

[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of the original Japanese text of the Notice of the 106th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the original Japanese, the latter shall prevail.

Securities Code: 8801

June 6, 2018

To the Shareholders of Mitsui Fudosan Co., Ltd.

Masanobu Komoda  
President and Chief Executive Officer  
**Mitsui Fudosan Co., Ltd.**  
1-1, Nihonbashi Muromachi 2-chome  
Chuo-ku, Tokyo, 103-0022, Japan

## Notice of the 106th Ordinary General Shareholders' Meeting

You are cordially invited to attend the 106th Ordinary General Shareholders' Meeting of Mitsui Fudosan Co., Ltd. (hereinafter referred to as the "Meeting"). Details of the Meeting are given below.

**Even if you are unable to attend the Meeting, you can exercise your voting rights in writing or via the Internet as provided below. Please take the time to review the attached Reference Materials for the Meeting and exercise your voting rights by no later than 5:30 p.m. on Wednesday, June 27, 2018 (Tokyo Time).**

### Exercise of voting rights

1. Exercise of voting rights by attending the Meeting

For those planning to attend the Meeting in person, please bring this Notice and the Reference Materials for the Meeting with you and submit the attached Exercise of Voting Rights form at the reception desk upon your arrival.

Date and Time Thursday, June 28, 2018, at 10:00 a.m.

2. Exercise of voting rights in writing

When you desire to exercise your voting right in writing, please indicate your approval or disapproval of each proposed item on the attached Exercise of Voting Rights form, and return the form to the Company.

Deadline for exercising voting rights

No later than 5:30 p.m. on Wednesday, June 27, 2018 (Tokyo Time)

3. Exercise of voting rights via the Internet, etc.

When you desire to exercise your voting right via the Internet, etc., please visit the website for exercising voting rights (<https://www.web54.net>) designated by the Company, enter the "code for exercising voting rights" and the "password" both shown on the right hand side of the attached

Exercise of Voting Rights form, and indicate your vote by following the instructions on the screen.

Deadline for exercising voting rights

No later than 5:30 p.m. on Wednesday, June 27, 2018 (Tokyo Time)

## <PARTICULARS>

### 1. DATE AND TIME

Thursday, June 28, 2018, at 10:00 a.m.

### 2. PLACE

Peacock Room,  
2nd Floor, Main Building  
Imperial Hotel, Tokyo

1-1, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo

Please note that the venue is different from the venue used in the previous year.

### 3. AGENDA

#### Matters for Reporting:

1. The Business Report and report on the Consolidated Financial Statements for the 106th Fiscal Year (from April 1, 2017 to March 31, 2018), as well as the results of audits of the Consolidated Financial Statements conducted by the independent auditors and the Board of Corporate Auditors
2. Report on the Non-Consolidated Financial Statements for the 106th Fiscal Year (from April 1, 2017 to March 31, 2018)

#### Matters for Resolution:

**Item 1:** Distribution of Retained Earnings

**Item 2:** Payment of Bonuses to Managing Directors

**Item 3:** Revision of Amount of Compensation for Managing Directors and Corporate Auditors

\*If you intend to exercise your voting right by proxy, you may delegate the exercise of your voting right to another shareholder holding voting rights in the Company in accordance with Article 15 of the Company's Articles of Incorporation. In such case, your proxy is requested to submit a document certifying his/her appointment as proxy.

\*Please note that, in accordance with the provisions of laws and regulations and Article 18 of the Company's Articles of Incorporation, the following items are not listed in the attachments but are instead disclosed on the Company's website. Therefore, the Business Report listed in the attachments is only a part of the Business Report which corporate auditors audited in preparing audit reports, while the Consolidated Financial Statements and the Non-Consolidated Financial Statements listed in the attachments are only parts of the Consolidated Financial Statements and the Non-Consolidated Financial Statements which corporate auditors audited in preparing audit reports and which the independent auditors audited in preparing the financial audit report.

