

## To Our Shareholders

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

We wish to inform you that the 137th Ordinary General Meeting of Shareholders of Sumitomo Riko Company Limited will be held on Thursday, June 19, 2025.

Regarding our business results for fiscal year 2024, we have achieved record highs in all of net sales, business profit, and profit attributable to owners of parent, as we did in fiscal year 2023. The year-on-year increase in net sales was due to the fact that overall automobile production volume remained at a generally constant level, despite production cutbacks by some of our major customers, as well as the effect of foreign currency translation. The year-on-year increase in business profit was due mainly to the results of structural reforms that we have continued to work on, as well as progress in cost reductions and optimization of selling prices.

On the other hand, our business results for fiscal year 2025 are expected to see further increased uncertainty, including the risk of changes in trade policies of various countries and fluctuations in exchange rates and interest rates. In the Automotive Products Division, a certain level of production is expected, but there are growing concerns about a slowdown in demand across the market. Even in this challenging business environment, we will steadily implement various measures, such as reducing costs and strengthening our earnings base, and accelerate our efforts to achieve sustainable growth.

We are currently promoting our business based on the 2025 Sumitomo Riko Group Mid-term Management Plan (2025P), and fiscal year 2025 is the final year of the plan. Under the theme of “further improvement of profitability and management foundation for sustainable growth” set forth in 2025P, we will exert company-wide efforts to achieve both financial and non-financial goals. In addition, while adhering to the Sumitomo Spirit of “Banji-nissei (Do your sincere best, not only in business, but also in every aspect of your life),” “Shinyo-kakujitsu (Respond to trust by constantly thinking and acting for other’s expectations),” and “Fusu-furi (Having a progressive spirit with an eye on the future, thinking with a long-sighted viewpoint, without focusing on short-term profit by inappropriate manners),” we will continue to contribute to society under our purpose of “To realize the comfort of the society by maximizing the potential of materials through MONOZUKURI,” and aim to realize “Green and pleasant society connecting the nature, city and people.”

We sincerely ask our shareholders for your continued understanding and support for the corporate activities of our Group.

Kazushi Shimizu  
President and Chief Executive Officer  
May 2025

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

Securities code: 5191

May 27, 2025

(Date of commencement of electronic provision measures: May 22, 2025)

**To Shareholders with Voting Rights:**

Kazushi Shimizu  
President and Chief Executive Officer  
Sumitomo Riko Company Limited  
1, Higashi 3-chome, Komaki, Aichi, Japan

**CONVOCATION NOTICE FOR  
THE 137TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We wish to inform you that the 137th Ordinary General Meeting of Shareholders of Sumitomo Riko Company Limited (the “Company”) will be held for the purposes as described below.

Upon convening this general meeting of shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures as “Convocation Notice for the 137th Ordinary General Meeting of Shareholders” on the following Company’s website. Please access the website to view the information.

The Company’s website:

<https://www.sumitomoriko.co.jp/english/ir/meeting.html>

In addition to the website shown above, the Company also has posted this information on the following websites.

Website for the materials of the general meeting of shareholders (in Japanese only)

<https://s.srdb.jp/5191/>

TSE website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the above website and enter the Company name in the “Issue name (company name)” field or our securities code in the “Code” field, and click on “Search” to find results. Then, click on “Basic information” and “Documents for public inspection/PR information” to view the information.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:15 p.m. on Wednesday, June 18, 2025, Japan Standard Time.

- 1. Date and Time:** Thursday, June 19, 2025, at 10:00 a.m. Japan Standard Time
- 2. Place:** Hall, 3F, JP TOWER NAGOYA Hall & Conference at  
1-1 Meieki 1-chome, Nakamura-ku, Nagoya, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the Company's 137th Fiscal Year (April 1, 2024–March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 137th Fiscal Year (April 1, 2024–March 31, 2025)
- Matters to be resolved:**
- First Item:** Appropriation of Surplus
- Second Item:** Election of Eight (8) Directors
- Third Item:** Revision of the Remuneration Limit for Directors
- Fourth Item:** Revision of the Remuneration Limit for Audit & Supervisory Board Members
- Fifth Item:** Payment of Bonuses to Directors

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. In accordance with the provisions of the Articles of Incorporation of the Company, in the case of the exercise of voting rights by proxy, the proxy must present a document evidencing the authority of the proxy (letter of attorney, etc.) to act as such (A form of a letter of attorney is available in the Investor Relations section on the Company's website at <https://www.sumitomoriko.co.jp/> (in Japanese only).)

