

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

Securities code: 4958
December 3, 2021

To Our Shareholders,

Takao Umino,
President & COO
T. HASEGAWA CO., LTD.
4-4-14, Nihonbashi-honcho, Chuo-ku, Tokyo

Notice of Convocation of the 60th Annual General Meeting of Shareholders

We are pleased to announce the 60th Annual General Meeting of Shareholders of T. HASEGAWA CO., LTD. (the “Company”), which will be held as described below.

From the perspective of preventing the spread of novel coronavirus disease (COVID-19), this year we strongly request that shareholders refrain from traveling to the venue of the meeting and exercise their voting rights in writing (by mail) or via the internet.

Please exercise your voting rights no later than 5:30 p.m. on Tuesday, December 21, 2021 (JST) after reviewing the attached Reference Documents for General Meeting of Shareholders.

- 1. Date and Time:** Wednesday, December 22, 2021, at 10:00 a.m.
(The reception will commence at 9:00 a.m.)
- 2. Venue:** Nomura Conference Plaza Nihonbashi, 6F, Grand Hall
Nihonbashi Muromachi Nomura Building (YUITO),
2-4-3, Nihonbashi-muromachi, Chuo-ku, Tokyo
© We have arranged the venue with sufficient space between seats, and have significantly reduced the number of seats compared to the previous years due to an adequate seating interval. Please be aware that there will be no souvenirs provided.

3. Purpose of the Meeting **Matters to be reported**

1. The business report, the consolidated financial statements and audit reports of the Accounting Auditors and the Audit & Supervisory Board for the consolidated financial statements for the 60th term (from October 1, 2020 to September 30, 2021)
2. The non-consolidated financial statements for the 60th term (from October 1, 2020 to September 30, 2021)

Matters to be resolved

- | | |
|--------------------|--|
| Proposal 1: | Election of eight (8) Directors |
| Proposal 2: | Election of one (1) Audit & Supervisory Board Member |
| Proposal 3: | Election of one (1) substitute Audit & Supervisory Board Member |
| Proposal 4: | Revision of Remuneration Amount for Outside Directors |
| Proposal 5: | Determination of Amount and Details of Remuneration as Remuneration-type Stock Options for Directors |

-
- ◎ Because the status of stock acquisition rights, the system for ensuring properness of operations, the outline of the operating status of system for ensuring properness of operations, the consolidated statements of changes in equity, the notes to consolidated financial statements, the non-consolidated statements of changes in equity and the notes to non-consolidated financial statements, which must be provided at the time of providing this Notice of Convocation, are reported on the Company's website (<https://www.t-hasegawa.co.jp/>) in accordance with the provisions of laws and regulations and Article 17 of the Articles of Incorporation of the Company, they are not provided in the attached documents to this Notice of Convocation (the aforementioned items disclosed on the website are available in Japanese only). Accordingly, the attached documents to this Notice of Convocation constitute a part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditors in preparing the audit reports.
 - ◎ Any corrections to the Reference Documents for General Meeting of Shareholders, business report, consolidated or non-consolidated financial statements will be published on the Company's website (<https://www.t-hasegawa.co.jp/>). The corrections in these documents will be available in Japanese only.

Reference Documents for General Meeting of Shareholders

Proposal 1: Election of eight (8) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, we request the election of eight (8) Directors, increasing the number of Directors by two to enhance the management system. Nomination of the candidates for Director has passed through the deliberation process by the voluntary Appointment Committee of which a majority of the members are independent outside Directors.

The candidates for Director are as follows:


No.	Name	Position in the Company	
1	Takao Umino	President & COO	Re-election
2	Yoshiaki Chino	Director & Deputy President	Re-election
3	Minoru Nakamura	Director & Senior Executive Vice President	Re-election
4	Tetsuya Nakamura	Executive Vice President	New candidate
5	Koichiro Kato	Executive Vice President	New candidate
6	Shingo Ohkado	Outside Director	Re-election Outside Independent
7	Takao Yuhara	Outside Director	Re-election Outside Independent
8	Akiko Izumi	—	New candidate Outside Independent