- (1) "Matters Concerning the Company's Stock Acquisition Rights" of the Business Report
- (2) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
- (3) "Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements

\*Any changes to the attached Reference Materials for the Meeting, the Business Report, or the Consolidated and Non-Consolidated Financial Statements will be posted on the Company's website.

[Company's website](#)

<http://www.mitsuifudosan.co.jp/corporate/ir/shareholder/meeting/index.html>

## REFERENCE MATERIALS FOR THE MEETING

### MATTERS TO BE RESOLVED AND MATTERS FOR REFERENCE

#### Item 1: Distribution of Retained Earnings

The Company reinvests earnings to increase shareholder value over the medium to long term and likewise returns profits to shareholders based on comprehensive consideration of factors such as the business environment and its performance and finances. In order to strengthen shareholder returns, the Company strives to undertake the stable payment of dividends while also flexibly repurchasing its own shares in a bid to enhance capital efficiency. The Company has identified a total shareholder return ratio\* of around 35% of profit attributable to owners of parent.

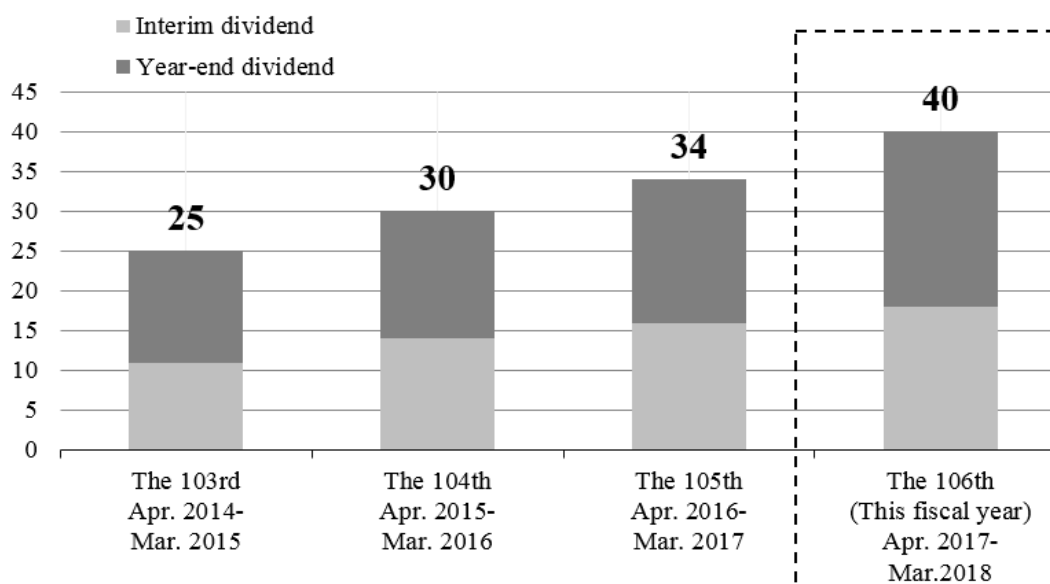
After comprehensive consideration of its business results for this fiscal year and the aforementioned shareholder returns policy, the Company plans to increase total annual cash dividends by ¥6 per share from the previous fiscal year to ¥40 per share (including the interim dividend of ¥18 per share already paid). As set forth below, the year-end cash dividend for this fiscal year will be ¥22 per share.

