

Press Release

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**Renewal of Countermeasures in response to
a Large-Scale Purchase of Shares of the Company (Takeover Defense)**

I Outline of the Plan

The details of the renewal of countermeasures in response to a Large-Scale Purchase of Shares of the Company's share certificates, etc.,¹ (takeover defense) (the Plan, reference is made to the definitions specified in Paragraph 3 below) are very long due to the fact that it is prepared in consideration of various foreseeable conditions and the relevant laws and ordinances. Accordingly, first of all, the outline of the Plan is stated below as the meaning of the Plan is summarized. However, the context of this paragraph is only an outline of the Plan, we would like to ask you review the description in the paragraph II. "Purpose of the Renewal of the Plan" below.

The renewal of the Plan is subject to approval of the 2nd proposal "A Partial Amendment of the Articles of Incorporation of the Company (the term of the office of Directors to be amended to one (1) year from two (2) years) to be submitted to the 35th Ordinary General Meeting of Shareholders of the Company (hereafter "this Ordinary General Meeting of Shareholders").

1. Purport of the Renewal of the Plan

- (1) At present, there has been no fact that the Company has received any notification or proposal that any specified party will conduct the Large-Scale Purchase against the Company. However, any unexpected event would always exist, and it would be unable for us to completely negate a situation where the corporate value and common interests of shareholders of the Company might be impaired.
- (2) The Company group holds affluent contents assets and activates popular titles as business resources in a variety fields such as movies, televisions, anime, publishing, toys, and beverages and foods.
- (3) On the other hand, the brand value of popular titles has not yet been established in terms of evaluation method of asset value in the current accounting system so that it has not yet been stated in the balance sheet of the Company. Accordingly, the appropriate corporate value of the Company group has not been reflected in the balance sheet.
- (4) If the contents assets were evaluated appropriately, the corporate value would increase. No body could declare that the Company would never be subject to any hostile M&A.
- (5) Depending upon a Large-Scale Purchaser a large number of employees of the Company might be concerned about corporate attitude of the Company and change in the development tactics of the Company so that they might be envisaged with unsafe and cautious feeling resulting in affecting negative influence on employees' motivation, which might induce superior development group to resist and sever from the Company. This would jeopardize to weaken the

¹ The term "share certificates, etc." refers to "share certificates, etc." as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act; hereinafter the same.

development group which is the core source of the management resource of the Company. As a result, the core-competence of the Company (the core competitiveness) would be weakened and the corporate value of the Company might be degraded.

- (6) In addition, due to the amendment (Revision in 2006 of the Old Securities and Exchange Law) of the Financial Instruments and Exchange Act (amendments on takeover bid system and the reporting system of holding a large amount of shares), in case that a takeover bid without obtaining prior consent from the management of a targeted company is suddenly carried out, an abusive M&A is regulated to a certain extent by revised and materialized disclosure through the submission of a takeover bid statement and granting a targeted company a right to question against the takeover bidder. Despite the amendment, provision of information by a takeover bidder and securing a period for investigating information before the commencement of a takeover bid are not legally secured and purchases of shares in the market could not be legally limited so that the amendment might not necessarily effectively be operated against a hostile M&A.
- (7) With all of the above, it is necessary and effective to have the Plan in order to exclude any hostile purchaser which would not facilitate the corporate value of the Company Group and subsequent common interests of the shareholders of the Company as much as practicable. Since the Plan would secure a period to be provided with necessary information and investigating the same and would provide with countermeasures in advance in an unexpected event, we believe that it facilitates the retention and increase in the corporate value of the Company group and common interests of shareholders of the Company.

2. Main Flow of the Plan

- (1) A large-scale purchaser (a purchaser who conducts to purchase shares of the Company resulting in holding 20% or more of the voting rights) is required to submit the Statement of Intention to the Company before a large-scale purchase conduct.
- (2) The Company will deliver a list of information required for the formulation of opinions of shareholders and the Board of Directors of the Company (the "Information") to the large-scale purchaser within ten business days following the receipt of the Statement of Intention.
- (3) The large-scale purchaser is required to submit a response statement of the Information in the list.
- (4) The Company shall evaluate and investigate within 60 days (90 days in the case of the consideration being other than cash only) following the receipt of the Statement of Intention and the response statement for the list of Information.
- (5) The independent committee shall make recommendation whether or not the Large-scale Share Purchase Countermeasures to be triggered after it evaluates and investigates the Large-scale Share Purchase Conduct.
- (6) The Board of Directors of the Company shall resolve upon whether or not the Large-scale Share Purchase Countermeasures to be triggered following it evaluates and investigates the Statement of Intention and the response statement on the list of Information after full respect of the independent committee's recommendation.

3. History on introduction of the Plan

At the 29th Annual Shareholders' Meeting held on June 19, 2008, the measures in response to a large-scale purchase of the Company's share certificates, etc., (the "Former Plan") was approved. The necessary modification and renewal of the Former Plan was approved at the 31st Annual Shareholders' Meeting held on June 18, 2010 (the "Current Plan"). Furthermore, the Current Plan was renewed with shareholders approval at the 33rd Ordinary General Meeting of Shareholders held on June 15, 2012. The term of the Current Plan will expire at the closing of this Ordinary General Meeting of Shareholders to be held on June 16, 2014.

We would like to inform you that in connection with the expiration of the term of the Current Plan, the Company adopted a resolution at the meeting of the Board of Directors held on May 16, 2014 that the Plan will be renewed (the “Plan”) subject to approval of shareholders present representing a majority of the voting rights at this Ordinary General Meeting of Shareholders.

The renewal of the Plan was decided by obtaining approval of all Directors present at the meeting of the Board of Directors. Also, all of the Corporate Auditors present opined that they agreed with the Plan on condition that the operation of the Plan will be appropriately conducted.

The details of the Plan are as follows

II Purpose of the Renewal of the Plan

1. Purpose of the Plan

The purpose of the Plan is to appropriately respond to a purchase of the Company’s share certificates, etc. aimed at increasing the holding ratio of voting rights of a specific group of shareholders to 20% or more, or a purchase of the Company’s share certificates, etc. which would result in a specific group of shareholders’ holding ratio of voting rights being 20% or more (irrespective of the specific method of purchase, such as purchase on an exchange-established securities market, tender offer, or others, but excluding those given consent to in advance by the Board of Directors of the Company; hereinafter, such purchase activity shall be referred to as the “Large-scale Share Purchase” and the party engaging in the Large-scale Share Purchase the “Large-scale Share Purchaser”) in order to secure or enhance the corporate value of the Company group and the common interests of the shareholders where the Large-scale Share Purchase has a material impact on the Company group’s corporate value.

A specific group of shareholders shall mean (i) the holders² of the Company’s share certificates, etc. and their joint holders,³ or (ii) a party engaging in purchase, etc.⁴ of the Company’s share certificates, etc., or a party having a special relationship⁵ with such party. In addition, the holding ratio of voting rights means the holding ratio of share certificates, etc.⁶ of such holder if the specific group of shareholders falls under (i) above, and holding rate of the share certificates, etc. of

² The term “holder” refers to “holder” as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act, and includes a person who is included as a holder pursuant to Paragraph 3 of the same article; hereinafter the same.

³ The term “joint holder” refers to “joint holder” as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, and includes a person who is included as a joint holder pursuant to Paragraph 6 of the same article; hereinafter the same.

⁴ The term “purchase, etc.” refers to “purchase, etc.” as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act, and includes such act conducted at the financial instrument exchange market; hereinafter the same.

⁵ The term “party(ies) having a special relationship” refers to “party(ies) having a special relationship” as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act; hereinafter the same.

