

Securities Code 2461

March 9, 2018

To Our Shareholders

1-1-8 Shibuya, Shibuya-ku, Tokyo
F@N Communications, Inc.
President Yasuyoshi Yanagisawa

Invitation to Attend the 19th Annual General Meeting of Shareholders

Thank you for your continued support and for the confidence you have placed in us.

We are pleased to invite you to attend the 19th Annual General Meeting of Shareholders, which has been schedule as follows.

If you are unable to attend the meeting in person, you may exercise your voting rights by any of the following methods. We ask that you exercise your voting rights after reviewing the Information Materials for the General Meeting of Shareholders.

[Exercising voting rights via postal mail]

Please indicate your approval or disapproval of the proposals on the enclosed shareholder voting form and return it by postal mail so that it arrives no later than 6:30 p.m. on Tuesday, March 27, 2018.

[Exercising voting rights via the Internet]

Please access the company's website for exercising voting rights (<https://www.web54.net>), enter the "Voting Rights Use Code" and password displayed on the attached shareholder voting form, follow the on-screen instructions, and indicate your approval or disapproval of the proposals by 6:30 p.m. on Tuesday, March 27, 2018.

When exercising voting rights via the Internet, please review "Guidelines for Exercising Voting Rights via the Internet" on page 3.

We look forward to seeing you.

Details

1. Date and Time: Wednesday, March 28, 2018, at 10:00 a.m.
(The reception desk opens at 9:30 a.m.)
2. Venue: 4-4-25 Shibuya, Shibuya-ku, Tokyo
IVY HALL Aogakukaikan, Basement 2F, "Safran"
(Please refer to the venue access map at the end of this notice.)

3. Agenda
- | | |
|------------------------|---|
| Matters for reporting | Business report, consolidated financial statements, and audit reports of the accounting auditor and the board of corporate auditors concerning the consolidated financial statements for the 19th business year (from January 1, 2017 to December 31, 2017) |
| Matters for resolution | on-consolidated financial statements for the 19th business year (from January 1, 2017 to December 31, 2017) |
- Proposal No. 1: Appropriation of retained earnings
Proposal No. 2: Election of eight directors
Proposal No. 3: Election of one corporate auditor
Proposal No. 4: Election of one substitute corporate auditor
Proposal No. 5: Issuance of stock warrants as stock options for the directors, executive officers, and employees of the Company
- End of text.

Attending shareholders are requested to present the enclosed shareholder voting form on the day of the Meeting at the reception desk of the venue.

Of the documents to be provided in this invitation to attend the General Meeting of Shareholders, the following items are posted on the Company's website at (<http://fancs.com/en>) in accordance with laws and regulations and the provision of Article 13 of the Company's Articles of Incorporation.

(1) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" for the consolidated financial statements

(2) "Non-Consolidated Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" for the non-consolidated financial statements

Therefore, upon the corporate auditors and accounting auditors drafting their respective audit reports, the audited consolidated financial statements and non-consolidated financial statements included the information included in the "Notes to the Consolidated Financial Statements," "Non-Consolidated Statement of Changes in Equity," and "Notes to the Non-Consolidated Financial Statements" in addition to the information in this invitation for the General Meeting of Shareholders.

Any amendment to the Information Materials for the General Meeting of Shareholders, the business report, non-consolidated financial statements, and consolidated financial statements will be posted on the corporate website (<https://www.fancs.com/en>) of the Company.

Guidelines for Exercising Voting Rights via the Internet

Please understand the following items upon exercising voting rights via the Internet.

1. Website for Exercising Voting Rights

You may exercise voting rights through the Internet only through the company's website for exercising voting rights below.

Website address of site for exercising voting rights: <https://www.web54.net>

2. Exercising Voting Rights

(1) When exercising voting rights via the Internet, please use the "Voting Rights Use Code" and password included in the attached shareholder voting form, follow the on-screen instructions, and indicate your approval or disapproval of the proposals.

(2) The deadline to exercising voting rights is 6:30 p.m. on Tuesday, March 27, 2018. Please exercise voting rights as early as possible.

(3) If you exercise voting rights both via postal mail and the Internet, the Company shall treat the vote through the Internet as valid. If you vote on the same items multiple times on the voting website, the Company shall treat the most recent vote as valid.

(4) The shareholder shall be responsible for all fees that may arise from accessing the voting website, including fees from telecommunications carriers and providers (connection fees).