Among the matters subject to electronic provision measures, the following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company. The Audit & Supervisory Board Members and Accounting Auditor have audited the documents to be audited, including the following matters.

- Consolidated Statements of Changes in Equity and Notes to Consolidated Financial Statements
- Non-consolidated Statements of Changes in Equity and Notes to Non-consolidated Financial Statements

Should matters subject to the electronic provision measures require revisions, the revisions will be posted on the respective websites where the matters are posted.

# Reference Documents for the General Meeting of Shareholders

## Agenda Items and References

### **First Item:** Appropriation of Surplus

With regard to the year-end dividend for the 137th fiscal year, in consideration of the business results for this fiscal year, future business development, and other matters, the Company proposes to distribute in the amount of forty-two (42) yen per share.

1. Type of properties to be distributed  
Cash
2. Matters concerning the allocation of properties to be distributed and the total amount thereof  
Forty-two (42) yen per share of common stock of the Company  
Total amount: 4,360,619,550 yen
3. Effective date of distribution of surplus  
June 20, 2025

**Second Item:** Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors (including three (3) Outside Directors).

The candidates for Directors are as follows.

[Reference] The list of candidates for Directors

No.	Name	Current positions and responsibilities at the Company (as of May 22, 2025)	Attendance at the Board of Directors meetings (for fiscal year 2024)
1	Kazushi Shimizu [Reappointment]	Representative Director President and Chief Executive Officer Chairperson of CSR Sustainability Committee Chairperson of Risk Management Committee	16/16
2	Shinichi Waku [Reappointment]	Director Senior Managing Executive Officer Officer responsible for Production Function Headquarters, Quality Assurance Headquarters, and Information System Headquarters Chairperson of Quality Committee	16/16
3	Hideo Yamane [Reappointment]	Director Senior Managing Executive Officer Officer responsible for Legal, Public Relations and Investor Relations, Human Resources and General Affairs Headquarters, Accounting and Finance Division, and Corporate Planning Chairperson of Compliance Committee	16/16
4	Hideyoshi Yasuda [Reappointment]	Director Senior Managing Executive Officer Officer responsible for Automotive Business Headquarters and Purchasing Logistics Headquarters	16/16
5	Katsuhisa Yano [Reappointment]	Director Managing Executive Officer Officer responsible for Industrial Products Business Headquarters	16/16
6	Masaaki Iritani [Reappointment] [Outside] [Independent]	Outside Director (Lead Independent Director) Chairperson of Nomination and Remuneration Committee	16/16
7	Mariko Miyagi [Reappointment] [Outside] [Independent]	Outside Director	15/16
8	Kiyotaka Ise [New] [Outside] [Independent]	—	—

[New]: New candidate; [Reappointment]: Reappointment candidate; [Outside]: Outside Director candidate;  
[Independent]: Candidate for Independent Director as provided for by the financial instruments exchanges

No.	Name (Date of birth)	Career summary, positions and responsibilities		Number of shares of the Company held
1	Kazushi Shimizu (June 29, 1961)  [Reappointment]	April 1984	Joined Sumitomo Electric Industries, Ltd. (SEI)	10,000
		June 2013	Executive Officer of SEI	
		June 2016	Managing Executive Officer of SEI	
			Audit & Supervisory Board Member of ADVICS CO., LTD.	
		April 2018	Senior Managing Executive Officer of the Company	
		April 2019	President of Automotive Anti-Vibration Business Headquarters of the Company	
		June 2019	Representative Director of the Company (current)	
		June 2019	Executive Vice President of the Company	
		June 2020	President and Chief Executive Officer, Chairperson of Risk Management Committee of the Company (current)	
		June 2021	President of Automotive Business Headquarters of the Company	
	July 2021	Chairperson of CSR Sustainability Committee of the Company (current)		
[Reasons for selection as a candidate for Director] As President and Chief Executive Officer of the Company, Mr. Kazushi Shimizu demonstrated his skills in structural reforms and strengthening of the fundamentals to achieve the Group’s growth. Additionally, serving as the Chairperson of CSR Sustainability Committee, he has led positive promotion activities for SDGs including climate change and initiatives for respect for human rights. The Company believes that his wealth of experience in and deep insight into management and business operations make him a suitable person for the position of Director of the Company.				