#### Matters Related to Year-End Dividend

- (1) Asset type of dividend: Cash
- (2) Matters concerning the year-end allotment of assets to shareholders and the aggregate amount thereof:  
¥22 per share of common stock, for a total payment of ¥21,740,995,716  
Since the interim dividend of ¥18 per share was already paid in December 2017, total annual cash dividends will be ¥40 per share.
- (3) Effective date for distribution of retained earnings: June 29, 2018

\* Total shareholder return ratio = (Total cash dividends + Total amount of repurchases of the shares of the Company) / Profit attributable to owners of parent

<Reference 1> Cash dividends per share (yen) for the fiscal year



<Reference 2> Notice Concerning Share Repurchases (Announced on May 11, 2018)

With the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved at a Board of Directors meeting held on May 11, 2018 to repurchase up to 7.5 million common shares of the Company for a maximum consideration of ¥15 billion as the total cost of repurchase using the method of market purchases on the Tokyo Stock Exchange during the period from May 14, 2018 to March 31, 2019.

## Item 2: Payment of Bonuses to Managing Directors

In light of its performance in the fiscal year ended March 31, 2018, etc., the Company proposes paying bonuses to its eight (8) managing directors (excluding outside directors) serving as of March 31, 2018, in the total amount of ¥386,600,000.

(Note) 1. The total amount of bonuses paid to the eight (8) managing directors, which was approved at the 105th Ordinary General Shareholders' Meeting, was ¥340,000,000.

<Reference> Policy and procedures for determining the amount of managing directors' compensation by the Board of Directors

Managing directors' compensation consists of basic compensation\* in an amount within the scope set and approved by resolution of the 95th Ordinary General Shareholders' Meeting, bonuses paid as short-term incentives that comprehensively take into consideration such things as business results achieved in each fiscal year which must be approved by resolution at the Ordinary General Shareholders' Meeting, and stock options paid as medium-term incentives in an amount within the scope set and approved by resolution of the 95th Ordinary General Shareholders' Meeting. Compensation paid to managing directors (outside directors) is solely basic compensation.

In addition, the Company has established the Compensation Advisory Committee, which the Board of Directors consults on managing directors' compensation prior to decisions made at the Board of Directors. Moreover, the directors' retirement bonus program was abolished at the time of conclusion of the 95th Ordinary General Shareholders' Meeting.

\* "Revision of Amount of Compensation for Managing Directors and Corporate Auditors" is proposed under Item 3.

### **Item 3: Revision of Amount of Compensation for Managing Directors and Corporate Auditors**

Based on the approval by resolution at the 95th Ordinary General Shareholders' Meeting held on June 28, 2007 with regard to the compensation of the Company's managing directors and corporate auditors, the amount of basic compensation to be paid to managing directors and corporate auditors has been set as up to ¥60 million per month and up to ¥13 million per month, respectively. Taking into consideration changes in economic conditions thereafter, the Company's strong financial results, future plans to expand businesses and secure the mobility of management based on the Mitsui Fudosan Group's long-term vision "VISION 2025" revealed in May 2018, and other various circumstances, the Company will revise the amount of basic compensation to be paid to managing directors and corporate auditors to up to ¥90 million per month (including basic compensation up to ¥10 million to be paid to outside directors) and up to ¥20 million per month, respectively.

The aforementioned maximum aggregate amounts of basic compensation were calculated in consideration of various factors, including, for managing directors other than outside directors, having the compensation standard competitive enough to retain and ensure outstanding management talent, and, for outside directors, their increasing roles to perform for the purpose of strengthening corporate governance, including their activities at the Compensation Advisory Committee as well as the Nomination Advisory Committee. Meanwhile, the aforementioned maximum aggregate amount of basic compensation for corporate auditors was calculated in consideration of factors such as the expansion of their roles for the purpose of strengthening corporate governance.

The number of incumbent managing directors is twelve (12) (including four (4) outside directors), while the number of incumbent corporate auditors is five (5) (including three (3) outside auditors).

#### Notes:

1. The aforementioned maximum aggregate amount of basic compensation for managing directors shall, as in the past, include neither bonuses for managing directors, whose specific amount is subject to approval at the Shareholders' Meeting on each occasion of payment, nor the stock options as stock-based compensation not exceeding the maximum aggregate amount (¥200 million per year) and number (100,000 per year) to be granted, as approved at the 95th Ordinary General Shareholders' Meeting held on June 28, 2007.
2. Following consultation with the Compensation Advisory Committee, the Board of Directors of the Company has decided to submit for resolution at the Shareholders' Meeting the aforementioned revision of the maximum aggregate amount of compensation for managing directors.