3. Handling of Password and Voting Rights Use Code

(1) The password is an important item of information used to confirm that the person voting is the shareholder. Please handle this information as carefully as personal seals and PIN numbers.

(2) The password will be rendered unusable if it is mistakenly entered a certain number of times. When you wish to receive a new password, please follow the on-screen instructions.

(3) The Voting Rights Use Code included in the shareholder voting form is only usable for this General Meeting of Shareholders.

4. Questions Regarding Use of Computers and Other Devices

(1) If you are unsure how to operate a computer or other device in order to exercise voting rights through the Internet, please contact the following number.

Web support desk by Sumitomo Mitsui Trust Bank, Limited

[Phone] 0120 (652) 031 (hours of service: 9:00 a.m. to 9:00 p.m.)

(2) Please use the following number for other inquiries.

A. Shareholders with an account at a securities company

For shareholders who hold an account at a securities company, please send an inquiry to this securities company.

B. Shareholder without an account at a securities company (shareholder holding a special account)

Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Center

[Phone] 0120 (782) 031 (hours of service: 9:00 a.m. to 5:00 p.m. excluding Saturday, Sunday, and holidays)

Information Materials for the General Meeting of Shareholders

Proposal No. 1: Appropriation of retained earnings

The following appropriation of retained earnings is proposed.

Matters concerning the year-end dividend

With regard to the year-end dividend for the 19th business year, the following appropriation of retained earnings is proposed, with consideration given to the business results of the subject business year, future business development, etc.

(1) Type of dividend funds

Cash

(2) Matters concerning the allocation of dividend funds and total amount

It is proposed to pay a dividend of 19 yen per share of common stock of the Company.

The total dividend amount under this proposal is 1,460,758,608 yen.

(3) Date proposed for the dividend of retained earnings to take effect

March 29, 2018

Proposal No. 2: Election of eight directors

The term of office of all seven (7) directors will expire upon the conclusion of this general meeting of shareholders. The Company would like to increase the number of directors by one (1) in order to strengthen its managerial structure. Therefore, the Company would like to propose the election of eight (8) directors in total, including two (2) outside directors.

The candidates for director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company [Significant concurrent positions held]	Number of shares of the Company held
1	Yasuyoshi Yanagisawa (October 20, 1964)	Oct. 1999 Established the Company President (current position) (Position and responsibility in the Company) President	27,783,600
2	Hiroshi Matsumoto (April 10, 1960)	Oct. 1999 Established the Company Director and Vice President (current position) (Position and responsibility in the Company) Director and Vice President	1,663,500
3	Hakaru Hirose (February 14, 1964)	Oct. 2000 Joined the Company Oct. 2002 General Manager of Technological Development April 2004 Executive Officer March 2005 Director (current position) (Position and responsibility in the Company) Director in charge of IT systems department	409,200
4	Koji Ninomiya (March 11, 1979)	April 2004 Joined the Company Jan. 2011 General Manager of ADN promotion in the MC business March 2012 General Manager of ADN business April 2013 Executive Officer March 2015 Director (current position) (Position and responsibility in the Company) Director, General Manager of AD platform business and Services Development [Significant concurrent positions held] President of adjapon,inc.	8,900

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company [Significant concurrent positions held]	Number of shares of the Company held
5	Takashi Yoshinaga (February 18, 1981)	<p>April 2005 Joined the Company</p> <p>July 2008 General Manager of New Development for A8 business</p> <p>Oct. 2011 General Manager of A8 business</p> <p>April 2013 Executive Officer</p> <p>March 2015 Director (current position) (Position and responsibility in the Company) Director, General Manager of A8 business in charge of application marketing business [Significant concurrent positions held] Director for Seesaa Inc.</p>	16,000
6	*Koji Kumon (September 18, 1959)	<p>April 1983 Joined Nissho Iwai Corporation</p> <p>April 2000 Joined ITX Corporation Branch Manager in Europe</p> <p>June 2004 Joined TechMatrix Corporation Director, General Manager of Planning</p> <p>Feb. 2007 Joined Trancom Co., Ltd. Director in charge of Corporate Planning and IR</p> <p>Jan. 2009 Joined Sojitz Corporation</p> <p>Nov. 2009 Transferred to JALUX Inc.</p> <p>April 2010 JALUX Inc. Executive Officer in charge of Corporate Planning, Human Resources, and General Affairs</p> <p>April 2015 Director, General Manger of Corporate Planning at Sojitz General Merchandise Corporation</p> <p>July 2016 President of Akita New Urban-Center Building Co., Ltd.</p> <p>Jan. 2018 Joined the Company Advisor (current position) (Position and responsibility in the Company) Advisor</p>	None

