

[English Translation]

Notice Concerning Partial Amendment of the Articles of Incorporation

Japan Display Inc. ("JDI") hereby announces that JDI has resolved, at its board of directors meeting held on January 31, 2020, to partially amend its Articles of Incorporation (the "Partial Amendment of the Articles of Incorporation"). The relevant proposal concerning the details of the Partial Amendment of the Articles of Incorporation will be submitted to an extraordinary general meeting of shareholders scheduled to be held on March 25, 2020 (the "General Meeting of Shareholders").

1. Reasons for the Amendment

As stated in the press release separately announced today titled "Notice Concerning Conclusion of Capital Alliance Agreement, Issuance of Class B Preferred Shares and Stock Acquisition Rights through Third-party Allotment, and Change in the Largest Major Shareholder," JDI has decided to issue (i) Japan Display Inc. class B preferred shares (the "Class B Preferred Shares") to Ichigo Trust ("Ichigo Trust") through third-party allotment (the "Third-party Allotment of Class B Preferred Shares") and (ii) Japan Display Inc. 11th series stock acquisition rights (the "Stock Acquisition Rights") the underlying shares of which are Japan Display Inc. class C preferred shares (the "Class C Preferred Shares") to Ichigo Trust through third-party allotment (the "Third-party Allotment of Stock Acquisition Rights," together with the Third-party Allotment of Class B Preferred Shares, the "Third-party Allotment").

Also, as stated in the press release separately announced today titled "Notice Concerning Issuance of Class A Preferred Shares through Third-party Allotment, (Changes) Borrowing of Funds, and (Changes) Transfer of Shares of Equity Method Affiliate," JDI has decided to issue Japan Display Inc. class A preferred shares (the "Class A Preferred Shares") to INCJ, Ltd. ("INCJ") through third-party allotment (the "Third-party Allotment of Class A Preferred Shares") on the condition that the Third-party Allotment is implemented.

Given this situation, regarding the Third-Party Allotment and the Third-party Allotment of Class A Preferred Shares, on the condition that a proposal concerning the Third-party Allotment of Class A Preferred Shares, the Third-party Allotment of Class B Preferred Shares, and the Third-party Allotment of Stock Acquisition Rights and a proposal concerning partial amendment of the Articles of Incorporation for the issuance of the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares are approved at the General Meeting of Shareholders, JDI will (i) newly establish articles related to the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares, and articles related to a class meeting, and

(ii) amend the total number of authorized shares from 1,840,000,000 shares to 3,380,000,000 shares, in order to enable the issuance of the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares all of which are new shares (such amendment, the "Amendment of the Articles of Incorporation (1)").

Further, in preparation for the future issuance of common shares by exercising rights to request that JDI acquire the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares in exchange for common shares of JDI (conversion rights) attached to them, on the condition that the Amendment of the Articles of Incorporation (1) is implemented, and that the Third-party Allotment of Class B Preferred Shares and the Third-party Allotment of Stock Acquisition Rights are implemented, JDI will amend Article 6 (Total Number of Authorized Shares and Class Shares) of the Articles of Incorporation after the Amendment of the Articles of Incorporation (1) (the "Amendment of the Articles of Incorporation (2)").

According to Article 113, paragraph 3, item 1 of the Companies Act, if a public company like JDI amends its Articles of Incorporation and increases the total number of authorized shares, the total number of authorized shares after the amendment of the Articles of Incorporation must not exceed a quadruple of the number of issued and outstanding shares at the time that such amendment of the Articles of Incorporation is effective. Based on the number of issued and outstanding shares of JDI as of January 16, 2020 (846,165,800 shares), JDI cannot increase, in a one-time amendment of the Articles of Incorporation, the total number of authorized shares necessary for the Third-party Allotment of Class A Preferred Shares, the Third-party of Class B Preferred Shares, the Third-party Allotment of Stock Acquisition Rights, and the issuance of the Class C Preferred Shares by exercising the Stock Acquisition Rights, and necessary to deliver common shares of JDI when the rights to request that JDI to acquire the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares in exchange for common shares of JDI are exercised. Therefore, the Articles of Incorporation will be amended to increase the total number of authorized shares two times.