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
2	Shinichi Waku (February 27, 1962)  [Reappointment]	<p>April 1985    Joined the Company</p> <p>June 2014    Executive Officer of the Company</p> <p>January 2018    President of Electronics Industries Business Headquarters of the Company</p> <p>June 2019    Managing Executive Officer of the Company</p> <p>April 2020    General Manager of MONOZUKURI Research and Development Laboratories of the Company</p> <p>April 2020    General Manager of Production Function Headquarters of the Company (current)</p> <p>June 2020    Director, Chairperson of Quality Committee, General Manager of Quality Assurance Headquarters of the Company (current)</p> <p>June 2024    Senior Managing Executive Officer of the Company (current)</p> <p>January 2025    General Manager of Information System Headquarters of the Company (current)</p>	15,002
<p>[Reasons for selection as a candidate for Director]</p> <p>Mr. Shinichi Waku has been overseeing the strengthening of the entire Group's production functions and initiatives to achieve carbon neutrality as the General Manager of the Production Function Headquarters. He is also demonstrating his skills in building and improving the quality system of the Company as the General Manager of the Quality Assurance Headquarters. The Company believes that his wealth of experience in and deep insight into management and business operations make him a suitable person for the position of Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
3	Hideo Yamane (November 21, 1961)	<p>April 1984    Joined Sumitomo Electric Industries, Ltd. (SEI)</p> <p>July 2005    President of Sumitomo Electric Finance U.S.A., Inc.</p> <p>June 2016    Director of A.L.M.T. Corp.</p> <p>June 2019    Managing Director of A.L.M.T. Corp.</p> <p>June 2020    Managing Executive Officer of the Company</p> <p>June 2021    General Manager of Accounting and Finance Division of the Company (current)</p> <p>June 2022    Director, Chairperson of Compliance Committee of the Company (current)</p> <p>June 2024    Senior Managing Executive Officer of the Company (current)</p> <p>[Significant concurrent position] President of Sumitomo Riko (Asia Pacific) Ltd.</p>	8,899
	[Reappointment]	<p>[Reasons for selection as a candidate for Director]</p> <p>As the General Manager of Accounting and Finance Division of the Company, Mr. Hideo Yamane has played a leading role in the optimization of financial management throughout the Group globally. Additionally, serving as an officer responsible for Legal, Public Relations and Investor Relations, Human Resources and General Affairs Headquarters, and Corporate Planning, he has played a leading role in establishing a management system capable of effectively responding to management risks in the rapidly changing business environment. The Company believes that his wealth of experience in and deep insight into management and business operations make him a suitable person for the position of Director of the Company.</p>	