⁶ The term “holding ratio of share certificates, etc.” refers to the holding ratio of share certificates, etc. as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. In calculating the holding ratio of share certificates, etc., the total number of shares issued (the total number of shares issued by the issuer as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act) refers to the total number of shares issued by the Company in the last filed documents among Annual Securities Report, Quarterly Securities Report or Share Buyback Report.

such Large-scale Share Purchaser and such party(ies) having a special relationship⁷ if the specific group of shareholders falls under (ii) above.

2. Attempt to Secure and Enhance the Corporate Value of the Company Group

(1) Management Principles

The management principles of the Company group are to create a “entertainment culture” through development of highly creative software contents that excite people and stimulate their senses, and to become a “sensitivity cultivation corporation” In addition, the Company endeavors to enhance the satisfaction of stakeholders such as shareholders, customers and employees of the Company, and to establish trust as well as operate management which focuses on co-existence and co-prosperity.

(2) Source of the Company Group’s Corporate Value

The Company group centrally engages in the development and sale of home video games and development and distribution of online games as well as the development and distribution of contents for mobile platforms. It also engages in the arcade operation of amusement facilities, the development, manufacture and sale of amusement equipments, and the development of contents business.

The Company group also endeavors to enhance its corporate value by a structural reform covering all areas of management such as by the repletion of contents, efficient business development of the entire group, reform of the financial structure, introduction of an executive officer system, acceleration of the decision making process by separating the roles of board members and of officers, in addition to the expansion of the development department which is the source of its corporate value, mobile marketing strategy and reinforcement of sales structure.

The Company group is currently pursuing the following measures:

- (i) The Company group is allocating its management resources for the development and marketing of home video games, which is its core business.
- (ii) As its development strategy, the Company group is pursuing multi-platform development, taking into consideration the market trends.
- (iii) In line with the development in the communications as well as market environment, the Company group is pursuing the establishment of online business and mobile contents business.
- (iv) In order to secure stable sales and profits for each fiscal term from amusement arcades, the Company group is focusing on exploring new customers and more deeply cultivating existing customers.
- (v) In order to expand sales in the overseas markets, the Company group is engaging in active business development globally by the reinforcement of its overseas subsidiaries and affiliates.
- (vi) By employing the Company’s wide variety of contents, the Company group is endeavoring to explore new markets and to deeply cultivate existing markets, as well as endeavoring to open up new business opportunities by focusing on the and pachislo machines.

⁷ The term “holding rate of share certificates, etc.” refers to the holding rate of share certificates, etc. as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. In calculating holding rate of share certificates, etc., the total number of voting rights (the total number of voting rights as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act) refers to the total number of voting rights in the last filed documents among Annual Securities Report, Quarterly Securities Report or Share Buyback Report.

- (vii) The Company group is creating added value by effective employment of the Company's contents and enhancing brand values of the whole Company by generating synergy effects.
- (viii) In order to reinforce the financial structure, the Company group is endeavoring to generate stable cash flow for each fiscal term.

(3) The Company Group's Efforts toward Future Enhancement of Corporate Value

The market of this business industry is being changed quickly by virtue of diversification of the business structure resulting from wide spread of smartphones (multifunctional mobile phones) and tablets (multifunctional mobile terminals) in the social game market, in addition to the entrance of next generation game machine consoles among the home game market.

Under such severe business environment, in order for the Company group to survive the competition, we acknowledge that the most essential issue is to establish a structure which enables responses to changes in the management environment.

We intend to exert efforts toward the enhancement of corporate value by pursuing and implementing the following strategic objectives for further growth in the future.

(i) Reinforcement of Important Strategic Segments:

In order to achieve superiority in competition, the Company group will allocate its management resources to the development of home video games, which is its core business, and reinforcement of the marketing section.

(ii) Expansion of Business Areas:

In response to the change in the market environment, the Company group will focus on the expansion of its game contents such as focusing on the business of the distribution of games to smartphones and tablets other than game specialty and strengthening pachislo machines business.

Furthermore, in order to comply with multiplying distribution system, the Company also focuses on the expansion of download sales.

(iii) Focus on Overseas Markets:

With the maturing of the domestic market, focus on the overseas market is inevitable for future business expansion. Therefore, the Company group is pursuing the restructure of the business of the entire group and strategic overseas development through management reform of overseas subsidiaries and affiliates, including important subsidiaries such as Capcom U.S.A. Inc., its core subsidiary.

(iv) Business Selection and Focus:

As a series of efforts to efficiently employ development resources, the Company group will endeavor to enhance its corporate value by the scrapping and building of the group companies by the selection and focus method, such as generating energy through clear vision and speedy management, as well as making investments in growing areas and withdrawing from non-profitable areas in order to demonstrate the total power of the Company group as a whole.

(v) Reinforcement of Corporate Structure:

The Company group is endeavoring to enhance efficient business operations and speedy management by management reform, as well as pursuing a management/operational structure in order to reinforce the revenue base.

As a series of such efforts, the Company group is improving its management structure through strategic group management and reform of the financial structure by an appropriate management structure, including that of overseas and domestic subsidiaries and affiliates.

3. Necessity of the Plan

Even if a Large-scale Share Purchase Conduct is conducted by a Large-scale Share Purchaser, whether or not the shareholders should accept and respond to such act shall ultimately be determined by the shareholders. However, the achievement of the Large-scale Share Purchase would mean the acquisition of corporate control capable of having an immediate impact on the management of the Company group, and has the possibility of having a material impact on the corporate value of the Company group and the common interests of the shareholders.

On the other hand, in practice, it is difficult for the shareholders to appropriately determine the impact on the corporate value of the Company group and common interests of the shareholders by the Large-scale Share Purchase without the provision of sufficient information on the Large-scale Share Purchaser. In particular, taking into consideration the aforementioned matters inherent in the corporate value of the Company's group, the Company believes that it is the responsibility of the Company's Directors to: receive from the Large-scale Share Purchaser information necessary and sufficient for the shareholders' judgment; provide as reference for the Company's shareholders' judgment the examination and evaluation of the Board of Directors on the impact that the management policies, etc. proposed by the Large-scale Share Purchaser would have on the Company group's corporate value; as the case may be, have the Board of Directors negotiate or consult with the Large-scale Share Purchaser regarding the Large-scale Share Purchase or policies of the management of the Company group; or present as the Board of Directors of the Company an alternative proposal regarding the management policies, etc. of the Company's group to the Company's shareholders.

In addition, under the current conditions in Japanese capital markets and legal system, we are unable to negate a possibility that a Large-scale Share Purchase which would clearly damage the corporate value of the Company group or the common interests of the shareholders, might be conducted.

That is, due to the amendment (Revision in 2006 of the Old Securities and Exchange Law) of the Financial Instruments and Exchange Act (amendments on takeover bid system and the reporting system of holding a large amount of shares), in case that a takeover bid without obtaining prior consent from the management of a targeted company is suddenly carried out, an abusive M&A is regulated to a certain extent by revised and materialized disclosure through the submission of a takeover bid statement and granting a targeted company a right to question against the takeover bidder. Despite the amendment, provision of information by a takeover bidder and securing a period for investigating information before the commencement of a takeover bid are not legally secured and purchases of shares in the market could not be legally limited so that the amendment might not necessarily effectively be operated against a hostile M&A.

Under such situation, the Company believes that it is also the responsibility of the Company's Directors, in addition to securing processes such as the provision of information by the Large-scale Share Purchaser and the examination and evaluation by the Board of Directors, to prepare countermeasures against the Large-scale Share Purchase in order to prevent clear damage to the corporate value of the Company group and the common interests of the shareholders. Setting up such countermeasures is necessary and effective to exclude as much as practicable a hostile Large-scale Share Purchase which will not facilitate to the corporate value of the Company group and subsequent common interests of the shareholders. The Plan will secure the provision of information and a period

required for the evaluation of information, which will facilitate to retain and increase the corporate value and the common interests of the shareholders and accordingly, the renewal of the Plan is the duty of the Directors of the Company.