Re-election: Candidate for Director to be re-elected


New candidate: New candidate for Director


Outside: Candidate for outside Director


Independent: Independent director/auditor as defined by the securities exchange

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
1 Re-election	 <p>Takao Umino (March 22, 1947)</p>	<p>Apr. 1970 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation)</p> <p>Jun. 2004 Representative Director and President of Sakura Card Co., Ltd. (now SMBC Finance Service Co., Ltd.)</p> <p>Jun. 2008 Joined the Company; Senior Advisor</p> <p>Dec. 2008 Director & Senior Executive Vice President of the Company, second in charge of Administration</p> <p>Dec. 2009 In charge of Administration</p> <p>Dec. 2010 In charge of Overseas Business (now Global Business)</p> <p>Dec. 2014 Director, Deputy President & CFO of the Company</p> <p>Nov. 2017 President & COO of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Audit Division and Quality Assurance Division</p> <p>(Important concurrent positions) Director (Chairman) of T. HASEGAWA U.S.A., INC. Director (Chairman) of MISSION FLAVORS & FRAGRANCES, INC.</p>	15,100
<p>[Reasons for nomination as a candidate for Director] As President & COO of the Company, Mr. Umino demonstrates superior leadership in his role of being in charge of the Company as a whole, and supervises the execution of business of the Company. From his long-standing and abundant experience in the financial sector and in the area of global business, he possesses a broad range of specialist knowledge and keen insight into the overall corporate management and global business operations. Since assuming office as President in 2017, he has focused on the establishment of an organizational foundation that can flexibly respond to changes in the business environment, reform of awareness and development of human resources. Furthermore, for overseas business, he has proactively promoted growth strategies, such as by leading the project for the acquisition of MISSION FLAVORS & FRAGRANCES, INC. by a U.S. subsidiary that was carried out in December 2020. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between the candidate and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If the re-election of Mr. Umino is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
2 Re-election	 <p>Yoshiaki Chino (January 25, 1950)</p>	<p>Apr. 1972 Joined the Company</p> <p>Dec. 2003 Executive General Manager; General Manager of Food Materials Division of the Company</p> <p>Dec. 2006 Senior Vice President; Deputy General Manager of Fukaya Production Center of the Company</p> <p>Dec. 2007 General Manager of Fukaya Production Center of the Company</p> <p>Dec. 2011 Executive Vice President of the Company</p> <p>Dec. 2014 Director & Senior Executive Vice President of the Company</p> <p>Nov. 2015 President of T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.</p> <p>Oct. 2018 General Manager of R&D Center of the Company</p> <p>Oct. 2020 Director & Deputy President of the Company (present)</p> <p>General Manager of Business Solution Division of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Business Solutions Planning Department and Marketing Division</p>	8,980
<p>[Reasons for nomination as a candidate for Director] As Director, Mr. Chino has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has served in key positions in the Company over many years, in the areas of research, production, procurement, etc. and possesses broad and abundant knowledge in the technical area overall. As General Manager of R&D Center of the Company since October 2018, he has led the organizational revitalization and productivity improvement of Research & Development, and from October 2020, as General Manager of the newly established Business Solution Division of the Company, he is promoting the creation of an organizational structure that integrates Research & Development, Sales and the Marketing Division to provide customers with accurate solutions that take advantage of the Company's comprehensive strength. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between the candidate and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If the re-election of Mr. Chino is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
3 Re-election	 Minoru Nakamura (September 5, 1955)	<p>Apr. 1981 Joined Nippon Kokan Ltd. (now JFE Engineering Corporation)</p> <p>Aug. 1988 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation)</p> <p> Seconded to Mitsui Institute of Research Inc. (now The Japan Research Institute, Limited)</p> <p>Sep. 2006 Joined the Company; Chief Administrator, Corporate Planning Division</p> <p>Dec. 2011 Executive General Manager; General Manager of Corporate Planning Division, and General Manager of Information Systems Division of the Company</p> <p>Dec. 2013 Senior Vice President of the Company</p> <p>Dec. 2015 Executive Vice President; General Manager of Corporate Planning Division, and General Manager of Human Resources Division of the Company</p> <p>Dec. 2017 Director & Executive Vice President of the Company</p> <p>Oct. 2019 General Manager of Financial Division of the Company (present)</p> <p>Oct. 2020 Director & Senior Executive Vice President of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Administration</p> <p>(Important concurrent positions) Representative Director and President of T. HASEGAWA BUSINESS SERVICE CO., LTD.</p>	11,300
<p>[Reasons for nomination as a candidate for Director] As Director, Mr. Nakamura has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. Having experience in management consulting and having served in key positions in the Company's Administration, he possesses abundant specialist knowledge relating to overall management and keen insight. As Senior Executive Vice President of the Company, he is in charge of Administration and promotes various measures that lead to improvement of medium- to long-term performance, such that include operational streamlining, human resources development, and promotion of sustainability-oriented business strategies. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between the candidate and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If the re-election of Mr. Nakamura is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
4 New candidate	 Tetsuya Nakamura (March 12, 1959)	Apr. 1982 Joined the Company Apr. 2002 General Manager of Department No. 6, Technical Research Institute of the Company Dec. 2011 Executive General Manager of the Company Dec. 2013 Deputy General Manager of Technical Research Institute of the Company Dec. 2014 Senior Vice President of the Company Jan. 2016 General Manager of Innovative Research Institute Oct. 2018 General Manager of Technical Research Institute of the Company Oct. 2019 Executive Vice President of the Company (present) Deputy General Manager of R&D Center of the Company Oct. 2020 General Manager of R&D Center of the Company (present) (Responsibilities in the Company) In charge of Research & Development and second in charge of Quality Assurance Division	5,382
<p>[Reasons for nomination as a candidate for Director] Mr. Nakamura has abundant experience and broad knowledge, having served in key positions in the Company over many years in the area of R&D. As an Executive Vice President, he is in charge of Research & Development, facilitates organic cooperation between Research & Development and other departments and further improvements in technological development capability through organizational and work reforms and other initiatives, and promotes strategic research and development. We have nominated him as a candidate for Director as we expect he will contribute to the sustainable growth of the Company and the improvement of its corporate value by applying such knowledge and experience to important decision-making and supervisory functions of the Board of Directors.</p> <p>[Special interest between the candidate and the Company] There is no special interest between the candidate and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Senior Vice President of the Company and is included as an insured in said insurance policy. If the election of Mr. Nakamura as Director is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
5 New candidate	 Koichiro Kato (September 9, 1958)	Apr. 1983 Joined Mitsubishi Corporation Dec. 1987 Worked at the Yanbu Office in Saudi Arabia of Mitsubishi Corporation Dec. 1996 Worked as an overseas resident employee in Southeast Asia (Thailand, Indonesia, and Myanmar) Sep. 2011 Joined International Medical Volunteers Japan Heart (served as Secretary General of Board of Directors and Full-time Director of Board of Directors) Jul. 2017 Joined the Company; Senior Advisor of Global Business Division Jan. 2018 Senior Vice President of the Company Apr. 2018 Seconded to Peresscol Sdn.Bhd. (now T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN.BHD.) (Malaysia) Oct. 2018 Director of Peresscol Sdn.Bhd. (now T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN.BHD.) (Malaysia) Director (Chairman) of T.HASEGAWA(SOUTHEAST ASIA) CO.,LTD. (Thailand) President Commissioner of PT.HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA Oct. 2020 Executive Vice President of the Company (present) General Manager of Business Solutions Planning Department of the Company (present) (Responsibilities in the Company) In charge of Sales	2,000