No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
4	Hideyoshi Yasuda (March 31, 1962)  [Reappointment]	<p>January 1990    Joined the Company</p> <p>April 2010    President of Tokai Rubber (Jiaxing) Co., Ltd.</p> <p>June 2016    Executive Officer of the Company</p> <p>June 2017    President of Automotive Products Global Sales Headquarters No.1 of the Company</p> <p>June 2019    Managing Executive Officer of the Company</p> <p>June 2020    President of Automotive Products Global Sales Headquarters of the Company</p> <p>June 2022    General Manager of Global Purchasing Headquarters of the Company</p> <p>June 2023    Director, President of Automotive Business Headquarters of the Company (current)</p> <p>June 2024    Senior Managing Executive Officer of the Company (current)</p> <p>October 2024    General Manager of Purchasing Logistics Headquarters of the Company (current)</p> <p>[Significant concurrent position] Chairperson of Sumitomo Riko (China) Co., Ltd.</p>	3,874
<p>[Reasons for selection as a candidate for Director]</p> <p>After serving as the President of a subsidiary in China and President of Automotive Products Global Sales Headquarters, Mr. Hideyoshi Yasuda has contributed to enhancing the Group's performance as the President of Automotive Business Headquarters, and General Manager of Purchasing Logistics Headquarters of the Company. The Company believes that his wealth of experience in and deep insight into management and business operations make him a suitable person for the position of Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
5	Katsuhisa Yano (November 1, 1962)  [Reappointment]	<p>April 1985    Joined the Company</p> <p>March 2014    Executive Officer of the Company</p> <p>June 2017    President of Sumitomo Riko America, Inc. Chairperson of SumiRiko Tennessee, Inc. Chairperson of SumiRiko Ohio, Inc. President of SumiRiko Technical Center America, Inc.</p> <p>June 2017    Managing Executive Officer of the Company (current)</p> <p>June 2021    Vice President of Automotive Business Headquarters, Vice President of Automotive Anti-Vibration Business Headquarters of the Company</p> <p>June 2023    Director, General Manager of Industrial Products Business Headquarters of the Company (current)</p> <p>[Significant concurrent position] Chairperson of SumiRiko Hydraulic Hose (Hefei) Co., Ltd.</p>	4,381
<p>[Reasons for selection as a candidate for Director]</p> <p>As the President of subsidiaries of the Company in the U.S., Mr. Katsuhisa Yano has made a successful track record in structural reforms to improve the constitution of the automotive businesses. Currently, as the General Manager of Industrial Products Business Headquarters, he is spearheading the global expansion and profitability improvement initiatives of the business. The Company believes that his wealth of experience in and deep insight into management and business operations make him a suitable person for the position of Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
6	Masaaki Iritani (January 4, 1950)  [Reappointment] [Outside Director]  [Independent Director]	<p>April 1976 Registered as Attorney (Iritani Law Firm) (current)</p> <p>June 2006 Outside Audit &amp; Supervisory Board Member of the Company</p> <p>April 2008 President of Aichi Bar Association</p> <p>June 2011 Outside Director of the Company (current)</p> <p>July 2016 Chairperson of Aichi Prefectural Public Safety Commission</p> <p>February 2019 Chairperson of Nomination and Remuneration Committee of the Company (current)</p> <p>July 2019 Chairperson of Aichi Prefectural Personnel Commission Office (current)</p> <p>[Significant concurrent positions]</p> <p>President of Iritani Law Firm</p> <p>Chairperson of Aichi Prefectural Personnel Commission Office</p> <p>Outside Director of CHUOSEISAKUSHO, LTD. (Audit &amp; Supervisory Committee Member)</p> <p>Outside Director of AIPHONE CO., LTD.</p> <p>Outside Audit &amp; Supervisory Board Member of Toyo Logistics Co., Ltd.</p>	25,105
<p>[Reasons for selection as a candidate for Outside Director and expected roles]</p> <p>Mr. Masaaki Iritani is a specialist in corporate legal affairs and has served as the President of the Aichi Bar Association and Chairperson of the Aichi Prefectural Personnel Commission Office. He has a distinguished track record encompassing diverse fields. Moreover, with his wealth of experience and deep insight as an attorney, he is expected to facilitate dialogue between Outside Directors, management, and stakeholders including shareholders as a lead Independent Director, and to contribute to ensuring objective and transparent procedures as the Chairperson of the Nomination and Remuneration Committee of the Company. Accordingly, the Company believes that he is a suitable person for the position of Director of the Company. There was or is no risk of conflict of interest arising between Mr. Iritani and general shareholders, and thus the Company intends to continue his appointment as Independent Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
7	<p>Mariko Miyagi (December 19, 1947)</p> <p>[Reappointment] [Outside Director] [Independent Director]</p>	<p>April 1971 Clinical psychologist, Psychiatric Department of Seibo Hospital</p> <p>April 2011 Head of Hosei University Career Center</p> <p>April 2012 Director of the Japanese Society for the Study of Career Education (JSSCE)</p> <p>October 2012 Chairperson of Japanese Association of Industrial Counseling (currently Japanese Association of Career Counseling, JACC)</p> <p>April 2015 Honorary Chairperson of JACC (current)</p> <p>April 2018 President of Career Psychology Research Center (current)</p> <p>June 2018 Outside Director of the Company (current)</p> <p>[Significant concurrent positions] President of Career Psychology Research Center Director of ORIX Miyauchi Foundation Auditor of Ferris Jogakuin Honorary Chairperson of JACC</p>	0
<p>[Reasons for selection as a candidate for Outside Director and expected roles] Ms. Mariko Miyagi previously served as the Head of Hosei University Career Center, and has achieved outstanding results in the field of psychology and career design theory. With her wealth of experience in and deep insight into the practice of clinical psychology, education research, and organizational management, she is expected to contribute to promoting the enhancement of the working environment for employees and diversity management as a Member of CSR Sustainability Committee of the Company. Accordingly, the Company believes that she is a suitable person for the position of Director of the Company. There was or is no risk of conflict of interest arising between Ms. Miyagi and general shareholders, and thus the Company intends to continue her appointment as Independent Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
8	Kiyotaka Ise (March 2, 1955)  [New candidate] [Outside Director] [Independent Director]	<p>April 1980      Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)</p> <p>June 2007      Managing Officer of Toyota Motor Corporation</p> <p>June 2012      President of Lexus International, Toyota Motor Corporation</p> <p>June 2013      Director of Toyota Motor Corporation</p> <p>January 2018   Executive Vice President of Aisin Seiki Co., Ltd. (currently AISIN CORPORATION)</p> <p>June 2018      President of Aisin Seiki Co., Ltd.</p> <p>June 2021      Vice Chairman of the Board of AISIN CORPORATION</p> <p>April 2022      Senior Executive Advisor of AISIN CORPORATION</p>	0
<p>[Reasons for selection as a candidate for Outside Director and expected roles]</p> <p>Mr. Kiyotaka Ise served for many years as an officer and President of listed companies in the automotive industry and has a wealth of achievements in corporate management and business operations in Japan and abroad. He possesses advanced expertise in technology development and manufacturing (MONOZUKURI), as well as deep insight into management strategies from a global perspective. The Company believes that he is a suitable person for the position of Director of the Company, as he is expected to provide valuable advice and recommendations that will contribute to enhancing the corporate value of the Group. There was or is no risk of conflict of interest arising between Mr. Ise and general shareholders, and thus the Company intends to appoint him as Independent Director.</p>			

