



June 25, 2019

Dear All,

**Notice Concerning Issuance of Stock Compensation-type
Stock Options with Stock Price Condition**

ZOZO, Inc. (hereinafter, referred to as the “Company”) made a resolution at the special meeting of the Board of Directors held on June 25, 2019, to allocate stock acquisition rights for the stock compensation-type stock options with stock price conditions.

1. Purpose and reason for allocating the stock options with stock price conditions (Stock Acquisition Rights)

The Company believes that granting the stock options would contribute to enhancement of corporate value, from increasing motivation and morale of directors of subsidiaries and bring stronger solidarity to the Company group, by corresponding remuneration of directors of subsidiaries and increment of shareholders’ value, to share profit consciousness of directors of subsidiaries and shareholders.

2. Outline of The 4th Allocation of Stock Acquisition Rights of ZOZO, Inc.

(1) Name of the stock acquisition rights

The 4th Allocation of Stock Acquisition Rights of ZOZO, Inc.

(2) Total number of the stock acquisition right

995 units (This total number is a projected number, and in such cases where the number of allocations of the stock acquisition rights is reduced due to unfulfilled applications for acceptance and so on occur, the total number of effective allocations shall be regarded as the total number of stock acquisition rights issued)

(3) The number of persons subject to allotment of the stock acquisition rights and the number of units of the stock acquisition rights

Directors of subsidiaries of the Company	4 persons	(Total 995 units)
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(4) Type and number of shares available under the stock acquisition rights

The number of shares to be issued upon exercise of each stock acquisition rights (hereinafter, referred to as the “Number of Shares”) shall be 100 shares of the common stock of the Company. However, if the Company implement a stock split (including gratis allocation of common stock; the same shall apply hereinafter) or a reverse stock split after the date of allocation of the stock acquisition rights (hereinafter, referred to as the “Allocation Date”), the Number of Shares will be

adjusted based on the following formula:

$$\begin{array}{l} \text{Number of Shares to be} \\ \text{issued after adjustment} \end{array} = \begin{array}{l} \text{Number of Shares to be} \\ \text{issued before adjustment} \end{array} \times \begin{array}{l} \text{Ratio of stock split or} \\ \text{reverse stock split} \end{array}$$

In addition, if there is an unavoidable ground requiring adjustment of the Number of Shares to be issued such as the Company's merger, company split and capital reduction, the Number of Shares to be issued may be adjusted to the extent necessary.

(5) Value of assets financed upon the exercise

The value of assets to be financed upon the exercise of the stock acquisition right shall be 1 yen (the paid-in amount per share to be delivered upon the exercise of the stock acquisition rights) multiplied by the number of shares granted.

(6) Period for exercising the stock acquisition rights

The period for exercising the stock acquisition rights (hereinafter, referred to as the "Exercising Period") shall be from July 18, 2019 to July 13, 2031.

(7) Conditions of exercising the stock acquisition rights

Persons whom the stock acquisition rights are allotted (hereinafter, referred to as the "Holders" collectively and the "Holder" individually) can exercise their rights within the exercising period complying any of the following conditions.

- I. The Holders can exercise their rights from the next day of when all the following conditions are fulfilled:
 - A. The Holders continued to be in positions of the business executing director or employee at the Company or its subsidiaries for the period between the Allocation Date to July 13, 2021;
 - B. net sales of the consolidated financial statements of the Company exceeds 393 billion yen in the audited securities report for fiscal year ending March 2021;
 - C. the average market capitalization (calculated by the following formula) of the Company exceeds 2 trillion yen of preceding 30 business days from the specified date between the Allocation Date to June 30, 2021 including the specified date (excluding the days on which ordinary transactions of the Company's common stock cannot take place); and
 - D. At the specified date between the Allocation Date to June 30, 2021 (this should be the exact same day which stated in above C.), the average stock price (calculated by the following formula) of the Company in preceding 30 business days including the specified date (excluding the days on which ordinary transactions of the Company's common stock

cannot take place) exceeds 1.3x of the stock price on July 13, 2018.

$$\text{Market Capitalization} = \left(\text{Total number of outstanding stocks of the Company (*)} - \text{Treasury stocks the Company holds (*)} \right) \times \text{Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange}$$

(*) Both shall be numerical values on the aforementioned specified date

Stock Price = Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange (*)

(*) If stock split or reverse stock split is implemented after the Allocation Date, this shall be adjusted by the following formula (rounded up to the nearest yen unit)

$$\text{Adjusted stock price} = \frac{\text{Stock price before adjustment}}{\text{Ratio of split (or reverse split)}}$$

II. Other conditions of exercising the stock acquisition rights are as specified in contracts on allotment of the stock acquisition rights concluded between the Company and the Holders.