[Reasons for nomination as a candidate for Director]

Mr. Kato possesses a wealth of knowledge and broad experience pertaining to the global sector cultivated through his service at a general trading company over many years. After joining the Company, in addition to having involvement in management as a Director of a local corporation based in Malaysia, he has devised and promoted strategy for the entirety of the Southeast Asian region as the supervisor of said region. Subsequently, he was in charge of sales as an Executive Vice President and also promoted the reinforcement of cooperation among the sales, Research & Development and marketing departments, operational reforms and various other measures with a view to further enhancing the system linking Company proposals to customer success in his capacity as the General Manager of the Business Solutions Planning Department.


We have nominated him as a candidate for Director as we expect he will contribute to the sustainable growth of the Company and the improvement of its corporate value by applying such knowledge and experience to important decision-making and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Senior Vice President of the Company and is included as an insured in said insurance policy. If the election of Mr. Kato as Director is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
6 Re-election Outside Independent	 Shingo Ohkado (September 22, 1946)	Apr. 1971 Joined TOPPAN PRINTING CO., LTD. Jan. 1979 Worked at the Australian subsidiary of TOPPAN PRINTING CO., LTD. (until March 1987) Jan. 1991 Vice President, Head of Sales and Marketing of Toppan USA, Inc. (until March 1998) Mar. 1998 Served as General Manager of Overseas Sales Promotion, Information & Publication Division, and General Manager of Sales and Marketing of TOPPAN PRINTING CO., LTD. until March 2000 Mar. 2000 President & CEO of Toppan USA, Inc. Mar. 2003 Head of International Division of TOPPAN PRINTING CO., LTD. Jun. 2004 Director, Head of International Division of TOPPAN PRINTING CO., LTD. Jun. 2008 Managing Director, Head of International Division of TOPPAN PRINTING CO., LTD. Jun. 2011 Outside audit & supervisory board member of Toyo Ink SC Holdings Co., Ltd. Dec. 2014 Outside Audit & Supervisory Board Member of the Company Dec. 2015 Outside Director of the Company (present)	0

[Special notes on candidate for outside Director]

Mr. Ohkado is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been six (6) years. His total term of office, including his time as an outside Audit & Supervisory Board Member, will have been seven (7) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Mr. Ohkado engaged in overseas sales, the management of a local corporation based in the U.S. and other global duties at a major printing company. Utilizing his keen insight as well as his wealth of experience and broad knowledge cultivated through that career, he proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as Outside Director. The Company expects that he will continue to fulfill these roles in the future.

We have nominated him as a candidate for Outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Matters concerning independent director/auditor]