2. Details of the Amendment

For details of the Amendment of the Articles of Incorporation (1) and the Amendment of the Articles of Incorporation (2), please refer to Schedule 1 and Schedule 2, respectively.

Regarding the Amendment of the Articles of Incorporation (1), JDI announced the partial amendment of the Articles of Incorporation to increase the total number of authorized shares in the press release dated April 12, 2019 titled "Notice Concerning Conclusion of the Capital and Business Alliance Agreement, the Business Alliance Basic Agreement, and the Business Alliance MOU, Issuance of New Shares and Bonds with Stock Acquisition Rights through Third-party Allotment, a Change in the Parent Company and the Largest Major Shareholder and Amendment of the Articles of Incorporation" (the "Disclosure dated April 12, 2019"), and the proposal related to such amendment has already been submitted and approved by the shareholders at the

extraordinary general meeting of shareholders held on September 27, 2019. Also, as announced in the Disclosure dated April 12, 2019, such amendment of the Articles of Incorporation will be effective on the condition that common shares and Japan Display Inc. 2nd series bonds with stock acquisition rights are issued to Suwa Investment Holdings, LLC ("Suwa") through third-party allotment (the "Suwa Third-party Allotment"). However, as announced in the press release dated January 8, 2020 titled "Notice Concerning Termination of Capital and Business Alliance Agreement with Suwa Investment Holdings, LLC and Cancellation of Issuance of New Shares and Convertible Bonds with Stock Acquisition Rights to Suwa Investment Holdings, LLC" (the "Disclosure dated January 8, 2020"), JDI resolved, at its board of directors meeting held on January 8, 2020, to cancel the Suwa Third-party Allotment, and it was decided that the Suwa Third-party Allotment will not be implemented. Therefore, such amendment of the Articles of Incorporation has not become effective.

In addition, JDI announced a partial amendment of the Articles of Incorporation that enables the issuance of the Class A Preferred Shares to INCJ in the press release dated August 27, 2019 titled "Notice Concerning Borrowing of Funds, Issuance of Preferred Shares through Third-party Allotment, and Partial Amendment of the Articles of Incorporation" (the "Disclosure dated August 27, 2019"), and the proposal of such amendment has already been submitted and approved by the shareholders at the extraordinary general meeting of shareholders held on September 27, 2019. Also, as announced in the Disclosure dated August 27, 2019, such amendment will be effective on the condition that the Suwa Third-party Allotment is implemented. However, as announced in the Disclosure dated January 8, 2020, JDI resolved, at its board of directors meeting held on January 8, 2020, to cancel the Suwa Third-party Allotment, and it was decided that the Suwa Third-party Allotment will not be implemented. Therefore, such amendment of the Articles of Incorporation has not become effective.

Consequently, the "Current Articles of Incorporation" described in the "Draft Amended Articles of Incorporation (1)" of Schedule 1 reflects neither amendments announced in the Disclosure dated April 12, 2019 nor in the Disclosure dated August 27, 2019.

3. Schedule

(1)	Date of the resolution of the board of directors meeting	January 31, 2020
(2)	Date of the General Meeting of Shareholders	March 25, 2020 (scheduled)
(3)	Effective date of the Amendment of the Articles of Incorporation (1)	March 25, 2020 (scheduled)
(4)	Issuance date of the Class A Preferred Shares, Class B Preferred Shares, and the Stock Acquisition Rights	March 26, 2020 (scheduled)

(5) Effective date of the Amendment of the Articles of Incorporation (2)	March 26, 2020 (scheduled) (Note)
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(Note) The Amendment of the Articles of Incorporation (2) will be effective on the condition that the Amendment of the Articles of Incorporation (1) is implemented, and that all of the Class A Preferred Shares, the Class B Preferred Shares, and the Stock Acquisition Rights are issued through the Third-party Allotment of Class A Preferred Shares, the Third-party Allotment of Class B Preferred Shares, and the Third-party Allotment of Stock Acquisition Rights.