The status of the Company's major shareholders as of March 31, 2014 is as indicated in Exhibit 1. The Company's Directors and the affiliated parties hold approximately 26.07% of the issued shares of the Company. Meanwhile, the share ownership distribution status of the Company ranges widely, including many retail shareholders, and the Company's shares are becoming increasingly liquid in nature. We believe that it is possible that there will be a Large-scale Share Purchase which is adverse to the corporate value of the Company group and the common interests of the shareholders with the increase in liquidity of the Company's shares.

As a consequence of understanding of the current situation, the Company came to establish requirements and contents of the rules providing the procedures, etc. for the provision of information by the Large-scale Share Purchaser (the "Large-scale Share Purchase Rules"), and countermeasures that the Company may take if the Large-scale Share Purchaser fails to comply with the Large-scale Share Purchase Rules or if the corporate value of the Company group and the common interests of the shareholders are prejudiced due to the Large-scale Share Purchase (the "Large-scale Share Purchase Countermeasures").

III The Plan

1. Outline of the Plan

The Plan is comprised of the Large-scale Share Purchase Rules which are to be complied with by the Large-scale Share Purchaser (indicated in 2. below), and the Large-scale Share Purchase Countermeasures which the Company may take against a Large-scale Share Purchase (indicated in 3. below).

The Plan first requires as the Large-scale Share Purchase Rules that the Large-scale Share Purchasers provide sufficient information for the shareholders of the Company and the Board of Directors of the Company from the viewpoint of the common interests of the shareholders (indicated in 2.(1) below), as well as grant the Company a period for examination and evaluation by the Board of Directors (indicated in 2.(2) below).

The Plan secondly provides as the Large-scale Share Purchase Countermeasures that the elements for the Board of Directors to resolve to trigger appropriate countermeasures permitted by the Companies Act, other laws, regulations, and the Company's articles of incorporation shall be limited to cases where the Large-scale Share Purchaser fails to comply with the Large-scale Share Purchase Rules, and cases where the corporate value of the Company group and the common interests of the shareholders will be materially prejudiced due to the Large-scale Share Purchase (indicated in 3.(2)(3) below).

2. Large-scale Share Purchase Rules

(1) Submission of Information to the Board of Directors of the Company

Prior to the Large-scale Share Purchase, the Large-scale Share Purchaser shall provide the Board of Directors of the Company with information written in Japanese which is necessary and sufficient for the Company's shareholders to come to a decision and for the Board of Directors to formulate their opinion. The purpose of the requirement is to enable the shareholders to make appropriate decisions on the Large-scale Share Purchase and for the Board of Directors to conduct an appropriate examination and evaluation.

Specifically, in conducting a Large-scale Share Purchase, the Large-scale Share Purchaser must submit to the location of the head office, addressed to the President and Representative Director of the Company, a Statement of Intention containing a pledge by the Large-scale Share Purchaser to

comply with the Large-scale Share Purchase Rules, specifying the following: name and address or location of head office of the Large-scale Share Purchaser, name of representative, contact address in Japan, governing law establishing the corporation (in the case of an overseas corporation), and outline of the Large-scale Share Purchase. Within ten (10) business days (excluding the first day; hereinafter the same shall apply with respect to all periods referred to) from the receipt of the Statement of Intention described above, the Company's President and Representative Director will deliver to the Large-scale Share Purchaser a list specifying the Information to be initially provided. The general items of the Information are as follows. In the case that the Large-scale Share Purchaser is unable to submit part of the Information, the Company shall request the Large-scale Share Purchaser to present the concrete reasons that the Large-scale Share Purchaser is unable to submit the Information. In addition, when the Large-scale Share Purchaser submits the Statement of Intention to the Company and completes the provision of the Information, the Company shall make a public announcement to that effect.

- (i) Outline of the specific group of shareholders (including the Large-scale Share Purchaser) related to the Large-scale Share Purchase (including the corporate history, composition of directors, major business description, major shareholders, a group organizational chart, securities reports for the current three (3) years or similar documents, including consolidated financial statements);
- (ii) Purpose and specific contents of the Large-scale Share Purchase;
- (iii) Ratio of voting rights being held by a specific group of shareholders (including the Large-scale Share Purchaser) and the number of share certificates, etc. held thereby;
- (iv) The calculation basis of the acquisition price of the Company's share certificates, etc., proof of the availability of the purchase fund and specific conditions for financing pertaining to the Large-scale Share Purchase;
- (v) If a specific group of shareholders related to the Large-scale Share Purchase (including Large-scale Share Purchasers) acquires the corporate control of the Company group, then the management policy, policy for collection of invested capital, management plan, business plan, financial policy, capital policy, dividend policy, numerical targets and calculation basis of the management and financial statements for the three (3) years after acquiring the corporate control, as well as candidates for board members and officers and their career summary;
- (vi) Previous transactional and competition relationships between a specific group of shareholders (including Large-scale Share Purchasers) and the Company group's key business partners related to the Large-scale Share Purchase;
- (vii) The role of the Company's group within the group of Large-scale Share Purchasers after the implementation of the Large-scale Share Purchase;
- (viii) Contents of the changes scheduled for after the implementation of the Large-scale Share Purchase regarding the employees, key business partners, customers, local community, and other stakeholders of the Company group;
- (ix) Information regarding the price of consideration when the Large-scale Share Purchase is to be conducted with consideration other than cash;
- (x) A pledge of the responsible person to the effect that the contents of the document indicating the Information provided by the Large-scale Share Purchaser is true and accurate in all material aspects, and does not include any misleading indications or omissions regarding material facts;

- (xi) If the Large-scale Share Purchaser aims to implement an act of making important suggestion, etc.⁸ or is likely to implement the act of making important suggestion, etc. after the Large-scale Share Purchase Conduct is conducted, a purpose, details, conditions and time-schedule;
- (xii) Concrete measures to avoid conflicts of interests against other shareholders of the Company; and
- (xiii) In addition to each of the above, any information reasonably regarded as necessary by the Board of Directors and its independent committee (indicated in 2.(3) below).

If information initially submitted by the Large-scale Share Purchaser is considered to be insufficient as the Information, the Board of Directors may request the Large-scale Share Purchaser to provide additional information reaching sufficient Information. Provided, however, that information submitted by the Large-scale Share Purchaser will be limited to the information necessary as well as sufficient for shareholders to appropriately decide whether to coincide with or oppose such Large-scale Share Purchase, and for the Board of Directors to appropriately examine and evaluate the propriety of the Large-scale Share Purchase. In addition, all or a part of the Information submitted by the Large-scale Share Purchaser will be disclosed to the shareholders at a time that is necessary and appropriate to the extent considered necessary and appropriate for the shareholders' judgment.

(2) Examination and Evaluation of the Board of Directors of the Company

The Large-scale Share Purchaser shall not conduct the Large-scale Share Purchase until the lapse of sixty (60) days after the date of completion of the provision of the Information to the Board of Directors (in the case where the Large-scale Share Purchase involves the purchase of all of the shares of the Company by tender offer with consideration solely in cash) or ninety (90) days (in the case of other Large-scale Share Purchases) (the "Board of Directors Evaluation Period"). The purpose of the foregoing is to provide the Board of Directors an opportunity to examine and evaluate the Information, negotiate and consult with the Large-scale Share Purchaser, formulate opinions on the Large-scale Share Purchase, as well as to prepare and present alternative proposals to the shareholders of the Company for maintenance of corporate value of the Company's group and common interests of the shareholders of the Company.