(8) Capital stock and capital reserve to be contributed in the event of new share issuance from exercising of the stock acquisition rights

I. In the event of new share issuance from exercising the stock acquisition rights, the amount to be contributed to capital stock shall be half of the limited amount of an increase in capital stock and capital reserve calculated in accordance with the Corporate Accounting Rules Article 17 (1), with any fractions less than one yen resulting from such calculation shall be rounded up.

II. The amount by which the capital reserve increased as a result of the issuance of shares upon the exercise of the stock acquisition rights shall be the amount subtracting the abovementioned amount of capital increase from the abovementioned maximum amount of increase in capital etc.

(9) Matters concerning acquisition of the stock acquisition rights

I. In events such as a merger agreement in which makes the Company a disappearing company, a corporate split agreement or a corporate split plan that makes the Company a split company, a share exchange agreement or a share transfer plan that makes the Company to become a wholly-owned subsidiary of another company, and an event where requiring a change in the Articles of Incorporation pertain to acquisition/transfer of shares, is approved at a General Meeting of Shareholders of the Company (in either case, if no resolution at a General Meeting of Shareholders is needed, it will be resolved by the Board of Directors of the Company), the Company may acquire back all the stock acquisition rights without compensation on the day

specified by the Board of Directors of the Company.

- II. If the conditions aforementioned in (7) B., C. or D. are not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights from the Holders without compensation at arrival of July 14, 2021.
- III. In the case where Holder(s) is(are) dead, the Company may acquire back all the stock acquisition rights without compensation at the time of death.
- IV. If the condition aforementioned in (7) A. is not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights without compensation.

(10) Restriction on transfer of the stock acquisition rights

An approval by the Board of Directors of the Company shall be required for the acquisition of the stock acquisition rights by transfer.

(11) Treatment of the stock acquisition rights upon restructuring

If the Company is to engage in a merger (limited to cases where the Company is to be dissolved as a result of the merger), separated and absorbed, separated and newly incorporated, or subject to a share exchange or share transfer (hereinafter, all of which are collectively referred to as the "Restructuring Transaction"), the stock acquisition rights in the entity specified under Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (hereinafter, such entity referred as the "Restructured Company") are, in accordance with applicable items below, to be issued to the Holders of the stock acquisition rights that remain in effect as of the time of the Restructuring Transaction. However, the foregoing shall be limited to cases where it is indicated in an absorption-type merger agreement, incorporation-type merger agreement, absorption-type company separation agreement, incorporation-type company separation plan, share exchange agreement or share transfer plan that the stock acquisition rights of the Restructured Company are to be granted in accordance with the following conditions:

- I. Number of the stock acquisition rights of the Restructured Company
The Holders are to be given the same number of the stock acquisitions right of the Restructured Company in exchange for the rights the Holders hold.
- II. Type of shares of the Restructure Company to be acquired upon the exercise of the stock acquisition rights
The above shares shall be common stock of the Restructured Company.
- III. The Number of Shares of the Restructured Company to be acquired upon the exercise of the stock acquisition rights
The Number of Shares is to be determined by aforementioned (4), based on consideration of conditions of the Restructuring Transaction.
- IV. Value of assets to be contributed at the exercise of the stock acquisition rights
The value of assets to be contributed at the exercise of the stock acquisition rights shall be the amount calculated through adjustments by aforementioned (5), taking into consideration

the conditions for the Restructuring Transactions, multiplied by the number of shares subject to the stock acquisition right as decided in III. above.

V. Effective period during which the stock acquisition rights are exercisable

The stock acquisition rights are exercisable over the period that begins on the first day of the execution period specified in (6) on the above or the effective date of the Restructuring Transaction, whichever is later, and ends on the last day of the execution period specified in (6) on the above.

VI. Matters relating to increment of capital stock and additional paid-in capital that would increase stock issuance

To be determined in accordance with (8) on the above.

VII. Restriction on acquisition of the stock acquisition rights by transfer

An approval by the Board of Directors of the Company shall be required for acquisition of the stock acquisition rights by transfer.

VIII. Other conditions for exercising the stock acquisition rights

To be determined in accordance with (7) on the above.