The Company presently specifies the candidate as an independent director/auditor in accordance with the rules of Tokyo Stock Exchange and has submitted notification to the same. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with the candidate in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If the re-election of Mr. Ohkado is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
7 Re-election Outside Independent	 Takao Yuhara (June 7, 1946)	<p>Apr. 1969 Joined Nippon Chemical Industrial Co., Ltd.</p> <p>May 1971 Joined Sony Corporation (now Sony Group Corporation)</p> <p>Mar. 1987 Deputy President of Sony International (Singapore) Ltd.</p> <p>Jun. 2003 Corporate Senior Vice President and Group CFO of Sony Corporation (now Sony Group Corporation)</p> <p>Jun. 2004 Corporate Executive, Officer in charge of Finance and IR of Sony Corporation (now Sony Group Corporation)</p> <p>Dec. 2007 Managing Executive Officer of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.)</p> <p>Jun. 2008 Director of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.)</p> <p>Jun. 2008 Outside Audit & Supervisory Board Member of Ricoh Company, Ltd.</p> <p>May 2011 Managing Director and CFO of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.)</p> <p>Jun. 2013 Outside Audit & Supervisory Board Member of mofiria Corporation</p> <p>Jun. 2014 Outside Audit & Supervisory Board Member of KAMEDA SEIKA CO., LTD. (present)</p> <p>Jun. 2015 Outside Audit & Supervisory Board Member of Leopalace21 Corporation (present)</p> <p>Dec. 2015 Outside Audit & Supervisory Board Member of the Company</p> <p>Dec. 2019 Outside Director of the Company (present)</p> <p>(Important concurrent positions) Outside Audit & Supervisory Board Member of KAMEDA SEIKA CO., LTD. Outside Audit & Supervisory Board Member of Leopalace21 Corporation</p>	0

[Special notes on candidate for outside Director]

Mr. Yuhara is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been two (2) years. His total term of office, including his time as an outside Audit & Supervisory Board Member, will have been six (6) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Based on his keen insight and broad experience regarding corporate management cultivated through many years of experience, Mr. Yuhara proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from an impartial and objective point of view in his capacity as Outside Director. The Company expects that he will continue to fulfill these roles in the future.

We have nominated him as a candidate for Outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

During 2018 and 2019, at Leopalace21 Corporation, where he currently serves as an outside Audit & Supervisory Board Member upon his appointment to the position in June 2015, authorities found cases where apartment buildings Leopalace21 Corporation constructed in the past were equipped with inadequate partition walls, and furthermore that partition walls, external walls and ceilings did not comply with legal specifications. Whereas he had been unaware of the situation until it came to light, he had been calling attention to such matter on a regular basis by making recommendations from a compliance perspective at meetings of Leopalace21 Corporation's Board of Directors and other such forums. Subsequent to the situation coming to light, he has been appropriately fulfilling his responsibilities in that regard, particularly in terms of investigating all facts, pinpointing the causes, preventing recurrence and enhancing governance.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Matters concerning independent director/auditor]


The Company presently specifies the candidate as an independent director/auditor in accordance with the rules of Tokyo Stock Exchange and has submitted notification to the same. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with the candidate in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If the re-election of Mr. Yuhara is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
8 New candidate Outside Independent	 Akiko Izumi (December 2, 1961)	<p>Mar. 1984 Joined Fukutake Publishing Co., Ltd. (now Benesse Corporation)</p> <p>Mar. 1987 News announcer of Nippon Shortwave Broadcasting Corporation (now NIKKEI RADIO BROADCASTING CORPORATION) until February 1988</p> <p>Mar. 1988 Freelance announcer/caster until March 2000</p> <p>Sep. 2000 Daily Life and Economic Journalist /Certified Financial Planner (CFP®) /Human Resource Development Consultant (present)</p> <ul style="list-style-type: none"> • Promoted lectures, training sessions and consulting activities mainly focused on work style reform, the promotion of women's active participation in the workplace, human resources development and effective communication. She also served as a member of the advisory board or as a part-time officer at companies and public interest incorporated foundations, and as a committee member at public institutions. <p>Sep. 2007 Established Platinum Concierge Co., Ltd.; Representative Director and President</p> <p>Aug.2016 Director and Chairman of Platinum Concierge Co., Ltd.</p> <p>Jan. 2021 Counselor of Platinum Concierge Co., Ltd. (present)</p> <p>(Important concurrent positions) Board Member of Japan Pension Service Part-time Director of Executive Board of The Nippon Foundation Vice Representative Chairman of Association for the Realization of Safe and Secured Life in Aged Society</p>	0

[Special notes on candidate for outside Director]

Ms. Izumi is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Ms. Izumi possesses keen insight cultivated through her experience in professions such as daily life and economic journalist and financial planner as well as specialization in sectors such as work style reforms, human resource development, and diversity promotion. The Company expects that she will offer advice and suggestions on matters regarding human resource utilization and development, marketing and sustainability initiatives as well as advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view.

We have nominated her as a candidate for Outside Director as we believe that she will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Matters concerning independent director/auditor]

Since Ms. Izumi fulfills the requirements as an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange, the Company intends to submit notification that specifies her as an independent director/auditor to the same if the election of Ms. Izumi as Director is approved.

[Outline of details of contract for limitation of liability]

If the election of Ms. Izumi as Director is approved, the Company intends to enter into a contract for limitation of liability with her in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. If the election of Ms. Izumi as Director is approved, she will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during her term of office.

Proposal 2: Election of one (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member Koji Kataoka will resign at the conclusion of this meeting. Therefore, the Company proposes to elect one (1) Audit & Supervisory Board Member as his substitute.