During the Board of Directors Evaluation Period, the Board of Directors of the Company shall examine and evaluate the Information provided with advices of external experts, etc., respect the recommendation of the independent committee (indicated in (3) below) to the greatest extent possible regarding such Large-scale Share Purchase or management policies, etc. with respect to the proposal of such Large-scale Share Purchase, and make a decision on whether or not to trigger the Large-scale Share Purchase Countermeasures. If the Board of Directors decide not to trigger the Large-scale Share Purchase Countermeasures, it shall make a resolution to such effect, and if the Board of Directors makes a resolution not to trigger the Large-scale Share Purchase Countermeasures, the Large-scale Share Purchaser may conduct the Large-scale Share Purchase from the date of such resolution to the extent indicated in the Statement of Intention.

(3) Examination and Recommendation of the Independent Committee

The Board of Directors of the Company will establish an independent committee in order to appropriately manage the Large-scale Share Purchase and prevent arbitrary decisions by the Board of Directors of the Company. The independent committee will consist of three (3) to five (5) members, and in order to ensure the fairness and neutrality of its decision, the Board of Directors will appoint from the Company's External Directors or External Corporate Auditors, or external

⁸ The term "act of making important suggestion, etc." refers to the act of making important suggestion, etc. as defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act.

experts who are independent from the management which executes the Company's business. The Board of Directors shall submit the Information indicated in (1) above as well as the results of the evaluation and analysis of the Board of Directors on the Information as indicated in (2) above to the independent committee. Pursuant to inquiries by the Board of Directors of the Company, the independent committee shall for itself collect and examine information necessary for the decision from outside third parties, and provide the Board of Directors of the Company with recommendation on the following matters using the results of the examination, evaluation and analysis as well as the opinions of external experts as a reference.

- (i) Sufficiency of information provided by the Large-scale Share Purchaser.

During the period until the Board of Directors determines that the Large-scale Share Purchaser has completed the provision of the Information, the independent committee shall examine whether the Information which the Large-scale Share Purchaser provided to the Company is sufficient as the Information indicated in (1) above, and shall provide the Board of Directors of the Company with recommendation on the result of such examination.

- (ii) Compliance or non-compliance of the Large-scale Share Purchase Rules by Large-scale Share Purchaser, and whether or not to trigger of the Large-scale Share Purchase Countermeasures.

The independent committee will examine whether the Large-scale Share Purchaser is complying with the Large-scale Share Purchase Rules (indicated in 3.(2)(i) below), and provide the Board of Directors of the Company with recommendation on the result of such examination. If the independent committee is to provide recommendation that the Large-scale Share Purchaser is not complying with the Large-scale Share Purchase Rules, it will also provide recommendation to the Board of Directors on whether or not to trigger the Large-scale Share Purchase Countermeasures. Even if the independent committee determines that the Large-scale Share Purchaser is not complying with the Large-scale Share Purchase Rules, if it determines that it is inappropriate to trigger the Large-scale Share Purchase Countermeasures, it will in principle provide recommendation that the Large-scale Share Purchase Countermeasures should not be triggered.

- (iii) Fulfillment or non-fulfillment of requirements for the triggering of the Large-scale Share Purchase Countermeasures, and whether or not to trigger the Large-scale Share Purchase Countermeasures.

If the independent committee determines that the Large-scale Share Purchaser is complying with the Large-scale Share Purchase Rules, it will examine and recommend the Board of Directors on whether the Large-scale Share Purchase fulfills the requirements for triggering of the Large-scale Share Purchase Countermeasures (indicated in 3.(2)(ii) below). If the independent committee is to provide recommendation that the Large-scale Share Purchase fulfills the requirements for the triggering of the Large-scale Share Purchase Countermeasures, it will also provide recommendation to the Board of Directors of the Company on whether or not to trigger the Large-scale Share Purchase Countermeasures. Even if the independent committee determines that the Large-scale Share Purchase fulfills the requirements for the triggering of the Large-scale Share Purchase Countermeasures, if it determines that it is inappropriate to trigger the Large-scale Share Purchase Countermeasures, it will provide recommendation that the Large-scale Share Purchase Countermeasures should not be triggered. If the independent committee determines that the Large-scale Share Purchase does not fulfill the requirements for the triggering of the Large-scale Share Purchase Countermeasures, it will provide recommendation stating that the requirements are not fulfilled and that the Large-scale Share Purchase Countermeasures shall not be triggered.

- (iv) Other matters to be determined by the Board of Directors, for which the Board of Directors of the Company has consulted with the independent committee or which the

independent committee deems it necessary to recommend to the Board of Directors of the Company.

Please refer to Exhibit 2 for the Outline of Rules for Independent Committee.

The member of the current independent committee is comprised of two (2) External Directors and one (1) external expert, totaling three (3) members. The member of the independent committee upon renewal of this Plan, each of three (3) persons as indicated in Exhibit 3 shall be re-appointed.

3. Large-scale Share Purchase Countermeasures

(1) Contents of the Large-scale Share Purchase Countermeasures

If the Large-scale Share Purchaser fulfills the requirements for triggering certain Large-scale Share Purchase Countermeasures indicated in (2) below such as the conducting of the Large-scale Share Purchase without following the procedures provided for in the Large-scale Share Purchase Rules, the Board of Directors shall respect the recommendation of the independent committee to the greatest extent possible and may resolve to trigger appropriate Large-scale Share Purchase Countermeasures permitted under the Companies Act, other laws, regulations, and the Company's articles of incorporation, such as the gratis allotment of stock acquisition rights, etc.

The outline of the stock acquisition rights issued in the manner of a gratis allotment to shareholders of the Company as one of the specific Large-scale Share Purchase Countermeasures is as indicated in Exhibit 4. These stock acquisition rights may accompany conditions on exercise such as not belonging to a specific group of shareholders holding voting rights over a certain percentage, and a call clause providing that stock acquisition rights will be acquired in exchange for the Company's shares from a party other than a specific group of shareholders. The Board of Directors may submit to the competent authority an issuance registration of stock acquisition rights in order to facilitate the efficient issuance of stock acquisition rights.

(2) Requirements for Triggering the Large-scale Share Purchase Countermeasures

The Board of Directors may resolve to trigger a specific Large-scale Share Purchase Countermeasures only with the satisfaction of the any of the requirements provided in the following items.

- (i) The Board of Directors may resolve to trigger the Large-scale Share Purchase Countermeasures if the Large-scale Share Purchaser fails to submit the Statement of Intention to the Board of Directors, or otherwise conduct the Large-scale Share Purchase without providing sufficient information provided in the Large-scale Share Purchase Rules, the Large-scale Share Purchaser conducts the Large-scale Share Purchase before the lapse of the Board of Directors Evaluation Period, or the Large-scale Share Purchaser otherwise fails to comply with the Large-scale Share Purchase Rules.
- (ii) The Board of Directors will not resolve to trigger the Large-scale Share Purchase Countermeasures in principle if the Large-scale Share Purchaser complies with the Large-scale Share Purchase Rules, although it may indicate its opinion against such Large-scale Share Purchase as a result of the examination and evaluation of the contents of the Statement of Intention and the Information, or present as the Board of Directors of the Company an alternative proposal regarding the management policies, etc. of the Company's group.