## 1. Overview of the Corporate Group

### (1) Financial Position and Results of Operations

Classification		103rd Fiscal Year FY2014	104th Fiscal Year FY2015	105th Fiscal Year FY2016	106th Fiscal Year (This fiscal year) FY2017
Revenue from operations	(¥ billions)	1,529.0	1,567.9	1,704.4	1,751.1
Operating income	(¥ billions)	186.0	202.4	232.6	245.9
Ordinary income	(¥ billions)	163.3	182.5	219.6	240.3
Profit attributable to owners of parent	(¥ billions)	100.1	117.7	131.8	155.8
Earnings per share	(yen)	103.89	119.14	133.40	157.75
Total assets	(¥ billions)	5,077.1	5,374.2	5,570.7	6,301.2
Net assets	(¥ billions)	1,932.0	1,989.0	2,056.9	2,287.7
Net assets per share	(yen)	1,894.35	1,945.41	2,008.47	2,231.15

### (2) Significant Subsidiaries

Company name	Capital	The Company's ownership ratio	Principal businesses
Mitsui Fudosan Residential Co., Ltd.	¥40.0 billion	100.00%	Development, property sales, leasing and commissioned sales of housing, etc.
Mitsui Fudosan Realty Co., Ltd.	¥20.0 billion	100.00%	Brokerage and consulting for real estates, car park leasing
Mitsui Home Co., Ltd.	¥13.9 billion	56.27%	Housing construction using 2x4 (two by four) method
Mitsui Fudosan America, Inc.	US\$722,000	100.00%	Supervision and promotion of business operations in the U.S.

Note: MFA Holding, Inc., a wholly-owned subsidiary of the Company, owns as a holding company 100% of the shares in Mitsui Fudosan America, Inc.

### (3) Principal Business Offices

#### i) The Company

Head office: 1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo

Kansai Head Office (Osaka City)

Hokkaido Branch (Sapporo City)

Tohoku Branch (Sendai City)

Chiba Branch (Chiba City)

Yokohama Branch (Yokohama City)

Chubu Branch (Nagoya City)

Kyoto Branch (Kyoto City)

Chugoku Branch (Hiroshima City)

Kyushu Branch (Fukuoka City)

ii) Subsidiaries

- Mitsui Fudosan Residential Co., Ltd., Head office (Chuo-ku, Tokyo)
- Mitsui Fudosan Realty Co., Ltd., Head office (Chiyoda-ku, Tokyo)
- Mitsui Home Co., Ltd., Head office (Shinjuku-ku, Tokyo)
- Mitsui Fudosan America, Inc., Head office (the U.S.)

(4) Employees

Number of employees	Change from the end of the previous fiscal year
18,625	+ 912

Note: The above number of employees refers to the number of full-time employees of the Company.

(5) Principal Lenders

Lenders	Outstanding borrowings
Sumitomo Mitsui Banking Corporation	¥141.6 billion
Mizuho Bank, Ltd.	¥123.0 billion
Sumitomo Mitsui Trust Bank, Limited	¥108.7 billion
Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥103.6 billion

Note: On April 1, 2018, Bank of Tokyo-Mitsubishi UFJ, Ltd. changed its name to MUFG Bank, Ltd.