As provided for in the Company's Articles of Incorporation, the term of office of the elected Audit & Supervisory Board Member will be until the term of office of retiring Koji Kataoka expires.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows.

Please note that although Audit & Supervisory Board Member Candidate Takehiro Matsumoto was elected as a substitute Audit & Supervisory Board Member to fill in for Audit & Supervisor Board Member Koji Kataoka through a resolution at the 58th Annual General Meeting of Shareholders, as the number of Audit & Supervisory Board Members continues to satisfy the number stipulated by laws and regulations following the resignation of Koji Kataoka, we are requesting the election of Takehiro Matsumoto as an Audit & Supervisory Board Member anew rather than his assumption of the office of Audit & Supervisory Board Member based on the abovementioned resolution.

Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
 Takehiro Matsumoto (May 12, 1963) New candidate	Apr. 1986 Joined Taiyo Kobe Bank (now Sumitomo Mitsui Banking Corporation)	0
	Dec. 1995 Vice President of New York Branch, Sakura Bank (now Sumitomo Mitsui Banking Corporation)	
	Apr. 2003 Executive Vice President of Sumitomo Mitsui Banking Corporation of Canada	
	Apr. 2010 General Manager of Asia Pacific Training Department, Planning Department, International Banking Unit of Sumitomo Mitsui Banking Corporation	
	May 2016 President of SMBC SSC Sdn. Bhd. (in Malaysia)	
	May 2018 Senior Auditor of Internal Audit Department of Sumitomo Mitsui Banking Corporation	
	Jul. 2019 Joined the Company; Executive Administrator	
	Oct. 2019 Executive General Manager; General Manager of Auditing Division of the Company (present)	
	Oct. 2021 Senior Vice President of the Company (present)	

[Reasons for nomination as a candidate for Audit & Supervisory Board Member]

Mr. Matsumoto has overseen broad duties that include sales, administration, work as an overseas resident employee and auditing through his service at a financial institution for many years, and was also involved in subsidiary management. Since joining the Company, he has been engaged in duties pertaining to internal audits and internal controls and other endeavors as General Manager of the Auditing Department, and has contributed to the reinforcement of the governance structure of the Company group as a whole.

We have nominated him as a candidate for Audit & Supervisory Board Member as we believe that he will be able to appropriately perform his duties in that capacity by utilizing his aforementioned wealth of knowledge and experience.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Senior Vice President of the Company and is included as an insured in said insurance policy. If the election of Mr. Matsumoto as Audit & Supervisory Board Member is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

Skill Matrix

Note: The skill matrix of the candidates stated in this Notice of Convocation of Annual General Meeting of Shareholders should they be elected in accordance with the original proposals herein is as follows.

Name	Managerial position (planned)	Specific utilizable skills possessed among specialized skills required by the Company									
		Corporate management & strategies	ESG & sustainability	Quality	Sales & marketing	R&D	Production	Global strategies	Accounting & finance	Human resources	Legal, compliance, risk management
Takao Umino	President & COO	●	●	●	●			●	●	●	●
Yoshiaki Chino	Representative Director & Deputy President	●	●	●	●	●	●	●			●
Minoru Nakamura	Director & Senior Executive Vice President	●	●				●		●	●	●
Tetsuya Nakamura	Director & Executive Vice President			●		●					●
Koichiro Kato	Director & Executive Vice President	●			●			●			●
Shingo Ohkado	Outside Director	●			●			●			●
Takao Yuhara	Outside Director	●						●	●		
Akiko Izumi	Outside Director	●	●		●					●	
Takehiro Matsumoto	Full-time Audit & Supervisory Board Member	●						●	●	●	●
Tomoyoshi Arita	Outside Audit & Supervisory Board Member								●		●
Kazuhito Yamamura	Outside Audit & Supervisory Board Member							●	●		●
Junko Imura	Outside Audit & Supervisory Board Member								●		


Proposal 3: Election of one (1) substitute Audit & Supervisory Board Member

We request the election of one (1) substitute Audit & Supervisory Board Member in advance in order to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall short of the number stipulated by laws and regulations.

The validity of the election of substitute Audit & Supervisory Board Member can be nullified by resolution of the Board of Directors if the consent of the Audit & Supervisory Board has been obtained; provided, however, that it is only in a time before assuming office.

Consent of the Audit & Supervisory Board has been obtained concerning this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
 Jun Takizawa (March 13, 1964) New candidate	Apr. 1986 Joined the Company Mar. 2001 Manager of Accounting Section, Accounting Division of the Company Jul. 2007 Manager of Financial Section, Financial Division of the Company Dec. 2007 General Manager of Accounting Division of the Company Dec. 2015 Executive General Manager of the Company Dec. 2016 General Manager of Financial Division of the Company Oct. 2019 General Manager of Human Resources Division of the Company (present) Oct. 2021 Senior Vice President of the Company (present)	2,200

[Reasons for nomination as a candidate for substitute Audit & Supervisory Board Member]

Mr. Takizawa has engaged in accounting and finance operations for many years since joining the Company, and possesses a wealth of experience and a high level of specialization in those fields. He has been leading duties such as HR system reforms and human resource development and engaging in the formation of a corporate climate capable of fully harnessing the ability of individuals and in the enhancement of organizational capacity since October 2019 as the General Manager of the Human Resources Division and since October 2021 as Senior Vice President.