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company [Significant concurrent positions held]	Number of shares of the Company held
7	*Kazusuke Obi (December 4, 1953)	<p>Sep. 1977 Joined Alfa Records Inc.</p> <p>Aug. 1988 Representative Director at Scitron & Art Inc.</p> <p>Oct. 2002 Digital Garage, Inc. Director</p> <p>July 2009 Google LLC Executive Officer</p> <p>Dec. 2012 InMobi Japan Inc. Regional Director, Japan</p> <p>Oct. 2015 Link Asia Capital K.K. Representative Director, Partner (current position)</p> <p>March 2017 Outside auditor at Inbound Tech Inc. (current position)</p> <p>Nov. 2017 Representative Director at Cross Locations Inc. (current position)</p>	100
8	*Satoshi Hoyano (January 11, 1962)	<p>April 1984 Fuji Xerox Co., Ltd. Joined</p> <p>April 2000 Joined Livin' on the EDGE Co., Ltd. (currently LINE Corporation)</p> <p>March 2003 Director of ex-marketing INC.</p> <p>Nov. 2004 Director of ValueClick Japan, Inc.</p> <p>Jan. 2006 Director of Cecile Co., Ltd.</p> <p>Feb. 2006 livedoor Marketing Inc. (currently Media Innovation Inc.) President</p> <p>July 2008 So-net Media Networks Corporation President</p> <p>Nov. 2014 Representative Director of Horn Inc. (current position)</p> <p>Jan. 2018 Outside Director of Exture Inc. (current position)</p>	None

- (Notes)
1. * This mark indicates a new candidate for director.
 2. There is no special interest between the candidates for director and the Company.
 3. The Company nominated Koji Kumon as candidate for director because it expects that his wealth of managerial experience and vast knowledge of administrative departments will be reflected in the management of the Company.
 4. Kazusuke Obi and Satoshi Hoyano are candidates for outside director.
 5. The Company nominated Kazusuke Obi and Satoshi Hoyano as candidates for outside director because it expects that their wealth of managerial experience and vast knowledge will be reflected in the management of the Company.
Both candidates for outside director possess both expert knowledge of Internet advertising and excellent track records of success in management. The Company expects that they will facilitate the advancement of the management of the Company. Therefore, the Company determined that they will properly carry out the role of outside director.
 6. Based on the states of Article 427, paragraph 1 of the Companies Act, the Company plans to sign an agreement with Kazusuke Obi and Satoshi Hoyano to limit liability under Article 423, paragraph 1 of the Companies Act. The limit amount under the indemnity liability based on the subject agreement will be the statutorily stipulated minimum liability limit amount. However, the said limitation of liability will be available only if in the execution of the task giving rise to the subject liability due professional care has been exercised and no gross negligence has occurred.
 7. The company designates Kazusuke Obi and Satoshi Hoyano as independent officers as defined by the stipulations of the Tokyo Stock Exchange and plans to submit documentation to that effect to this exchange.

Proposal No. 3: Election of one corporate auditor

The term of office for corporate auditor Shuji Idesawa will expire at the conclusion of this general meeting of shareholders. Therefore, the Company proposes the election of one (1) corporate auditor.

This proposal has received the approval of the board of corporate auditors.

The candidate for corporate auditor is as follows:

Name (Date of birth)	Career summary, position in the Company [Significant concurrent positions held]	Number of shares of the Company held
Shuji Idesawa (January 15, 1957)	<p>April 1983 Registered as lawyer (Dai-Ichi Tokyo Bar Association)</p> <p>March 1995 Established Idesawa & Associates (currently Idesawa & Partners) Representative (current position)</p> <p>March 2006 Corporate auditor of the Company (current position)</p> <p>April 2006 Pigeon Corporation Outside auditor (current position)</p> <p>March 2008 NextGen, Inc. Outside auditor</p> <p>[Significant concurrent positions held] Representative of Idesawa & Partners (lawyer) Outside auditor of Pigeon Corporation</p>	66,700

