to "controlling determinations on the financial and business policies" of the other company, etc. (refers to cases defined in Article 3, Paragraph 3 of the Regulation for Enforcement of the Companies Act).