We have nominated him as a candidate for substitute Audit & Supervisory Board Member as we believe that he will be able to appropriately perform his duties in that capacity by utilizing his aforementioned wealth of experience and high level of specialization in accounting and finance.

[Special interest between the candidate and the Company]

There is no special interest between the candidate and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc. that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Senior Vice President of the Company and is included as an insured in said insurance policy. If Mr. Takizawa assume office as Audit & Supervisory Board Member, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

Proposal 4: Revision of Remuneration Amount for Outside Directors

At the 56th Annual General Meeting of Shareholders that convened on December 21, 2017, the amount of remuneration for Directors of the Company was resolved at no more than five hundred million (500,000,000) yen per annum (Of which, no more than 25 million (25,000,000) yen shall be paid to Outside Directors (excluding the amount of employee's salaries portion for Directors who are also employees)). Additionally, at the 54th Annual General Meeting of Shareholders that convened on December 17, 2015, the amount of remuneration for stock acquisition rights as remuneration-type stock options was approved as no more than one hundred forty million (140,000,000) yen (Outside Directors excluded.), and remained that way until the present. Under this proposal, given that the approval and passing of Proposal 1 will result in an increase of one (1) Outside Director, and taking into consideration various circumstances that include the increase in the roles and duties required of Outside Directors from the perspective of the further reinforcement of corporate governance, we seek not to change the total amount of remuneration for Directors, which is no more than 500 million (500,000,000) yen per annum (excluding the amount of employee's salaries portion for Directors who are also employees), and to instead revise only the amount of remuneration for Outside Directors to no more than 50 million (50,000,000) yen per annum.

We believe that this proposal is reasonable because it was decided by the Board of Directors after deliberation by the Compensation Committee, while taking into consideration the increase in the number of Outside Directors and the increase in roles and duties required of Outside Directors, and because it is in line with the "Policy on the Determination of the Content of Remuneration, Etc. According to Each Director" established by the Company (See p. 38-39 of this Notice of Convocation of Annual General Meeting of Shareholders, in Japanese only).

While there are currently six (6) Directors (out of which two (2) are Outside Directors), should Proposal 1 be approved and passed in accordance with the original proposal, the number of Directors will become eight (8) (out of which three (3) will be Outside Directors).

Proposal 5: Determination of Amount and Details of Remuneration as Remuneration-type Stock Options for Directors

At the 54th Annual General Meeting of Shareholders that convened on December 17, 2015, the issuance of stock acquisition rights as remuneration in the form of remuneration-type stock options to Directors of the Company (Outside Directors excluded.) was approved for up to one hundred forty million (140,000,000) yen as a limit separate for the monetary remuneration limit for Directors.

Under this proposal, we seek to re-request approval following the changes to the underlined portions of content of stock acquisition rights as shown below while preserving the limit of one hundred forty million (140,000,000) yen per annum in order to continue our existing system of remuneration for stock acquisition rights as remuneration-type stock options due to the items to resolve at the General Meeting of Shareholders being clarified in regard to the content of stock acquisition rights granted as remuneration to Directors following the enactment of the “Act Partially Amending the Companies Act (Act No.70 of 2019)” and the “Ministerial Ordinance to Amend Part of Regulation for Enforcement of the Companies Act” (2020 Ordinance of the Ministry of Justice No. 52) on March 1, 2021.

The purpose of granting stock acquisition rights as remuneration-type stock options is to elevate the performance of Directors over the medium to long term and to further boost their will to contribute to the improvement of shareholder value and their morale. The amount of remuneration, etc. associated with said stock acquisition rights is computed and determined following consideration of elements such as the degree of contribution by Directors at the Company. Additionally, as the granting of stock acquisition rights as remuneration-type stock options based on this Proposal is conducted in line with the “Policy on the Determination of the Content of Remuneration, Etc. According to Each Director” established by the Company (See p. 38-39 of this Notice of Convocation of Annual General Meeting of Shareholders, in Japanese only), we believe that content to be reasonable.

With respect to said stock acquisition rights, each party to whom stock acquisition rights will be allocated shall be paid monetary remuneration equivalent to the total paid-in amount for the stock acquisition rights, with payment to be made using the method of offsetting the pertinent monetary remuneration receivables and the payment obligations for the paid-in amount for the stock acquisition rights.

With respect to the specific timing of payment and distribution to each Director, we wish to entrust that matter to the Board of Directors in the same manner as before. Please note that there are currently six (6) Directors (out of which two (2) are Outside Directors), with this number to become eight (8) (out of which three (3) will be Outside Directors) should Proposal 1 be approved and passed in accordance with the original proposal. As such, the number of Directors who will be eligible for the granting of stock acquisition rights will be five (5).