- (Notes)
1. There is no special interest between the candidate for corporate auditor and the Company.
 2. Shuji Idesawa is a candidate for outside corporate auditor.
 3. The Company nominated Shuji Idesawa as candidate for outside corporate auditor because it expects that his expert knowledge as an attorney will be reflected in the auditing of the Company. He has not been involved in the management of the company aside for serving as an outside officer in the past, however, the Company determined that he would properly carry out the role of outside Audit and Supervisory Board due to the reasons above.
 4. Shuji Idesawa has served as outside corporate auditor to the Company since March 2006, making his tenure 12 years at the conclusion of this general meeting.
 5. Based on the statutes of Article 427, paragraph 1 of the Companies Act, the Company has signed an agreement with Shuji Idesawa to limit liability under Article 423, paragraph 1 of the Companies Act. If this proposal is approved, the Company plans to continue an agreement with the same provisions. The limit amount under the indemnity liability based on the subject agreement will be the statutorily stipulated minimum liability limit amount. However, the said limitation of liability will be available only if in the execution of the task giving rise to the subject liability due professional care has been exercised and no gross negligence has occurred.
 6. The company designates Shuji Idesawa as independent officer as defined by the stipulations of the Tokyo Stock Exchange and has submitted documentation to that effect to this exchange. If this proposal is approved, the Company plans to continue to designate Shuji Idesawa as an independent officer.

Proposal No. 4: Election of one substitute corporate auditor

The Company proposes the election of one (1) substitute corporate auditor in the event that the number of corporate auditors falls below the number required by law.

This proposal has received the approval of the board of corporate auditors.

For the election as substitute corporate auditor the following candidate is proposed.

Name (Date of birth)	Career summary, position in the Company [Significant concurrent positions held]	Number of shares of the Company held
Kenji Yamada (May 3, 1958)	April 1982 Joined AIU Insurance Company April 1994 Established Fantec Co., Ltd. June 1998 Outside corporate auditor of KENKO Mayonnaise Co., Ltd. Dec. 2001 Representative Director of Funtec Co., Ltd. [Significant concurrent positions held] Representative Director, Funtec Co., Ltd.	None

- (Notes) 1. Funtec Co., Ltd., where the candidate serves in the position as representative director, is an insurance agency engaged in the business of the solicitation and administration for part of the property and casualty insurance agreements taken out by the Company.
2. In the subject fiscal year, the Company has paid to Funtec Co., Ltd. a total amount of 9,066,444 yen, which is comprised entirely of insurance premiums. Funtec Co., Ltd. accounts for under 0.03% of the consolidated sales revenues of the Company group.
3. Mr. Kenji Yamada is a candidate for the position as substitute external corporate auditor.
4. Mr. Kenji Yamada is thoroughly experienced in business management and risk management. It is proposed to appoint Mr. Kenji Yamada as substitute external corporate auditor in order to strengthen the audit framework of the Company through the application of his knowledge and experience.
5. In case Mr. Kenji Yamada is inaugurated as external corporate auditor, it is planned to conclude an agreement between Mr. Kenji Yamada and the Company based on the stipulations of Article 427 (1) of the Companies Act to limit the indemnity liability under Article 423 (1) of the Companies Act. The limit amount under the indemnity liability based on the subject agreement will be the statutorily stipulated minimum liability limit amount. However, the said limitation of liability will be available only if in the execution of the task giving rise to the subject liability due professional care has been exercised and no gross negligence has occurred.

Proposal No. 5: Issuance of stock warrants as stock options for the directors, executive officers, and employees of the Company

It is proposed based on the stipulations of Articles 236, 238, and 239 of the Companies Act, to issue in accordance with the summary stated below, stock warrants for no consideration as stock options for the directors, executive officers, and employees of the Company, with the determination of matters concerning the subscription to the said stock warrants to be committed to the discretion of the board of directors.

Additionally, based on the stipulations of Article 361, this proposal is proposed to issue stock warrants within an annual range of 90,000 thousand yen as stock options as stated above as remuneration, etc., for directors of the Company.

1. Proposal outline

(1) Reasons for the necessity to offer stock warrants at preferential conditions

It is proposed to issue stock warrants for no consideration as stock options for directors, executive officers, or employees of the Company in order to heighten motivation and morale with respect to enhancing the business results of the Company.