IX. Conditions and reasons for acquiring the stock acquisition rights

To be determined in accordance with (9) on the above.

X. Other conditions shall be determined in accordance with conditions of the Restructured Company.

(12) Amount paid for the stock acquisition rights

No payment of money shall be required in exchange for the stock acquisition rights. As the stock acquisition rights shall be issued as compensation for operation execution, it does not fall under a favorable price issue.

(13) The Allocation Date of the stock acquisition rights

July 17, 2019

3. Outline of The 5th Allocation of Stock Acquisition Rights of ZOZO, Inc.

(1) Name of the stock acquisition rights

The 5th Allocation of Stock Acquisition Rights of ZOZO, Inc.

(2) Total number of the stock acquisition right

597 units (This total number is a projected number, and in such cases where the number of allocations of the stock acquisition rights is reduced due to unfulfilled applications for acceptance and so on occur, the total number of effective allocations shall be regarded as the total number of stock acquisition rights issued)

(3) The number of persons subject to allotment of the stock acquisition rights and the number of units

of the stock acquisition rights

Directors of subsidiaries of the Company 4 persons (Total 597 units)

(4) Type and number of shares available under the stock acquisition rights

The number of shares to be issued upon exercise of each stock acquisition rights (hereinafter, referred to as the “Number of Shares”) shall be 100 shares of the common stock of the Company. However, if the Company implement a stock split (including gratis allocation of common stock; the same shall apply hereinafter) or a reverse stock split after the date of allocation of the stock acquisition rights (hereinafter, referred to as the “Allocation Date”), the Number of Shares will be adjusted based on the following formula:

$$\begin{array}{l} \text{Number of Shares to be} \\ \text{issued after adjustment} \end{array} = \begin{array}{l} \text{Number of Shares to be} \\ \text{issued before adjustment} \end{array} \times \begin{array}{l} \text{Ratio of stock split or} \\ \text{reverse stock split} \end{array}$$

In addition, if there is an unavoidable ground requiring adjustment of the Number of Shares to be issued such as the Company’s merger, company split and capital reduction, the Number of Shares to be issued may be adjusted to the extent necessary.

(5) Value of assets financed upon the exercise

The value of assets to be financed upon the exercise of the stock acquisition right shall be 1 yen (the paid-in amount per share to be delivered upon the exercise of the stock acquisition rights) multiplied by the number of shares granted.

(6) Period for exercising the stock acquisition rights

The period for exercising the stock acquisition rights (hereinafter, referred to as the “Exercising Period”) shall be from July 18, 2019 to July 13, 2034.

(7) Conditions of exercising the stock acquisition rights

Persons whom the stock acquisition rights are allotted (hereinafter, referred to as the “Holders” collectively and the “Holder” individually) can exercise their rights within the exercising period complying any of the following conditions.

- I. The Holders can exercise their rights from the next day of when all the following conditions are fulfilled:
 - A. The Holders continued to be in positions of the business executing director or employee at the Company or its subsidiaries for the period between the Allocation Date to July 13, 2024;
 - B. the average market capitalization (calculated by the following formula) of the Company

exceeds 3 trillion yen of preceding 30 business days from the specified date between the Allocation Date to June 30, 2024 including the specified date (excluding the days on which ordinary transactions of the Company's common stock cannot take place); and

- C. At the specified date between the Allocation Date to June 30, 2024 (this should be the exact same day which stated in above B.), the average stock price (calculated by the following formula) of the Company in preceding 30 business days including the specified date (excluding the days on which ordinary transactions of the Company's common stock cannot take place) exceeds 1.8x of the stock price on July 13, 2018.

$$\text{Market Capitalization} = \left(\frac{\text{Total number of outstanding stocks of the Company (*)}}{\text{Treasury stocks the Company holds (*)}} \right) \times \text{Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange}$$

(*) Both shall be numerical values on the aforementioned specified date

Stock Price = Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange (*)

(*) If stock split or reverse stock split is implemented after the Allocation Date, this shall be adjusted by the following formula (rounded up to the nearest yen unit)

$$\text{Adjusted stock price} = \frac{\text{Stock price before adjustment}}{\text{Ratio of split (or reverse split)}}$$

- II. Other conditions of exercising the stock acquisition rights are as specified in contracts on allotment of the stock acquisition rights concluded between the Company and the Holders.