(Notes)

- 1: Of the candidates for Directors, responsibilities of those who currently serve as Director are described in the Business Report.
- 2: Mr. Masaaki Iritani, Ms. Mariko Miyagi, and Mr. Kiyotaka Ise, who are candidates for Directors, are candidates for Outside Directors.
- 3: Mr. Masaaki Iritani, a candidate for Outside Director, is the President of Iritani Law Firm, but there are no special interests between him and the Company.
- 4: Ms. Mariko Miyagi, a candidate for Outside Director, is the President of Career Psychology Research Center, but there are no special interests between her and the Company.
- 5: Mr. Masaaki Iritani, a candidate for Outside Director, will have served as an Outside Director of the Company for fourteen (14) years at the conclusion of this General Meeting of Shareholders.
- 6: Ms. Mariko Miyagi, a candidate for Outside Director, will have served as an Outside Director of the Company for seven (7) years at the conclusion of this General Meeting of Shareholders.
- 7: The Company has entered into an agreement with each of the candidates for Outside Director, namely, Mr. Masaaki Iritani and Ms. Mariko Miyagi, to limit their liability to the minimum amount of liability pursuant to Article 427, Paragraph 1 of the Companies Act.
- 8: The Company intends to enter into an agreement with Mr. Kiyotaka Ise, a candidate for Outside Director, to limit his liability to the minimum amount of liability pursuant to Article 427, Paragraph 1 of the Companies Act.
- 9: To be considered independent, Outside Directors of the Company must satisfy the independence standards prescribed by the financial instruments exchanges. In addition, Outside Directors are required to have a wealth of experience and knowledge and profound insight concerning corporate management and/or a specialized field such as legal affairs and accounting so that they can vigorously offer constructive recommendations and proposals about the Company's management issues.
- 10: The Company has concluded a directors and officers liability insurance contract with an insurance company that insures all Directors. The insurance covers damages caused as a result of the insured Directors assuming liability regarding the execution of their duties or receiving claims pertaining to such liability. However, there are certain exemptions; for example, any damage caused by intent or gross negligence shall not be covered. If the candidates are appointed as Directors, each of them will be insured under the insurance contract, which is to be renewed during their terms of office.
- 11: SumiRiko Hydraulic Hose (Hefei) Co., Ltd., where Mr. Katsuhisa Yano, a candidate for Director, has a significant concurrent position, changed its trade name from TRFH Co., Ltd. on April 9, 2025.