## 2. Matters Concerning the Company's Stock

(1) Major Shareholders

Shareholders	Ownership of shares of the Company	
	Number of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	83,093	8.41
Japan Trustee Services Bank, Ltd. (Trust account)	70,777	7.16
State Street Bank West Client-Treaty 505234	20,143	2.04
Japan Trustee Services Bank, Ltd. (Trust account 5)	18,820	1.90
State Street Bank and Trust Company 505223	18,326	1.85
State Street Bank-West Pension Fund Clients-Exempt 505233	17,397	1.76
State Street Bank and Trust Company	16,749	1.69
JP MORGAN CHASE BANK 385628	15,131	1.53
JP MORGAN CHASE BANK 385632	15,110	1.53
Sumitomo Mitsui Banking Corporation	14,837	1.50

Note: The shareholding ratio is calculated excluding treasury stock.

(2) Other significant matters concerning the Company's stock

With the aim of enhancing returns to shareholders through more flexible repurchases of its own shares, the Company resolved at a Board of Directors meeting held on May 11, 2018 to repurchase up to 7.5 million common shares of the Company for a maximum consideration of ¥15 billion as the total cost of repurchase using the method of market purchases on the Tokyo Stock Exchange during the period from May 14, 2018 to March 31, 2019.



### 3. Matters Concerning Managing Directors and Corporate Auditors

(1) Names, Positions, Responsibilities and Major Concurrent Positions of Managing Directors and Corporate Auditors

Name	Position	Responsibilities in the Company and Major Concurrent Positions, etc.
Hiromichi Iwasa	Chairman of the Board and Chief Executive Officer (Representative)	Outside Director, TV TOKYO Holdings Corporation
Masanobu Komoda	President and Chief Executive Officer (Representative)	
Yoshikazu Kitahara	Managing Director (Representative)	Architectural and Construction Services Dept., Solution Partner Division, Office Building Division, Venture Co-creation Dept., Hibiya Urban Planning and Development Dept., Overall Managing of Nihonbashi Urban Planning and Development Dept., Tokyo Midtown Development Dept., Toyosu Project Development Planning Dept., Kashiwanoha Urban Planning and Development Dept., Development Planning Dept., Gotanda Project Dept.
Kiyotaka Fujibayashi	Managing Director	Homes and Lifestyle Promotion Division, Housing Sales Business and Rental Housing Business, President and Representative Director, Mitsui Fudosan Residential Co., Ltd.
Yasuo Onozawa	Managing Director	Executive Secretarial Dept., Corporate Communication Dept., Personnel Dept., Space & Environment Institute, Affiliated Business Dept., Overall Kansai Head Office / Branch Managing Outside Director, Imperial Hotel, Ltd.
Masatoshi Sato	Managing Director	General Administration Dept., Accounting and Finance Dept., Planning and Research Dept., IT Innovation Dept.
Hiroyuki Ishigami	Managing Director	Retail Properties Division, Hotels and Resorts Division, Logistics Properties Business Division
Takashi Yamamoto	Managing Director	International Division
Toru Yamashita	Managing Director (outside director)	Counselor, NTT DATA Corporation Outside Director, Eisai, Co., Ltd.
Toshiaki Egashira	Managing Director (outside director)	Senior Advisor, Mitsui Sumitomo Insurance Co., Ltd.
Masako Egawa	Managing Director (outside director)	Professor, Graduate School of Commerce and Management, Hitotsubashi University Outside Director, Asahi Glass Co., Ltd. Outside Director, Tokio Marine Holdings, Inc.
Masafumi Nogimori	Managing Director (outside director)	Outside Director, Daicel Corporation Outside Director, Linical Co., Ltd.
Hiroshi Asai	Senior Corporate Auditor (full time)	
Kenji Iino	Senior Corporate Auditor (full time)	Corporate Auditor (outside auditor), Imperial Hotel, Ltd.
Yoshitaka Kato	Corporate Auditor (outside auditor)	Certified Public Accountant Corporate Auditor (outside auditor), Sumitomo Chemical Company, Limited Corporate Auditor (outside auditor), SUMITOMO CORPORATION
Yasushi Manago	Corporate Auditor (outside auditor)	Lawyer, Of Counsel, Nishimura & Asahi LPC Outside Director, Nippon Television Holdings, Inc.
Yukimi Ozeki	Corporate Auditor (outside auditor)	Professor, Seikei University Law School