(8) Capital stock and capital reserve to be contributed in the event of new share issuance from exercising of the stock acquisition rights

- I. In the event of new share issuance from exercising the stock acquisition rights, the amount to be contributed to capital stock shall be half of the limited amount of an increase in capital stock and capital reserve calculated in accordance with the Corporate Accounting Rules Article 17 (1), with any fractions less than one yen resulting from such calculation shall be rounded up.
- II. The amount by which the capital reserve increased as a result of the issuance of shares upon the exercise of the stock acquisition rights shall be the amount subtracting the abovementioned amount of capital increase from the abovementioned maximum amount of increase in capital etc.

(9) Matters concerning acquisition of the stock acquisition rights

- I. In events such as a merger agreement in which makes the Company a disappearing company, a corporate split agreement or a corporate split plan that makes the Company a split company, a share exchange agreement or a share transfer plan that makes the Company to become a wholly-owned subsidiary of another company, and an event where requiring a change in the Articles of Incorporation pertain to acquisition/transfer of shares, is approved at a General Meeting of Shareholders of the Company (in either case, if no resolution at a General Meeting of Shareholders is needed, it will be resolved by the Board of Directors of the Company), the Company may acquire back all the stock acquisition rights without compensation on the day specified by the Board of Directors of the Company.
- II. If the conditions aforementioned in (7) B. or C. are not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights from the Holders without compensation at arrival of July 14, 2024.
- III. In the case where Holder(s) is(are) dead, the Company may acquire back all the stock acquisition rights without compensation at the time of death.
- IV. If the condition aforementioned in (7) A. is not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights without compensation.

(10) Restriction on transfer of the stock acquisition rights

An approval by the Board of Directors of the Company shall be required for the acquisition of the stock acquisition rights by transfer.

(11) Treatment of the stock acquisition rights upon restructuring

If the Company is to engage in a merger (limited to cases where the Company is to be dissolved as a result of the merger), separated and absorbed, separated and newly incorporated, or subject to a share exchange or share transfer (hereinafter, all of which are collectively referred to as the "Restructuring Transaction"), the stock acquisition rights in the entity specified under Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (hereinafter, such entity referred as the "Restructured Company") are, in accordance with applicable items below, to be issued to the Holders of the stock acquisition rights that remain in effect as of the time of the Restructuring Transaction. However, the foregoing shall be limited to cases where it is indicated in an absorption-type merger agreement, incorporation-type merger agreement, absorption-type company separation agreement, incorporation-type company separation plan, share exchange agreement or share transfer plan that the stock acquisition rights of the Restructured Company are to be granted in accordance with the following conditions:

- I. Number of the stock acquisition rights of the Restructured Company
The Holders are to be given the same number of the stock acquisitions right of the Restructured Company in exchange for the rights the Holders hold.
- II. Type of shares of the Restructure Company to be acquired upon the exercise of the stock acquisition rights

The above shares shall be common stock of the Restructured Company.

- III. The Number of Shares of the Restructured Company to be acquired upon the exercise of the stock acquisition rights

The Number of Shares is to be determined by aforementioned (4), based on consideration of conditions of the Restructuring Transaction.

- IV. Value of assets to be contributed at the exercise of the stock acquisition rights

The value of assets to be contributed at the exercise of the stock acquisition rights shall be the amount calculated through adjustments by aforementioned (5), taking into consideration the conditions for the Restructuring Transactions, multiplied by the number of shares subject to the stock acquisition right as decided in III. above.

- V. Effective period during which the stock acquisition rights are exercisable

The stock acquisition rights are exercisable over the period that begins on the first day of the execution period specified in (6) on the above or the effective date of the Restructuring Transaction, whichever is later, and ends on the last day of the execution period specified in (6) on the above.

- VI. Matters relating to increment of capital stock and additional paid-in capital that would increase stock issuance

To be determined in accordance with (8) on the above.

- VII. Restriction on acquisition of the stock acquisition rights by transfer

An approval by the Board of Directors of the Company shall be required for acquisition of the stock acquisition rights by transfer.

- VIII. Other conditions for exercising the stock acquisition rights

To be determined in accordance with (7) on the above.

- IX. Conditions and reasons for acquiring the stock acquisition rights

To be determined in accordance with (9) on the above.

- X. Other conditions shall be determined in accordance with conditions of the Restructured Company.

- (12) Amount paid for the stock acquisition rights

No payment of money shall be required in exchange for the stock acquisition rights. As the stock acquisition rights shall be issued as compensation for operation execution, it does not fall under a favorable price issue.