(2) The issuance of stock warrants as remuneration, etc., for directors of the Company

Issuance within an annual range of 300,000 thousand yen (excluding employee allowances for employees serving as directors) was approved at the 16th Annual General Meeting of Shareholders held on March 26, 2015. In addition to the said remunerations, it is proposed to issue stock warrants as stock options within an annual range of 90,000 thousand yen.

The amount of stock warrants proposed for issuance for directors of the Company corresponds to the fair value per stock warrant calculated on the allotment date of the stock warrants (to be calculated using the Black-Scholes model) multiplied by the total number of stock warrants issued for the directors of the Company incumbent on the allotment date.

The current number of directors who are eligible for this proposal is seven (7). However, in the case that Proposal No. 2 "Election of eight directors" passes in its original form, the number of directors who are eligible for this proposal will become eight (8).

2. Outline of the stock warrants

(1) Persons eligible to be allotted stock warrants

Directors, executive officers, and employees of the Company

(2) Share classes and number of shares underlying the stock warrants

Shares of common stock of the Company up to a maximum limit of 100,000 shares. The maximum number of stock warrants to be allotted to directors is 100,000 shares of common Company stock.

Notably, in case of a split or reverse split of the shares of the Company, the number of shares under the stock warrants shall be adjusted according to the following formula. However, such adjustment shall be made only with respect to the number of shares underlying unexercised stock warrants at that time. Fractions of one share resulting from the adjustment will be truncated.

Number of shares after adjustment

= Number of shares before adjustment x Split ratio/Reverse-split ratio

Moreover, in case of a corporate merger of the Company with a different entity, or in case of a corporate split-off of the Company, or in case the Company is made a fully-owned subsidiary of a different entity through a share exchange or share transfer, respectively assuming succession to the stock warrants after such an event, adjustments to the number of shares will be made as found necessary.

(3) The total number of stock warrants

Limited to 1,000 stock warrants. Out of this number, stock warrants for allotment to directors shall be limited to a maximum of 1,000 stock warrants.

(The number of shares underlying one stock warrant shall be 100 shares. However, in case of an adjustment pursuant to item (2), the same adjustment shall apply.)

(4) Amount payable for stock warrants

The stock warrants shall be issued for no consideration.

(5) Exercise price of the stock warrants

The amount payable per one stock warrant at exercise shall correspond to the amount to be determined as set out below that is payable per share of stock underlying the stock warrants ("Exercise Price"), multiplied by the number shares of stock underlying one stock warrant as determined in item (3).

The exercise price shall be the average of the closing prices of shares of common stocks of the Company observed in trading on a financial instruments exchange on each day (excluding days on which no trading contracts are concluded) of the month prior to the month that contains the date of issuance of the stock warrants, multiplied by 1.05 (fractions of a yen shall be rounded up to one yen).

However, if the said amount is lower than the closing price on the issuance date of the stock warrants (if no closing price is posted on the subject date, the closing price on the nearest previous date), the closing price on the issuance date of the stock warrant shall be the exercise price.

Notably, in case of a split or reverse split of the shares of stock of the Company on or after the issuance date, the exercise price will be adjusted according to the following formula. Fractions of one yen resulting from the adjustment will be rounded up to one yen.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Split ratio/Reverse-split ratio}}$$

Furthermore, if the Company issues new shares of stock or disposes of treasury stock (excluding disposal due to exercise of stock warrants) at a price below market price, the exercise price will be adjusted according to the following formula. Fractions of one yen resulting from the adjustment will be rounded up to one yen.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares outstanding} + \frac{\text{Number of shares newly issued} \times \text{Subscription price payable per share}}{\text{Price per share before issuance of new shares}}}{\text{Number of shares outstanding} + \text{Number of shares newly issued}}$$

For the purposes of the above formula, "Number of shares outstanding" shall mean the number of shares of common stock of the Company issued less the number of shares of common stock of the Company held as treasury stock by the Company. If the Company disposes of treasury stock, "Number of shares newly issued" shall be read down to "Number of disposed treasury stock."

Moreover, in case of a corporate merger of the Company with a different entity, or in case of a corporate split-off of the Company, or in case the Company is made a fully-owned subsidiary of a different entity through a share exchange or share transfer, respectively assuming succession to the stock warrants after such an event, adjustments to the number of shares will be made as found necessary.

(6) Exercise period of the stock warrants

The exercise period of the stock warrants shall continue for four years, beginning at the start of the month next after the day that marks the passage of three years after the allotment date of the stock warrants.