However, even if the Large-scale Share Purchaser otherwise complies with the Large-scale Share Purchase Rules, the Board of Directors will resolve to trigger appropriate Large-scale Share Purchase Countermeasures in principle if the independent committee determines that the Large-scale Share Purchase materially prejudices the

corporate value of the Company group and the common interests of the shareholders, and recommends that the Large-scale Share Purchase Countermeasures be triggered. Provided further, that even if the independent committee recommends that the Large-scale Share Purchase Countermeasures be triggered, it is possible that the Board of Directors will not resolve to trigger the Large-scale Share Purchase Countermeasures if the Board of Directors determines that it would be inappropriate to trigger the Large-scale Share Purchase Countermeasures. However, a conduct falls under a Large-scale Share Purchase which materially prejudices the corporate value of the Company group and the common interests of the shareholders if it falls under any of the following types:

- (a) The purpose of the Large-scale Share Purchase or acquisition of corporate control is to boost the share price and cause the parties interested in the Company to purchase the share certificates, etc. for a high price, without the true intention of participating in the company management (a so-called green-mailer case).
- (b) The purpose of the Large-scale Share Purchase or acquisition of corporate control is mainly to cause the Company group to transfer immovable property, movable property, intellectual property rights, know-how, corporate proprietary information, key business partners, customers, etc. which are necessary for the business operations of the Company group and other assets of the Company group to a specific group of shareholders (including the Large-scale Share Purchaser) related to the Large-scale Share Purchase (a so-called scorching management case).
- (c) The purpose of the Large-scale Share Purchase or acquisition of corporate control is mainly to divert all or an important part of the assets of the Company group to security or resources of the repayment of obligations of a specific group of shareholders (including the Large-scale Share Purchaser) related to the Large-scale Share Purchase.
- (d) The purpose of the Large-scale Share Purchase or acquisition of corporate control is mainly to temporarily control the management of the Company, thus enabling the Large-scale Share Purchaser: (i) to sell or otherwise dispose of highly-valued assets, such as real property, securities and contents assets, etc., that are owned by the Company group; and (ii) to temporarily distribute higher dividends from the gains of such disposals, or to sell its shares at an inflated price caused by such temporarily higher dividends.
- (e) The manner of the Large-scale Share Purchase proposed by the Large-scale Share Purchaser may essentially force the shareholders to sell their Company shares by conducting a tender offer and not offering to acquire all of the shares in the initial acquisition, and setting unfavorable acquisition conditions or not setting clear conditions for the second stage.
- (f) The conditions of the Large-scale Share Purchase (including the price/type of consideration, time of purchase, appropriateness of the purchase method, possibility of the actual execution of the purchase, as well as the treatment policies, etc. regarding the Company's employees, key business partners, customers, and other interested parties after the purchase) are, in light of the essence of the Company group's corporate value, decided to be materially insufficient or inappropriate by objective and reasonable grounds.

(3) Procedures for Triggering the Large-scale Share Purchase Countermeasures

In resolving to trigger a specific Large-scale Share Purchase Countermeasures, the Board of Directors shall receive advice of external experts and respect the opinion and recommendation of the

independent committee to the greatest extent possible in order to ensure the objectiveness and reasonableness of the decision of the Board of Directors, and resolve on whether or not to trigger the Large-scale Share Purchase Countermeasures by the following procedures. In such a case, the Company shall publicly announce the outline of such resolution.

- (i) Case where Large-scale Share Purchaser fails to comply with the Large-scale Share Purchase Rules

The Board of Directors may in principle resolve to trigger the Large-scale Share Purchase Countermeasures if the Large-scale Share Purchaser fails to comply with the Large-scale Share Purchase Rules and is recommended by the independent committee to trigger the Large-scale Share Purchase Countermeasures. However, the Board of Directors may resolve to trigger the Large-scale Share Purchase Countermeasures without the recommendation of the independent committee if it is objectively evident that the Large-scale Share Purchaser has failed to comply with the Large-scale Share Purchase Rules and triggering the Large-scale Share Purchase Countermeasures after the recommendation by the independent committee will give rise to a material disadvantage on the part of the Company or the Company's shareholders.

- (ii) Case where Large-scale Share Purchaser does comply with the Large-scale Share Purchase Rules

The Board of Directors will not resolve to trigger the Large-scale Share Purchase Countermeasures in principle if the Large-scale Share Purchaser complies with the Large-scale Share Purchase Rules. However, if recommended by the independent committee that the Large-scale Share Purchase satisfies the requirements listed under each item of the proviso clause of 3.(2)(ii) above and that the Large-scale Share Purchase Countermeasures should be triggered, the Board of Directors may resolve to trigger the Large-scale Share Purchase Countermeasures.

In addition, the Directors may negotiate and consult with the Large-scale Share Purchaser on the improvement of conditions for the Large-scale Share Purchase as necessary, and present as the Board of Directors of the Company an alternative proposal to the shareholders of the Company regarding the management policies, etc. of the Company's group.

However, if after having once resolved to implement the gratis allotment of stock acquisition rights but subsequently being recommended by the independent committee of the satisfaction of one of the following events, the Board of Directors may suspend the gratis allotment of stock acquisition rights until the day before the commencement date of the exercise period of such stock acquisition rights (if before the allotment comes into effect), or resolve to acquire the stock acquisition rights free of charge (if after the allotment comes into effect).

- (a) The Large-scale Share Purchaser withdraws the Large-scale Share Purchase Conduct or the Large-scale Share Purchase otherwise ceases to exist.
- (b) Changes in situation result in the fact that the Large-scale Share Purchase Conduct by the Large-scale Share Purchaser does not satisfy any of the requirements listed under each item of the proviso clause of (2)(ii) above, or the Large-scale Share Purchase by the Large-scale Share Purchaser does satisfy the requirements but it is inappropriate to conduct the gratis allotment of stock acquisition rights.

4. Effective Period as well as Abolition and Amendment of the Plan

The effective period of the Plan shall be from the approval of this Ordinary General Meeting of Shareholders until the end of the Ordinary General Meeting of Shareholders of the last business year ending within two (2) years from the end of this Ordinary General Meeting of Shareholders.

Despite being before the expiration of the effective period of the Plan, the Board of Directors of the Company may, from the perspective of the securing and enhancement of corporate value of the Company group and the common interests of the shareholders, and taking into consideration the status of the development of relevant laws and regulations, amend and review the Plan from time to time to the extent not inconsistent with the purpose of the entrustment of the Plan (including cases where laws, regulations, securities exchange rules, etc. regarding the Plan are enacted, revised or repealed and it is appropriate to reflect such enactment, revision or repeal, or cases where it is appropriate to correct the wording due to any typographical errors or omissions) granted by the Ordinary General Meeting of Shareholders of the Company. In addition, if the Board of Directors of the Company comprised of Directors elected at the Company's General Meeting of Shareholders resolves to abolish the Plan, the Plan shall be abolished. If the Company abolishes or amends the Plan, the Company shall promptly disclose the fact to that effect.

5. Amendment due to Revision of Laws and Regulations

The provisions of the laws and regulations cited in the Plan are based on the provisions which are in effect as of May 16, 2014. If it becomes necessary to amend the clauses or the meaning of the terms in each of the above paragraphs of the Plan due to the enactment, revision or repeal of the laws and regulations thereafter, the Board of Directors of the Company may take into consideration the purpose of such enactment, revision or repeal, and deem the clauses or the meaning of the terms in each of the above paragraphs of the Plan to be replaced as is appropriate to a reasonable extent.

IV Reasonableness of the Plan

1. Fulfillment of Conditions, etc. of Guideline for the Plan

The Plan is in accordance with three (3) principles prescribed in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" published by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. Three principles are, namely, the "principles of protection and enhancement of corporate value and shareholders' common interests", the "principles of prior disclosure and principles of upholding the shareholders' intention" and "the principles of necessity and suitability". In addition, the Company has taken into account the content of the "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008.