[Reference] Skills Matrix of the Company's Board of Directors (from June 19, 2025)

This matrix lists items of expertise and skills for each Director and Audit & Supervisory Board Member based on the management strategy, plans, etc. of the Company. This is not a complete list of skills and professional insights that Directors and Audit & Supervisory Board Members have.

Position	Name	Expertise and Experience					
		Management	Technology development	Manufacturing/ MONOZUKURI	Finance/ Accounting	Legal/ Risk management	Human resources/ Diversity & Inclusion
Representative Director, President and Chief Executive Officer	Kazushi Shimizu	✓	✓				✓
Director, Senior Managing Executive Officer	Shinichi Waku	✓	✓	✓			
Director, Senior Managing Executive Officer	Hideo Yamane	✓			✓	✓	✓
Director, Senior Managing Executive Officer	Hideyoshi Yasuda	✓		✓			✓
Director, Managing Executive Officer	Katsuhisa Yano	✓	✓	✓			
Outside Director	Masaaki Iritani	✓				✓	
Outside Director	Mariko Miyagi	✓					✓
Outside Director	Kiyotaka Ise	✓	✓	✓			
Audit & Supervisory Board Member (full-time)	Hirohisa Maeda	✓			✓	✓	
Audit & Supervisory Board Member (full-time)	Takanobu Nanno	✓	✓	✓			
Audit & Supervisory Board Member (outside)	Hakaru Hyakushima	✓			✓	✓	
Audit & Supervisory Board Member (outside)	Tatsuko Koike	✓				✓	✓
Audit & Supervisory Board Member (outside)	Reiko Matsuda	✓			✓		✓

(Note): "Manufacturing/MONOZUKURI" includes expertise in environmental sustainability, including areas such as environmental conservation and climate change response.

**Third Item:**      Revision of the Remuneration Limit for Directors

At the Ordinary General Meeting of Shareholders held on June 25, 2007, the limit of remuneration for Directors of the Company was approved to be 350 million yen per fiscal year in total, and it has remained the same to date.

In the years following the previous revision of the remuneration limit, the Company's business results have grown steadily, achieving sustainable corporate growth, while the roles and responsibilities expected of Directors have become more significant due to changes in the economic conditions and management environment, as well as enhanced corporate governance.

In addition, from the perspective of stably securing appropriate human resources and expanding them in an agile and flexible manner as circumstances require, the Company proposes to revise the limit of remuneration for Directors to a total amount not exceeding 400 million yen per fiscal year, of which the portion for Outside Directors shall not exceed 80 million yen per fiscal year.

Please note that, as before, bonuses are not included in said amount of remuneration for Directors.

As of the date of this proposal, the Company has eight (8) Directors, including three (3) Outside Directors. If the Second Item is approved and adopted as originally proposed, the number of Directors to be paid the remuneration under this proposal will remain eight (8), including three (3) Outside Directors.

**Fourth Item:** Revision of the Remuneration Limit for Audit & Supervisory Board Members

At the Ordinary General Meeting of Shareholders held on June 23, 2008, the limit of remuneration for Audit & Supervisory Board Members of the Company was approved to be 100 million yen per fiscal year in total, and it has remained the same to date.

In the years following the previous revision of the remuneration limit, the Company's business results have grown steadily, achieving sustainable corporate growth, while the roles and responsibilities expected of Audit & Supervisory Board Members have become more significant due to changes in the economic conditions and management environment, as well as enhanced corporate governance.

In addition, from the perspective of stably securing appropriate human resources and expanding them in an agile and flexible manner as circumstances require, the Company proposes to revise the limit of remuneration for Audit & Supervisory Board Members to a total amount not exceeding 150 million yen per fiscal year.

As of the date of this proposal, the Company has five (5) Audit & Supervisory Board Members, including three (3) Outside Audit & Supervisory Board Members.



**Fifth Item:**      Payment of Bonuses to Directors

Taking into consideration the business results for this fiscal year, and in accordance with the recommendation by the Nomination and Remuneration Committee, which is an advisory body to the Board of Directors, the Company proposes to pay bonuses not exceeding 145 million yen to five (5) Directors out of eight (8) Directors, excluding the three (3) Outside Directors, at the end of this fiscal year. The Board of Directors determines the policy on the remuneration of the individual directors and other matters and the outline is stated in the Business Report. This proposal is judged to be appropriate as it is in line with the said policy.