End

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(Newly established)	<p><u>shareholders register on the dividend payment date (such shareholders, the "Class B Preferred Shareholders", and such pledgees, the "Registered Pledgees of Class B Preferred Shares"), and (iii) shareholders and pledgees of Class C Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date (such shareholders, the "Class C Preferred Shareholders", and such pledgees, the "Registered Pledgees of Class C Preferred Shares"). If a fraction that is less than JPY 1 occurs as a result of multiplying dividends per Class A Preferred Share by the number of shares over which the Class A Preferred Shareholders and the Registered Pledgees of Class A Preferred Shares have rights, such fraction will be omitted.</u></p> <p><u>"Class A Conversion Rate" shall mean the number (calculated to the third decimal place, and the digit in the third decimal place shall be omitted) obtained by dividing the Class A Investment Amount (defined in paragraph 5, item (2); hereinafter the same) at that time by the Class A Conversion Price (defined in paragraph 7, item (3); hereinafter the same).</u></p> <p><u>3. Distribution of residual assets</u></p> <p><u>(1) Distribution of residual assets</u> <u>When the Company distributes its residual assets at the dissolution of the Company, the Company shall pay amounts per Class A Preferred Share equivalent to the Class A Investment Amount to the Class A Preferred Shareholders and Registered Pledgees of Class A Preferred Shares, pari passu with the Class B Preferred Shareholders, Registered Pledgees of Class B Preferred Shares, Class C Preferred Shareholders, and Registered Pledgees of Class C Preferred Shares, before the Common Shareholders and Registered Pledgees of Common Shares. If a fraction that is less than JPY 1 occurs as a result of multiplying the distribution of residual assets per Class A Preferred Share by the number of shares over which the Class A Preferred Shareholders and the Registered Pledgees of Class A Preferred Shares have rights, such fraction will be omitted. If the distribution of residual assets is less than the aggregate amount necessary for the distribution of residual assets to shareholders, etc. at a certain rank, the Company will distribute the residual assets on a pro rata basis in accordance with the amount necessary for the distribution of residual assets to shareholders, etc. at such rank.</u></p>

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(Newly established)	<p><u>(2) Participation clause</u> <u>If residual assets remain even after the distribution of residual assets to the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares pursuant to item (1), the Company shall distribute residual assets per Class A Preferred Share calculated by multiplying the amount of residual assets per common share by the Class A Conversion Rate at the time of the distribution of residual assets to the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares pari passu with the Common Shareholders and Registered Pledges of Common Shareholders, Class B Preferred Shareholders, Registered Pledges of Class B Preferred Shares, Class C Preferred Shareholders, and Registered Pledges of Class C Preferred Shares.</u></p> <p><u>4. Voting rights</u> <u>The Class A Preferred Shareholders have no voting rights at general meetings of shareholders, unless otherwise provided for by law.</u></p>
(Newly established)	<p><u>5. Cash-consideration put option (right to claim the redemption)</u></p> <p><u>(1) Details of the redemption claim</u> <u>The Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares may claim that the Company acquire the Class A Preferred Shares in whole or in part with cash consideration anytime on and after the third anniversary of the payment date (the "Redemption Claim"). In this case, in exchange for acquiring one Class A Preferred Share, within the limit of the distributable amount under Article 461, paragraph (2) of the Companies Act as of the effective date of such Redemption Claim (the "Redemption Claim Date"), and to the extent permitted by relevant laws or regulations, the Company shall deliver cash the amount of which is equivalent to the Class A Investment Amount to such Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares on such Redemption Claim Date.</u></p> <p><u>(2) Class A Investment Amount</u> <u>The Class A Investment Amount is as follows:</u> <u>(a) The initial amount shall be JPY 100.</u> <u>(b) If the Company implements a share split, consolidation of shares, or allotment of shares without contribution (collectively, the "Share Split, etc."), the Class A Investment Amount shall</u></p>