2. Purpose of the Securing and Enhancement of Corporate Value and Common Interests of the Shareholders

As mentioned in II. above, the Plan establishes in advance the Large-scale Share Purchase Rules to be complied with by the Large-scale Share Purchaser, and the requirements for, and the contents of the Large-scale Share Purchase Countermeasures to be triggered by the Company for the purpose of enabling the shareholders of the Company to make appropriate judgments as to whether to accept the Large-scale Share Purchase or not and preventing any evident violation against the Company group's corporate value and common interests of the shareholders, and aims at the securing and enhancement of the Company group's corporate value and common interests of the shareholders.

The Company believes that the contents of the Large-scale Share Purchase Rules and the contents of the Large-scale Share Purchase Countermeasures, and the requirements for the triggering thereof as mentioned in III. above, are reasonable in light of the purpose of the securing and enhancement of the Company group's corporate value and common interests of the shareholders and

will not unreasonably limit the Large-scale Share Purchase that contributes to the securing and enhancement of the Company group's corporate value and common interests of the shareholders.

3. Prior Disclosure

The contents of the Large-scale Share Purchase Rules and the contents of the Large-scale Share Purchase Countermeasures and requirements for the triggering thereof in connection with the Plan are specifically and clearly indicated in III. above, which the Company believes will provide sufficient foreseeability for shareholders of the Company, investors and Large-scale Share Purchasers.

4. Procedures for Renewal; Possibility of Amendment and Abolishment

At the meeting of the Board of Directors held on May 16, 2014, the renewal of the Plan was decided by the unanimous consent of Directors attended on condition that the approval of this Ordinary General Meeting of Shareholders would be obtained. At the meeting of the Board of Directors, all Corporate Auditors attended respectively stated a favorable opinion of the Plan provided that specific operation of the Plan will be appropriately conducted.

The Plan is intended to be able to be abolished or changed by a Director who is nominated by any person who has purchased share certificates, etc. of the Company in large amounts, and is elected at a ordinary general meeting of shareholders. Therefore, the Plan is not a so-called "dead-hand" takeover defense measure (a takeover defense measure that cannot prevent the triggering of the measure even if a majority of the members of the Board of Directors are replaced). In addition, the Company does not adopt a "classified" board system although the term of office of a Company Director is one (1) year, the Plan is not a slow-hand takeover defense measure (a takeover defense measure which takes more time until the majority of the members of the Board of Directors are replaced to prevent the triggering of the measure because the members of the Board of Directors cannot be replaced at once).

Therefore, the Company believes that the Company's shareholders' intention may, through resolutions at the General Meeting of Shareholders, be reflected in the judgment as to whether the continuation, abolishment or amendment of the Plan should be conducted.

5. Securing of Objectivity and Reasonableness of the Judgment of the Board of Directors of the Company

As described in III.3.(2) above, the Plan specifies objective and fulfill requirements for the triggering of the Large-scale Share Purchase Countermeasures, which excludes the possibility that any arbitrary judgment of the Board of Directors of the Company would intervene in the judgment as to whether or not the requirements for the triggering are fulfilled, as much as possible.

As described in III.3.(3) above, the Plan specifies the procedures for triggering the Large-scale Share Purchase Countermeasures, which excludes any arbitrary judgment of the Board of Directors.

Therefore, the Company believes that the Plan has established a sufficient framework to secure the objectivity and reasonableness of the judgment when the Board of Directors of the Company resolves the triggering of the Large-scale Share Purchase Countermeasures.

V Impact of the Plan upon Shareholders and Investors of the Company

1. Impact of Large-scale Share Purchase Rules upon Shareholders and Investors of the Company

The Large-scale Share Purchase Rules are only the rules that should be complied with by the Large-scale Share Purchaser when conducting the Large-scale Share Purchase, and will not automatically issue any stock acquisition rights or other share certificates, etc. Accordingly, the rights and interests of shareholders and investors of the Company will not be affected.

The Company believes that the Large-scale Share Purchase Rules will enable the Company's shareholders to make appropriate decisions on the Large-scale Share Purchase with necessary and sufficient information, and will contribute to the common interests of the Company's shareholders.

Depending on whether or not the Large-scale Share Purchaser will comply with the Large-scale Share Purchase Rules, the Company's measures against such Large-scale Share Purchase may differ. Therefore, the shareholders and investors of the Company are advised to pay attention to any activity of the Large-scale Share Purchaser as well as any response thereto by the Company.

2. Impact of Triggering the Large-scale Share Purchase Countermeasures upon Shareholders of the Company and Investors

If the Large-scale Share Purchase Countermeasures are triggered, any specific group of shareholders in respect of such Large-scale Share Purchase may incur any loss of their legal rights or economic interests. However, the Company does not suppose that other shareholders of the Company may incur any special loss of their legal rights or economic interests attributable to the Plan. If the Board of Directors resolves to trigger the Large-scale Share Purchase Countermeasures, the Company will make disclosure in a timely and appropriate manner in accordance with any relevant laws, regulations and/or financial instruments exchange rules.

If the stock acquisition rights are issued by means of a gratis allotment to shareholders of the Company as the Large-scale Share Purchase Countermeasures, the stock acquisition rights will be allotted to shareholders entered or recorded in the latest shareholder register as of a record date fixed and publicized by the Board of Directors in accordance with the number of shares they hold. Upon exercise of the stock acquisition rights, the shareholders of the Company will be required to make a payment of a certain amount within a specified term in order to acquire new shares, and if such shareholders fail to take such procedures, the ratio of voting rights held by of such shareholders will be diluted. However, if the terms and conditions for issuance of the stock acquisition rights include an acquisition clause to the effect that the Company acquires the stock acquisition rights and delivers the Company's shares in exchange for the stock acquisition rights so acquired, and the Company takes the procedures for such acquisition, then the shareholders who hold the stock acquisition rights with respect to such acquisition will acquire the Company's shares without paying money (in this case, such shareholders may be required to separately submit a document in the form prescribed by the Company pledging that such shareholders are not persons belonging to a specific group of shareholders, or other matters).

If implementation of a gratis allotment of stock acquisition rights is resolved as the Large-scale Share Purchase Countermeasures, and after the shareholders who shall receive the gratis allotment of stock acquisition rights are determined, the Board of Directors withdraws the gratis allotment of stock acquisition rights or acquires the stock acquisition rights so allotted in accordance with the procedures specified in III.3.(3) above, then the value of the shares per share will not be diluted as a result. Therefore, the investors who have purchased or sold after the shareholders of the Company who shall receive a gratis allotment of stock acquisition rights are determined may suffer losses in proportion to any change in share price.

End

Status of Capcom Shares (as of March 31, 2014)

- Total number of authorized shares: 150,000,000 shares
- Total number of outstanding shares: 67,723,244 shares
- Number of shareholders: 15,741
- Large shareholders

| Name of shareholder | Number of shareholding (thousand shares) | Ratio of shareholding (%) |
|---|---|------------------------------|
| Crossroad Limited | 5,276 | 9.38 |
| J.P. Morgan Chase Bank 385632 | 4,322 | 7.69 |
| 818517 Nomura Bank (Luxembourg) S.A. S/A Nomura Multi Currency JP Stock Leaders Fd | 2,604 | 4.63 |
| Kenzo Tsujimoto | 2,008 | 3.57 |
| Misako Tsujimoto | 1,964 | 3.49 |
| State Street Bank and Trust Company 505223 | 1,920 | 3.41 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 1,803 | 3.21 |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 1,709 | 3.04 |
| Yoshiyuki Tsujimoto | 1,669 | 2.97 |
| State Street Bank and Trust Company | 1,654 | 2.94 |

(Note) The shareholding ratio is calculated by excluding treasury shares (11,490 thousand shares).