- (13) The Allocation Date of the stock acquisition rights

July 17, 2019

4. Outline of The 6th Allocation of Stock Acquisition Rights of ZOZO, Inc.

- (1) Name of the stock acquisition rights

The 6th Allocation of Stock Acquisition Rights of ZOZO, Inc.

(2) Total number of the stock acquisition right

398 units (This total number is a projected number, and in such cases where the number of allocations of the stock acquisition rights is reduced due to unfulfilled applications for acceptance and so on occur, the total number of effective allocations shall be regarded as the total number of stock acquisition rights issued)

(3) The number of persons subject to allotment of the stock acquisition rights and the number of units of the stock acquisition rights

Directors of subsidiaries of the Company 4 persons (Total 398 units)

(4) Type and number of shares available under the stock acquisition rights

The number of shares to be issued upon exercise of each stock acquisition rights (hereinafter, referred to as the “Number of Shares”) shall be 100 shares of the common stock of the Company. However, if the Company implement a stock split (including gratis allocation of common stock; the same shall apply hereinafter) or a reverse stock split after the date of allocation of the stock acquisition rights (hereinafter, referred to as the “Allocation Date”), the Number of Shares will be adjusted based on the following formula:

$$\text{Number of Shares to be issued after adjustment} = \text{Number of Shares to be issued before adjustment} \times \text{Ratio of stock split or reverse stock split}$$

In addition, if there is an unavoidable ground requiring adjustment of the Number of Shares to be issued such as the Company’s merger, company split and capital reduction, the Number of Shares to be issued may be adjusted to the extent necessary.

(5) Value of assets financed upon the exercise

The value of assets to be financed upon the exercise of the stock acquisition right shall be 1 yen (the paid-in amount per share to be delivered upon the exercise of the stock acquisition rights) multiplied by the number of shares granted.

(6) Period for exercising the stock acquisition rights

The period for exercising the stock acquisition rights (hereinafter, referred to as the “Exercising Period”) shall be from July 18, 2019 to July 13, 2038.

(7) Conditions of exercising the stock acquisition rights

Persons whom the stock acquisition rights are allotted (hereinafter, referred to as the “Holders” collectively and the “Holder” individually) can exercise their rights within the exercising period complying any of the following conditions.

- I. The Holders can exercise their rights from the next day of when all the following conditions are fulfilled:
 - A. The Holders continued to be in positions of the business executing director or employee at the Company or its subsidiaries for the period between the Allocation Date to July 13, 2028;
 - B. the average market capitalization (calculated by the following formula; the same shall apply hereinafter) of the Company exceeds 5 trillion yen of preceding 30 business days from the specified date between the Allocation Date to June 30, 2028 including the specified date (excluding the days on which ordinary transactions of the Company's common stock cannot take place); and
 - C. At the specified date between the Allocation Date to June 30, 2028 (this should be the exact same day which stated in above B.), the average stock price (calculated by the following formula) of the Company in preceding 30 business days including the specified date (excluding the days on which ordinary transactions of the Company's common stock cannot take place) exceeds 2.5x of the stock price on July 13, 2018.

$$\text{Market Capitalization} = \left(\text{Total number of outstanding stocks of the Company (*)} - \text{Treasury stocks the Company holds (*)} \right) \times \text{Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange}$$

(*) Both shall be numerical values on the aforementioned specified date

Stock Price = Closing price of ordinary transactions of the Company's common stocks on the Tokyo Stock Exchange (*)

(*) If stock split or reverse stock split is implemented after the Allocation Date, this shall be adjusted by the following formula (rounded up to the nearest yen unit)

$$\text{Adjusted stock price} = \frac{\text{Stock price before adjustment}}{\text{Ratio of split (or reverse split)}}$$

- II. Other conditions of exercising the stock acquisition rights are as specified in contracts on allotment of the stock acquisition rights concluded between the Company and the Holders.

(8) Capital stock and capital reserve to be contributed in the event of new share issuance from exercising of the stock acquisition rights

- I. In the event of new share issuance from exercising the stock acquisition rights, the amount to be contributed to capital stock shall be half of the limited amount of an increase in capital stock and capital reserve calculated in accordance with the Corporate Accounting Rules Article 17

(1), with any fractions less than one yen resulting from such calculation shall be rounded up.