(7) Conditions for exercise of the stock warrants

- (i) Persons who have stock warrants allotted to them ("Stock Warrant Allottees") must at the time of the stock warrant exercise hold a position as director, corporate auditor, or employee of the Company or a subsidiary or affiliate of the Company. However, the above condition is not applicable when a legitimate reason for non-application exists in the judgment of the board of directors.
- (ii) Other conditions are prescribed in the "Stock Warrant Grant Agreement" to be concluded between the Company based on the resolutions of this General Meeting of Shareholders and the Board of Directors.

- (8) Reasons and conditions for acquisition of stock warrants
If a Stock Warrant Allottee is rendered unable to exercise stock warrants due to the loss of position as director, corporate auditor, or employee of the Company or a subsidiary or affiliate of the Company, the Company shall be able to recover free of charge the subject stock warrants from such Stock Warrant Allottee.
- (9) Matters concerning increases in capital and capital reserves in case of share issuance associated with the exercise of stock warrants
- (i) The increase in the amount of capital due to the issuance of shares associated with the exercise of stock warrants shall correspond to one-half of the capital, etc., increase limit amount calculated in accordance with Article 17, paragraph 1, of the Corporate Accounting Rules. Fractions of one yen resulting from the calculation shall be rounded up to one yen.
- (ii) The increase in the amounts of capital or capital reserves in case of issuance of shares associated with the exercise of stock warrants shall correspond to the balance of the capital, etc., increase limit amount stated in item (i) above less the capital increase amount stated in item (i) above.
- (10) Restrictions on the acquisition of stock warrants by assignment
Acquisition of stock warrants by assignment shall require the approval of the board of directors of the Company.
- (11) Truncation of fractional shares resulting from stock warrant issuance
Fractions of a share associated with the number of shares deliverable to Stock Warrant Allottees shall be truncated.
- (12) Handling in case of reorganization
If the Company merges (limited to cases wherein the Company becomes a non-surviving company), conducts an absorption-type split or an incorporation-type split, or conducts a share exchange or share transfer (the above cases are hereinafter collectively referred to as "Reorganization"), stock warrants of a corporation described in Article 236, Paragraph 1, Items 8.1 through 8.5 of the Companies Act (hereinafter referred to as the "Reorganized Company") shall be granted to Allottees holding stock warrants that remain unexercised (hereinafter referred to as "Remaining Stock Warrants") immediately before the date when the Reorganization takes effect based on the following conditions. In such a case, the Remaining Stock Warrants shall be canceled and stock warrants of the Reorganized Company shall be newly issued. However, the foregoing provision shall be limited to the case that in the agreement on absorption-type merger, agreement on new-incorporation type merger, agreement on absorption type split off or spin-off, agreement of new-incorporation type split off or spin-off, agreement on exchange of shares, or share transfer plan, an indication has been stipulated to the effect that stock warrants of the Reorganized Company shall be delivered in accordance with the following conditions.
- (i) Number of stock warrants to be delivered of the Reorganized Company
Numbers shall match the respective numbers of the Remaining Stock Warrants held by the Stock Warrant Allottees.

- (ii) Share types of the Reorganized Company underlying the stock warrants
Shares of common stock of the Reorganized Company.
- (iii) Number of shares of the Reorganized Company underlying the stock warrants
To be determined in accordance with item (2) above with consideration of the terms, etc., of Reorganization.
- (iv) Exercise price to be paid at exercise of stock warrants
To be determined in accordance with item (5) above with consideration of the terms, etc., of Reorganization.
- (v) Exercise period of stock warrants
The period from the later of the start date of the exercise period for Remaining Stock Warrants prescribed in item (6) above and the effective date of the Reorganization, until the last day of the exercise period for Remaining Stock Warrants prescribed in item (6) above.
- (vi) Matters concerning increases in capital and capital reserves in case of share issuance associated with the exercise of stock warrants
To be determined in accordance with item (9) above.
- (vii) Restrictions on the acquisition of stock warrants by assignment
Acquisition of stock warrants by assignment shall require the approval of the Reorganized Company.
- (viii) Provisions concerning the acquisition of stock warrants
To be determined in accordance with item (8) above.
- (ix) Other conditions concerning the exercise of stock warrants
To be determined in accordance with item (7) above.
- (13) Other features of the stock warrants
As to other features of the stock warrants, matters concerning subscription to the stock warrants are determined by the board of directors.

End of text.