An overview of the content of the stock acquisition rights to be allocated as remuneration-type stock options under this Proposal follows below. The main areas to be changed have been underlined.

(1) Total number of stock acquisition rights

The total number of stock acquisition rights shall be set at a maximum of 2,000 (The number of shares subject to one stock acquisition right is one hundred (100) shares of common stock of the Company. However, in cases where the number of shares subject to stock acquisition rights as set forth in (2) below is adjusted, the number of shares of common stock will be adjusted in a similar manner.).

(2) Class and number of shares subject to stock acquisition rights

Two hundred thousand (200,000) shares of common stock of the Company shall be set at the maximum number of shares that can be granted by exercising stock acquisition rights issued within one (1) year from the Annual General Meeting of Shareholders pertaining to the business year in question. The number of shares subject to each stock acquisition right (“Number of Shares Granted” below) shall be one hundred (100) shares.

However, should the Company perform a stock split or consolidation, the Number of Shares Granted will be adjusted according to the following formula, with any fractions less than one (1) share arising as a result of said adjustment to be rounded down.

Number of Shares Granted following adjustment = Number of Shares Granted prior to adjustment
× Ratio of stock split or consolidation

In addition to the above, in cases where the Company performs a merger, company split, share exchange or share transfer or performs an allocation of share without consideration, or in other cases where it is necessary to adjust the Number of Shares Granted, the Number of Shares Granted will be appropriately adjusted within a necessary and rational scope.

Note that the abovementioned adjustment is only performed for Numbers of Shares Granted that pertain to stock acquisition rights for which rights have not been exercised at the point of time in question.

- (3) The amount to be paid in for stock acquisition rights
The amount to be paid in for each stock acquisition right shall be the fair valuation amount computed according to the Black-Scholes Model on the date of allocation of the stock acquisition right. However, as the payment obligations of the party subject to allocation based on the paid-in amount in question will be set off against the remuneration receivables (The amount of remuneration is identical to the payment receivable amount.) held towards the Company that are granted to the party subject to allocation on the date of allocation of the stock acquisition right on the condition that said stock acquisition right are subscribed to, monies do not have to be paid in exchange for the stock acquisition right.
- (4) Value of assets to be contributed upon exercise of stock acquisition rights
For the value of assets to be contributed upon the exercise of stock acquisition rights, the value of assets per share that can be granted by exercising each stock acquisition right shall be one (1) yen, with the value of assets to be contributed to be the amount obtained by multiplying that amount by the Number of Shares Granted.
- (5) Exercise period of stock acquisition rights
The exercise period of stock acquisition rights shall be thirty (30) years or less from the day following the date of allocation of stock acquisition rights.
- (6) Restriction on acquisition of stock acquisition rights through transfer
The acquisition of stock acquisition rights through transfer will require the approval of the Board of Directors of the Company.
- (7) Provisions for acquisition of the stock acquisition rights
 - 1) Should Proposals (i), (ii), (iii), (iv) or (v) below be approved at the General Meeting of Shareholders of the Company (or should a resolution by the Board of Directors be made in cases where a resolution of the General Meeting of Shareholders is unnecessary), the Company may acquire stock acquisition rights that have not been exercised without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.
 - (i) Proposal to approve merger agreement under which Company will become extinct company
 - (ii) Proposal to approve split agreement or split plan under which Company will become split company
 - (iii) Proposal to approve share exchange agreement or share transfer plan under which Company becomes wholly-owned subsidiary
 - (iv) Proposal to approve changes to Articles of Incorporation setting forth content of all shares issued by Company as acquisition of said shares via transfer requiring approval of Company
 - (v) Proposal to approve changes to Articles of Incorporation setting forth content of shares subject to stock acquisition rights as acquisition of said shares via transfer requiring approval of Company or Company acquiring all shares of share class in question through resolution at General Meeting of Shareholders
 - 2) In cases where a party to whom stock acquisition rights are allocated ("Stock Acquisition Rights Holders" below) become unable to exercise said rights based on the below exercise conditions, the Company may acquire the stock acquisition rights held by the Stock Acquisition Rights Holder in question without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.
 - 3) In cases where Stock Acquisition Rights Holders proposes to forfeit all or part of their stock acquisition rights using documentation designated by the Company, the Company may acquire the stock acquisition rights in question without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.
- (8) Conditions for exercise of stock acquisition rights
Stock Acquisition Rights Holders may only exercise said rights within ten (10) days of the day after the date that they lost their status as a Director of the Company. Other conditions for the exercise of stock acquisition rights will be set forth by the Board of Directors of the Company.