Outline of Rules for Independent Committee

1. Structure

The members (in this Exhibit, “Members”) of the independent committee (in this Exhibit, the “Committee”) shall consist of between three (3) to five (5) people, and shall be elected by the Board of Directors from External Directors and External Corporate Auditors who are independent from the management who execute business. The Board of Directors may elect the above-mentioned number of external experts who are independent from the management who execute business and have entered into an engagement letter with the Company to the effect that such expert shall bear the duty of care of a good manager with respect to his/her duties as a Member.

2. Term of Office

The term of office of a Member shall expire upon the termination of an ordinary general meeting of shareholders for the last business year ending within two (2) years from the election of such Member, unless otherwise provided for by a resolution of the Board of Directors.

3. Authority of Committee

- (1) The Committee shall examine and evaluate the following matters, and make decisions as the Committee, and submit recommendations with the reasons for them to the Board of Directors:
 - (i) Sufficiency of information provided by the Large-scale Share Purchaser;
 - (ii) Compliance or non-compliance of the Large-scale Share Purchase Rules by Large-scale Share Purchaser, and whether or not to trigger the Large-scale Share Purchase Countermeasures;
 - (iii) Fulfillment or non-fulfillment of requirements for the triggering of the Large-scale Share Purchase Countermeasures, and whether or not to trigger the Large-scale Share Purchase Countermeasures; and
 - (iv) Other matters to be determined by the Board of Directors, for which the Board of Directors has consulted with the Committee or which the Committee deems it necessary to recommend to the Board of Directors.
- (2) In addition to the foregoing, the Committee shall conduct the following matters:
 - (i) Examination and evaluation of the contents of information, materials or other data provided by the Large-scale Share Purchaser and the Board of Directors;
 - (ii) Request to the Board of Directors to submit alternative proposals, and examination and evaluation of the alternative proposals; and
 - (iii) In addition to the foregoing, any other matters that are determined by the Board of Directors to allow the Committee to conduct.
- (3) The Committee may give instructions to the Board of Directors with respect to the following matters, based on the premise that the Committee will make a recommendation to the Board of Directors:

- (i) Request of additional information to the Large-scale Share Purchaser if the information provided by the Large-scale Share Purchaser is deemed to be insufficient as Information;
- (ii) Disclosure of the fact that the proposal for the Large-scale Share Purchase was made, and all or any part of information provided by the Large-scale Share Purchaser;
- (iii) Disclosure of the fact if the information provided by the Large-scale Share Purchaser is deemed to be sufficient as the Information; and
- (iv) Negotiations with the Large-scale Share Purchaser in connection with the enhancement of conditions for the Large-scale Share Purchase.

4. Resolutions of Committee

A resolution of the Committee shall be adopted by a majority of the Members present at the meeting where all of the Members are present. However, if there is an unavoidable reason, a resolution of the Committee may be adopted by a majority of the Members present at the meeting where at least two-thirds (2/3) of the Members are present.

5. Others

- (1) In order to collect necessary information, the Committee may request the attendance of any of the Company's Directors, Corporate Auditors, employees or other person deemed necessary by the Committee, and may request explanations with respect to the matters deemed necessary by the Committee for the purpose of making a recommendation.
- (2) The Committee may, at the expense of the Company, obtain advice from any third party (including any financial advisor, attorney, certified public accountant, consultant and other experts) who is independent from the management that executes the Company's business.

End

Resume of Candidates for Members of Independent Committee

Hiroshi Yasuda (Date of birth: May 14, 1932)

[Resume]

| | |
|-----------------|---|
| April 1957: | Entered into the Ministry of Finance |
| November 1973: | Personal Secretary to the Minister of Finance |
| January 1977: | Executive Secretary to the Prime Minister |
| June 1988: | Deputy Vice Minister of Finance |
| June 1990: | Director-General, Budget Bureau of the Ministry of Finance |
| June 1991: | Administrative Vice Minister of Finance |
| May 1994: | Governor of the Export-Import Bank of Japan |
| October 1999: | Governor of Japan Bank for International Cooperation |
| September 2001: | Advisor of the Kansai Electric Power Co., Inc. |
| January 2002: | Chairman of Yomiuri International Economic Society (to present) |
| July 2002: | President of Japan Investor Protection Fund |
| June 2004: | External Corporate Auditor of Shiseido Co., Ltd. |
| August 2004: | President of Capital Market Promotion Foundation (Currently Capital Market Promotion Public Interest Incorporated Foundation) |
| June 2007: | External Director of the Company (to present) |
| January 2014: | Capital Market Promotion Public Interest Incorporated Foundation (to present) |

(Note 1) Mr. Hiroshi Yasuda is an External Director set forth in Article 2, Paragraph 15 of the Companies Act.

(Note 2) There is no special interest between Mr. Yasuda and the Company.

Takayuki Morinaga (Date of birth: September 5, 1940)

[Resume]

| | |
|-----------------|--|
| April 1964: | Entered into the Export-Import Bank of Japan |
| April 1992: | General Manager of Personnel Division of the said Bank |
| April 1994: | General Manager, Osaka Branch of the said Bank |
| April 1996: | Senior General Manager of the said Bank |
| September 1998: | Managing Director of Yazaki Corporation |
| September 2000: | Senior Managing Director of the said Company |
| June 2006: | Vice Chairman of the said Company |
| June 2007: | Director and Executive Councilor of the said Company |
| June 2008: | Advisor of the said Company |
| June 2009: | External Director of the Company (to present) |

(Note 1) Mr. Takayuki Morinaga is an External Director set forth in Article 2, Paragraph 15 of the Companies Act.

(Note 2) There is no special interest between Mr. Morinaga and the Company.

Yoshiyuki Matsui (Date of birth: August 4, 1936)

[Resume]

| | |
|---------------|--|
| April 1959: | Entered into Daiwa Seiko, Inc. (currently GLOBERIDE, Inc.) |
| April 1962: | Director and Vice President of the said company |
| May 1971: | Representative Director and Vice President of the said company |
| October 1982: | Representative Director and President of the said company |
| June 1987: | Representative Director and Chairman of the said company |
| June 1995: | Representative Director and President of the said company |
| July 2000: | Representative Director and Chairman of the said company |
| March 2001: | Director and Chairman of the said company |
| June 2003: | Honorary Chairman of the said company |
| July 2013: | Honorary Counsel of the said company (to present) |

(Note) There is no special interest between Mr. Yoshiyuki Matsui and the Company.

Outline of a Gratis Allotment of Stock Acquisition Rights

1. Shareholders Subject to Gratis Allotment of Stock Acquisition Rights and Conditions for Allotment

To shareholders entered or recorded in the Company's last shareholder register as of a record date fixed and publicly notified by the Board of Directors, the stock acquisition rights (*shinkabu-yoyakuken*) shall be allotted in proportion to the respective numbers of their shares held (excluding treasury stocks held by the Company) at a ratio of one (1) share option per one (1) share.

2. Class and Number of Shares Subject to Stock Acquisition Rights

The class of shares subject to the stock acquisition rights is the Company's common stocks. The total number of shares subject to the stock acquisition rights is, at most, the total number of authorized shares of the Company as of a date specified as a record date by the Board of Directors, minus the total number of outstanding common stocks issued by the Company (excluding treasury stocks held by the Company). The number of shares subject to one (1) share option is separately specified by the Board of Directors. However, if the Company carries out a stock split or stock consolidation, the number of subject shares shall be adjusted as necessary.

3. Total Number of Allotted Stock Acquisition Rights

The total number of allotted stock acquisition rights shall be specified by the Board of Directors.