Notes:

1. Managing Directors Toru Yamashita, Toshiaki Egashira, Masako Egawa, and Masafumi Nogimori are

- managing directors (outside directors) as prescribed under item 15 of Article 2 of the Companies Act.
2. Corporate Auditors Yoshitaka Kato, Yasushi Manago, and Yukimi Ozeki are corporate auditors (outside auditors) as prescribed under item 16 of Article 2 of the Companies Act.
  3. The Company has registered Toru Yamashita, Toshiaki Egashira, Masako Egawa, Masafumi Nogimori, Yoshitaka Kato, Yasushi Manago and Yukimi Ozeki as independent officers with the Tokyo Stock Exchange.
  4. Senior Corporate Auditor (full time) Hiroshi Asai has experience in Accounting and Finance Department of the Company and possesses considerable knowledge in finance and accounting.
  5. Corporate Auditor Yoshitaka Kato is a certified public accountant and possesses considerable knowledge in finance and accounting.
  6. Corporate Auditor Yasushi Manago has experiences at the Ministry of Finance and possesses considerable knowledge in finance and accounting.
  7. The Company has no significant business relations with any of the companies in which the managing directors and corporate auditors hold concurrent positions.
  8. Effective on June 28, 2017, Mr. Onozawa assumed the position of Outside Director of Imperial Hotel, Ltd.
  9. Effective on April 1, 2018, the Graduate School of Commerce and Management at Hitotsubashi University where Masako Egawa holds a concurrent position was consolidated with the Graduate School of International Corporate Strategy and renamed as the Graduate School of Business Administration.

(2) Remuneration Paid to Managing Directors and Corporate Auditors

Category	Number of persons paid	Amount (¥ millions)
Managing Directors	14	1,003
Corporate Auditors	5	128

Notes:

1. The above remuneration includes bonuses to managing directors of ¥386 million, subject to the resolution of the 106th Ordinary General Shareholders' Meeting, and remuneration in stock options of ¥70 million granted to managing directors for this fiscal year.
2. Of the above remuneration, the total amount paid to eight (8) outside officers (comprising five (5) managing directors (outside directors) and three (3) corporate auditors (outside auditors)) is ¥87 million.
3. The above number of persons paid and remuneration include two (2) managing directors (including one (1) outside director) who retired at the time of conclusion of the 105th Ordinary General Shareholders' Meeting held on June 29, 2017.

(3) Matters Concerning Outside Officers

Major activities during the fiscal year ended March 31, 2018

Name	Category	Major activities
Toru Yamashita	Managing Director (outside director)	He attended 12 out of 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience.
Toshiaki Egashira	Managing Director (outside director)	He attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience.
Masako Egawa	Managing Director (outside director)	She attended all 13 Board of Directors meetings held in this fiscal year and provided various recommendations on matters for resolution and other issues based on her knowledge and experience.
Masafumi Nogimori	Managing Director (outside director)	He attended all 10 Board of Directors meetings during his term of office in this fiscal year and provided various recommendations on matters for resolution and other issues based on his knowledge and experience.
Yoshitaka Kato	Corporate Auditor (outside auditor)	He attended 12 out of 13 Board of Directors meetings and 12 out of 13 Board of Corporate Auditors meetings held in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on his knowledge and experience.
Yasushi Manago	Corporate Auditor (outside auditor)	He attended all 13 Board of Directors meetings and 12 out of 13 Board of Corporate Auditors meetings held in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on his knowledge and experience.
Yukimi Ozeki	Corporate Auditor (outside auditor)	She attended all 13 Board of Directors meetings and all 13 Board of Corporate Auditors meetings in this fiscal year and stated various opinions on matters for resolution and other issues as necessary based on her knowledge and experience.