Consolidated Balance Sheets
(As of September 30, 2021)

(Millions of yen)

Assets		Liabilities	
Current assets	55,242	Current liabilities	11,604
Cash and deposits	19,037	Notes and accounts payable - trade	5,000
Notes and accounts receivable - trade	17,063	Income taxes payable	1,653
Securities	3,999	Provision for bonuses	1,550
Inventories	14,081	Provision for bonuses for directors (and other officers)	59
Other	1,077	Other	3,340
Allowance for doubtful accounts	(17)	Non-current liabilities	11,040
Non-current assets	65,703	Deferred tax liabilities	2,643
Property, plant and equipment	30,094	Retirement benefit liability	7,314
Buildings and structures	15,977	Long-term accounts payable - other	629
Machinery, equipment and vehicles	4,148	Asset retirement obligations	63
Tools, furniture and fixtures	1,072	Other	388
Land	6,829	Total liabilities	22,644
Construction in progress	2,067	Net assets	
Intangible assets	16,713	Shareholders' equity	86,147
Goodwill	6,043	Share capital	5,364
Customer relationship	9,711	Capital surplus	7,305
Other	958	Retained earnings	76,107
Investments and other assets	18,894	Treasury shares	(2,630)
Investment securities	17,930	Accumulated other comprehensive income	11,903
Deferred tax assets	575	Valuation difference on available-for-sale securities	10,272
Retirement benefit asset	21	Foreign currency translation adjustment	1,852
Other	422	Remeasurements of defined benefit plans	(221)
Allowance for doubtful accounts	(55)	Share acquisition rights	250
Total assets	120,945	Total net assets	98,301
		Total liabilities and net assets	120,945

Consolidated Statements of Income
(Fiscal year ended September 30, 2021)

(Millions of yen)

Item	Amount	
Net sales		55,755
Cost of sales		33,106
Gross profit		22,648
Selling, general and administrative expenses		15,788
Operating profit		6,859
Non-operating income		
Interest income	117	
Dividend income	274	
Foreign exchange gains	147	
Other	116	655
Non-operating expenses		
Interest expenses	8	
Other	39	48
Ordinary profit		7,466
Extraordinary income		
Gain on sale of investment securities	2,265	2,265
Extraordinary losses		
Loss on abandonment of non-current assets	38	38
Profit before income taxes		9,692
Income taxes - current	2,670	
Income taxes - deferred	259	2,929
Profit		6,763
Profit attributable to owners of parent		6,763

Non-consolidated Balance Sheets
(As of September 30, 2021)

(Millions of yen)

Assets		Liabilities	
Current assets	38,448	Current liabilities	9,539
Cash and deposits	8,847	Notes payable - trade	3
Notes receivable - trade	716	Accounts payable - trade	4,379
Electronically recorded monetary claims - operating	1,379	Lease obligations	16
Accounts receivable - trade	11,308	Accounts payable - other	584
Securities	3,999	Accrued expenses	1,705
Merchandise	241	Income taxes payable	1,416
Finished goods	6,459	Provision for bonuses	1,049
Work in process	120	Provision for bonuses for directors (and other officers)	59
Raw materials	4,040	Other	325
Supplies	295	Non-current liabilities	9,660
Other	1,038	Lease obligations	230
Allowance for doubtful accounts	(0)	Provision for retirement benefits	6,964
Non-current assets	67,719	Deferred tax liabilities	1,746
Property, plant and equipment	19,015	Long-term accounts payable - other	629
Buildings	9,566	Asset retirement obligations	63
Structures	787	Other	24
Machinery and equipment	1,685	Total liabilities	19,199
Vehicles	60	Net assets	
Tools, furniture and fixtures	782	Shareholders' equity	76,445
Land	6,110	Share capital	5,364
Construction in progress	21	Capital surplus	7,305
Intangible assets	202	Legal capital surplus	6,554
Software	194	Other capital surplus	751
Other	7	Retained earnings	66,405
Investments and other assets	48,500	Legal retained earnings	394
Investment securities	17,871	Other retained earnings	66,011
Shares of subsidiaries and associates	25,771	Reserve for tax purpose reduction entry	355
Investments in capital of subsidiaries and associates	3,659	General reserve	28,700
Long-term loans receivable from subsidiaries and associates	968	Retained earnings brought forward	36,955
Distressed receivables	2	Treasury shares	(2,630)
Other	283	Valuation and translation adjustments	10,272
Allowance for doubtful accounts	(55)	Valuation difference on available-for-sale securities	10,272
		Share acquisition rights	250
		Total net assets	86,968
Total assets	106,168	Total liabilities and net assets	106,168

Non-consolidated Statements of Income
(Fiscal year ended September 30, 2021)

(Millions of yen)

Item	Amount	
Net sales		37,362
Cost of sales		22,834
Gross profit		14,528
Selling, general and administrative expenses		10,636
Operating profit		3,891
Non-operating income		
Interest income	37	
Foreign exchange gains	136	
Dividend income	274	
Other	143	592
Non-operating expenses		
Interest expenses	1	
Provision of allowance for doubtful accounts	4	
Other	29	35
Ordinary profit		4,449
Extraordinary income		
Gain on sale of investment securities	2,265	2,265
Extraordinary losses		
Loss on abandonment of non-current assets	24	24
Profit before income taxes		6,689
Income taxes - current	1,971	
Income taxes - deferred	(101)	1,870
Profit		4,819