4. Amount to be Paid-in for Stock Acquisition Rights Gratis issue.

5. Value of Assets Contributed upon the Exercise of Stock Acquisition Rights

The amount of the capital contribution to be made upon the exercise of a stock acquisition rights shall be the amount specified by the Board of Directors, but not less than one (1) yen.

6. Restriction on the Transfer of Stock Acquisition Rights

The transfer of stock acquisition rights may be subject to Board of Directors' approval.

7. Exercise Period of Stock Acquisition Rights

The exercise period, acquisition clause and other necessary matters regarding the stock acquisition rights shall be determined separately by the Board of Directors.

8. Conditions for the Exercise of Stock Acquisition Rights

The following persons may not exercise any stock acquisition rights:

- (1) Specified large holder⁹;
- (2) Joint holder of specified large holder;
- (3) Specified large-scale purchaser¹⁰;
- (4) Person having a special relationship with a specified large-scale purchaser;
- (5) Person who acquires or succeeds to the stock acquisition rights from a person falling under any of items (1) through (4) without the approval of the Board of Directors; or
- (6) An affiliate of any person falling under any of items (1) through (5)¹¹ (those mentioned in items (1) through (6) are collectively referred to as the “Ineligible Person”).

The particulars of the conditions for exercising stock acquisition rights shall be separately specified by the Board of Directors.

9. Acquisition Clause

At any time on or before the day immediately preceding the first day of the exercise period of stock acquisition rights, the Company may acquire all of stock acquisition rights without contribution on a date separately specified by the Board of Directors if the Board of Directors deems appropriate for the Company to acquire stock acquisition rights.

On a day separately specified by the Board of Directors, the Company may acquire all of the stock acquisition rights that are held by a person other than an Ineligible Person and that have not been exercised on or before the business day immediately preceding such date specified by the Board of Directors, and deliver the Company’s shares equivalent to the number of subject shares per share option to him/her in exchange for the stock acquisition rights so acquired. Other particulars of acquisition clause shall be separately specified by the Board of Directors.

⁹ The term “specified large holder” means a person who is a holder of share certificates, etc. issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is 20% or more or a person who is determined to be a specified large holder by the Board of Directors. However, the specified large holder shall not include (x) any person whose acquisition and holding of the share certificates, etc. of the Company is determined by the Board of Directors to not be in conflict with the Company group’s corporate value and common interests of the shareholders; and (y) any other person as separately specified by the Board of Directors in the resolution.

¹⁰ The term “specified large-scale purchaser” means (x) a person who makes a public announcement of purchase, etc. of share certificates, etc. (as set forth in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; the same applies hereafter) issued by the Company through a tender offer and whose holding ratio of share certificates, etc. in respect of the holding (as similar acts, including acts set forth in Article 7, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act) of such share certificates, etc. after such purchase, etc. is 20% or more together with those of a person having a special relationship with such person or (y) a person who is determined to be a specified large-scale purchaser by the Board of Directors. However, the specified large-scale purchaser shall not include (x) any person whose acquisition and holding of the share certificates, etc. of the Company is determined by the Board of Directors to not be in conflict with the Company group’s corporate value and common interests of the shareholders and (y) any other person as separately specified by the Board of Directors in the resolution.

¹¹ The term “affiliate” of any person means a person deemed by the Board of Directors to substantially control, be controlled by, or be under such common control with such person (including any person who is assumed by the Board of Directors to be an affiliate) or a person deemed by the Board of Directors to act with such person. The term “control” means to “control the determination of the financial and business policies” (as set forth in Article 3, Paragraph 3 of the Ordinance for Enforcement of the Companies Act) of other company or entity.

10. Certificates for Stock Acquisition Rights

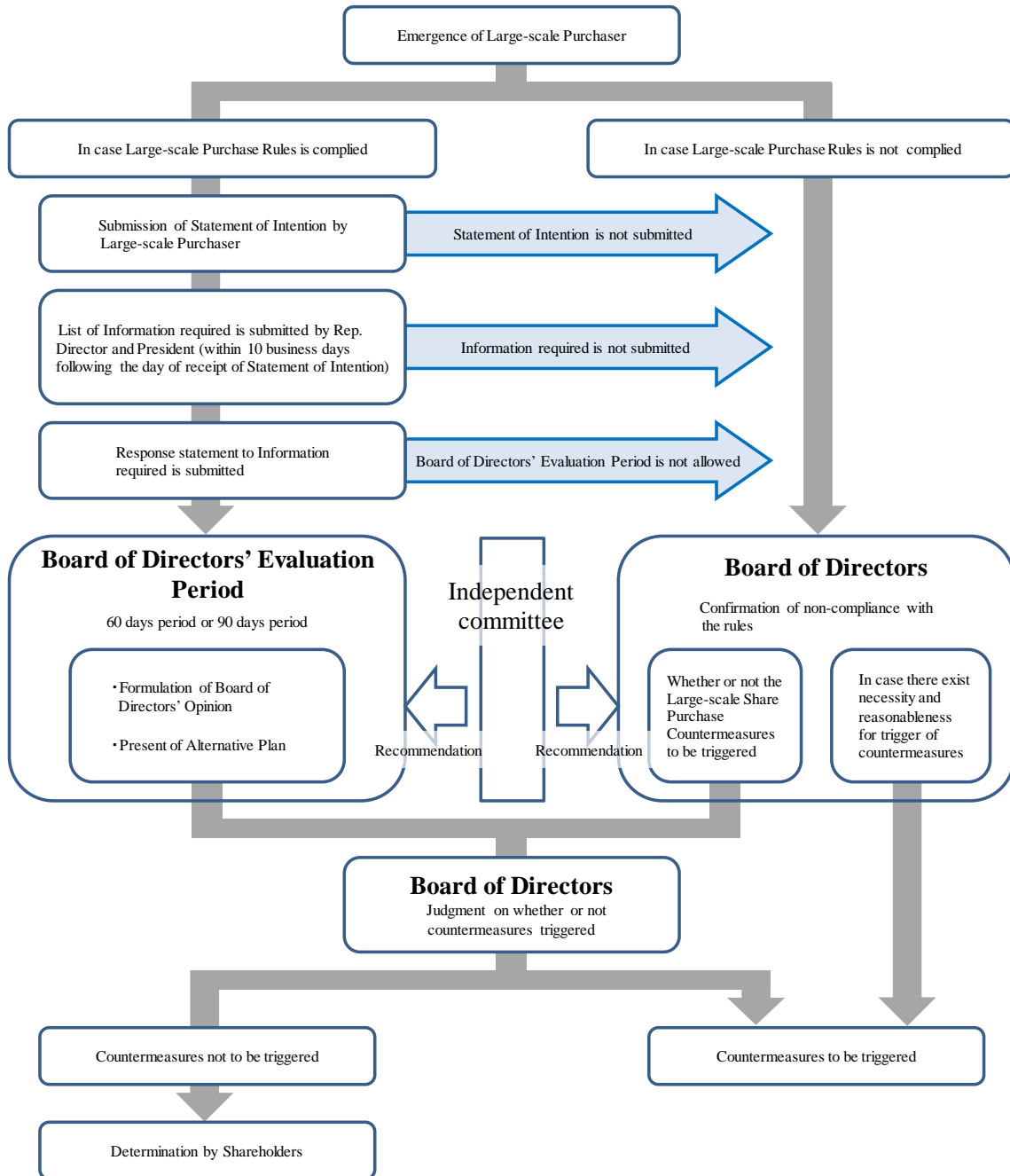
No certificates for stock acquisition rights shall be issued.

11. Others

Any other necessary matters shall be separately specified by the Board of Directors.

End

Flow Chart of the Outline of the Plan



* This is only a flow chart summarizing the Plan.

-End-