(4) Outline of liability limitation agreement

Pursuant to provisions under Article 427-1 of the Companies Act, the Company has concluded an agreement with each of outside officers limiting their liability under Article 423-1 of the Companies Act to the aggregate of the amounts provided under each item of Article 425-1 of the Companies Act.

#### 4. Independent Auditors

(1) Name of the Independent Auditors

KPMG AZSA LLC

(2) Amount of Compensation, etc.

i)	The amount of compensation, etc. for the independent auditors for this fiscal year	¥152 million
ii)	Total amount of money and other property benefit to be paid by the Company and its subsidiaries	¥508 million

Notes:

1. Under the audit agreement between the Company and the independent auditors, the amount of compensation, etc. for audits based on the Companies Act and that for audits based on the Financial Instruments and Exchange Act are not clearly distinguished, and cannot be substantially distinguished. Therefore, the combined amount of compensation, etc. for these audits is stated herein as the amount of compensation, etc. for the independent auditors for this fiscal year.
2. MFA Holding, Inc., which owns 100% of the shares in Mitsui Fudosan America, Inc., one of the Company's significant subsidiaries, is audited by a person other than the Company's independent auditors with qualification equivalent to the certified public accountant or audit firm in foreign countries.
3. The Board of Corporate Auditors verified the appropriateness of the audit performance, in line with the audit plan and actual performance in the previous fiscal year, and closely examined the audit plan details including audit hours and staff arrangements for this fiscal year, which was explained by the independent auditors, and the estimate underlying the compensation.  
As a result of such procedures, the Board gave consent under Article 399-1 of the Companies Act on the compensation, etc. for the independent auditors.

(3) Non-audit Services

The Company entrusts the independent auditors with preparing comfort letters, other than the services prescribed under Article 2-1 of the Certified Public Accountants Act.

(4) Policy for Determining Dismissal or Non-reappointment of the Independent Auditors

The Board of Corporate Auditors shall deliberate on the dismissal or non-reappointment of the independent auditors not only in the case of dismissal or non-reappointment due to company circumstances, but also in cases where there is a serious interference with the auditing services for the Company, including the case where such independent auditors are deemed to fall under any item provided for in each Item of Article 340-1 of the Companies Act, and the case where the independent auditors receive an audit business suspension order from the supervisory authorities.

If the Board of Corporate Auditors, as a result of such deliberation, decides that dismissal or non-reappointment of the independent auditors is reasonable, the Board of Corporate Auditors shall either dismiss the independent auditors based on the consent of all corporate auditors, or decide details of a proposal regarding dismissal or non-reappointment of the independent auditors, and, based on such decision, the Board of Directors shall submit the proposal to the Shareholders' Meeting.

## **5. Basic Policy on Control of the Company**

In order to realize the Mitsui Fudosan Group's long-term vision released in May 2018, "VISION 2025," the Company will carry out "customer-centered management," "business innovation" and "full implementation of Group management" as its basic strategies, with the view of pursuing further improvement of corporate value through continuous profit growth.

At the same time, in the event of any large-scale acquisition of the Company's shares, the Company is clearly aware of the necessity to adopt appropriate measures against a particular type of acquisition that does not contribute to the Company's corporate value and the shareholders' common interests.

The Company has not established particular takeover defense measures or similar matters; however, should any acquisition attempt that does not contribute to the Company's corporate value and the shareholders' common interests take place, the Company would stand ready to carefully investigate the matter and respond appropriately, while taking social circumstances into consideration.

The above report is presented in the following manner.

- (1) Amounts in hundred millions of yen, millions of yen and thousands of U.S. dollars are rounded down to the nearest unit, respectively.
- (2) The number of shares indicated in the thousands is rounded down to the nearest thousand shares.
- (3) Unless otherwise stated, the information from section 1. (2) "Significant Subsidiaries" is current as of March 31, 2018.