- II. The amount by which the capital reserve increased as a result of the issuance of shares upon the exercise of the stock acquisition rights shall be the amount subtracting the abovementioned amount of capital increase from the abovementioned maximum amount of increase in capital etc.

(9) Matters concerning acquisition of the stock acquisition rights

- I. In events such as a merger agreement in which makes the Company a disappearing company, a corporate split agreement or a corporate split plan that makes the Company a split company, a share exchange agreement or a share transfer plan that makes the Company to become a wholly-owned subsidiary of another company, and an event where requiring a change in the Articles of Incorporation pertain to acquisition/transfer of shares, is approved at a General Meeting of Shareholders of the Company (in either case, if no resolution at a General Meeting of Shareholders is needed, it will be resolved by the Board of Directors of the Company), the Company may acquire back all the stock acquisition rights without compensation on the day specified by the Board of Directors of the Company.
- II. If the conditions aforementioned in (7) B. or C. are not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights from the Holders without compensation at arrival of July 14, 2028.
- III. In the case where Holder(s) is(are) dead, the Company may acquire back all the stock acquisition rights without compensation at the time of death.
- IV. If the condition aforementioned in (7) A. is not satisfied before the time of exercising rights, the Company may acquire back all the stock acquisition rights without compensation.

(10) Restriction on transfer of the stock acquisition rights

An approval by the Board of Directors of the Company shall be required for the acquisition of the stock acquisition rights by transfer.

(11) Treatment of the stock acquisition rights upon restructuring

If the Company is to engage in a merger (limited to cases where the Company is to be dissolved as a result of the merger), separated and absorbed, separated and newly incorporated, or subject to a share exchange or share transfer (hereinafter, all of which are collectively referred to as the "Restructuring Transaction"), the stock acquisition rights in the entity specified under Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (hereinafter, such entity referred as the "Restructured Company") are, in accordance with applicable items below, to be issued to the Holders of the stock acquisition rights that remain in effect as of the time of the Restructuring Transaction. However, the foregoing shall be limited to cases where it is indicated in an absorption-type merger agreement, incorporation-type merger agreement, absorption-type company separation agreement, incorporation-type company separation plan, share exchange

agreement or share transfer plan that the stock acquisition rights of the Restructured Company are to be granted in accordance with the following conditions:

- I. Number of the stock acquisition rights of the Restructured Company
The Holders are to be given the same number of the stock acquisitions right of the Restructured Company in exchange for the rights the Holders hold.
- II. Type of shares of the Restructure Company to be acquired upon the exercise of the stock acquisition rights
The above shares shall be common stock of the Restructured Company.
- III. The Number of Shares of the Restructured Company to be acquired upon the exercise of the stock acquisition rights
The Number of Shares is to be determined by aforementioned (4), based on consideration of conditions of the Restructuring Transaction.
- IV. Value of assets to be contributed at the exercise of the stock acquisition rights
The value of assets to be contributed at the exercise of the stock acquisition rights shall be the amount calculated through adjustments by aforementioned (5), taking into consideration the conditions for the Restructuring Transactions, multiplied by the number of shares subject to the stock acquisition right as decided in III. above.
- V. Effective period during which the stock acquisition rights are exercisable
The stock acquisition rights are exercisable over the period that begins on the first day of the execution period specified in (6) on the above or the effective date of the Restructuring Transaction, whichever is later, and ends on the last day of the execution period specified in (6) on the above.
- VI. Matters relating to increment of capital stock and additional paid-in capital that would increase stock issuance
To be determined in accordance with (8) on the above.
- VII. Restriction on acquisition of the stock acquisition rights by transfer
An approval by the Board of Directors of the Company shall be required for acquisition of the stock acquisition rights by transfer.
- VIII. Other conditions for exercising the stock acquisition rights
To be determined in accordance with (7) on the above.
- IX. Conditions and reasons for acquiring the stock acquisition rights
To be determined in accordance with (9) on the above.
- X. Other conditions shall be determined in accordance with conditions of the Restructured Company.

(12) Amount paid for the stock acquisition rights

No payment of money shall be required in exchange for the stock acquisition rights. As the stock acquisition rights shall be issued as compensation for operation execution, it does not fall under a

favorable price issue.

(13) The Allocation Date of the stock acquisition rights

July 17, 2019

DISCLAIMER:

This document is summary translation of Japanese version. All readers are recommended to refer the original Japanese version for complete information. In the event of any discrepancy, errors and/or omissions, the Japanese version shall prevail.