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(Newly established)	<p>be adjusted in accordance with the formula below. If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company shall calculate such fraction to the third decimal place, and omit the digit in the third decimal place. In the case of an allotment of shares without contribution, "Number of issued and outstanding Class A Preferred Shares before the Share Split, etc." and "Number of issued and outstanding Class A Preferred Shares after the Share Split, etc." in the following formula shall be to be read as "Number of issued and outstanding Class A Preferred Shares before the allotment of shares without contribution (excluding, however, the Class A Preferred Shares held by the Company at that time)" and "Number of issued and outstanding Class A Preferred Shares after the allotment of shares without contribution (excluding, however, the Class A Preferred Shares held by the Company at that time)", respectively.</p> $\frac{\text{Class A Investment Amount after adjustment}}{\text{Class A Investment Amount before adjustment}} = \frac{\text{Class A Investment Amount before adjustment}}{\text{Class A Investment Amount after adjustment}} \times \frac{\text{Number of issued and outstanding Class A Preferred Shares before the Share Split, etc.}}{\text{Number of issued and outstanding Class A Preferred Shares after the Share Split, etc.}}$ <p><u>The Class A Investment Amount after adjustment shall be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of shares or allotment of shares without contribution, on and after the day following the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p><u>(c) If other events similar to (b) above occur, the Class A Investment Amount shall be properly adjusted by resolutions of the Company's board of directors meeting.</u></p> <p><u>6. Cash-consideration call option (mandatory redemption)</u></p> <p><u>Notwithstanding the intent of the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares, in exchange for delivering the Class A Investment Amount to the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares, within the</u></p>

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(Newly established)	<p><u>limit of the distributable amount under Article 461, paragraph (2) of the Companies Act as of the date separately determined by the Company's board of directors meeting (the "Mandatory Redemption Date" in this paragraph 6), to the extent permitted by applicable laws, the Company may acquire the Class A Preferred Shares in whole or in part anytime, if the Mandatory Redemption Date has arrived. If there is more than one Class A Preferred Shareholder at the time of acquiring part of the Class A Preferred Shares, the Class A Preferred Shares to be acquired by the Company shall be determined by its board of directors meeting on a pro rata basis.</u></p> <p><u>7. Common share-consideration put option (right to claim conversion)</u></p> <p><u>(1) Details of the conversion claim</u> <u>On or after the first anniversary of the payment date, within a two-week period after the release of the Company's quarterly financial results for each quarterly period, to the extent permitted by applicable laws, the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares may claim that the Company deliver common shares per Class A Preferred Share the number of which is calculated based on the formula stated in item (2), in exchange for the Company acquiring the Class A Preferred Shares (the "Conversion Claim", and the effective date of the Conversion Claim, the "Conversion Claim Date" in this paragraph 7).</u></p> <p><u>(2) Formula for number of common shares to be delivered based on the conversion claim</u> <u>The number of common shares to be delivered in exchange for acquiring one Class A Preferred Share shall be calculated based on the following formula:</u></p> <p><u>(Formula)</u> <u>Number of common shares to be delivered in exchange for acquiring one Class A Preferred Share</u> <u>= Class A Investment Amount ÷ Class A Conversion Price</u></p> <p><u>If a fraction that is less than 1 share occurs at the time of calculating the number of common shares to be delivered to the Class A Preferred Shareholders and Registered Pledges of Class A Preferred Shares, such fraction shall be omitted</u></p>

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	<p data-bbox="807 230 1331 293"><u>and treated in accordance with Article 167, paragraph (3) of the Companies Act.</u></p> <p data-bbox="807 331 1398 427"><u>(3) Class A Conversion Price</u> <u>The Class A Conversion Price shall be an amount stated below.</u></p> <p data-bbox="807 465 1398 528"><u>1) The initial Class A Conversion Price shall be (A) or (B) below, as applicable.</u></p> <p data-bbox="807 566 1398 1032"><u>(A) If the Company's common shares are Listed (which means that they are listed or registered on or at the financial instruments exchange or over-the-counter securities market; hereinafter the same) on the Conversion Claim Date: (i) Amount equivalent to a closing price (including a quotation) of the Company's common shares, at the financial instruments exchange or over-the-counter securities market on which such common shares are Listed, on a trading day (excluding, however, a trading day without a closing price (including a quotation)) immediately before the Conversion Claim Date, or (ii) JPY 225, whichever is greater.</u></p> <p data-bbox="807 1070 1398 1133"><u>(B) If the Company's common shares are not Listed on the Conversion Claim Date: JPY 225</u></p> <p data-bbox="807 1171 1398 1435"><u>2) Notwithstanding 1) above, if any of the following (i) through (v) occurs at the Company, the Company shall adjust the Class A Conversion Price in accordance with each of (i) through (v). If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company shall calculate such fraction to the third decimal place, and omit digits after the second decimal place.</u></p> <p data-bbox="807 1473 1398 2000"><u>(i) If the Company implements the Share Split, etc. of common shares, the Company shall adjust the Class A Conversion Price based on the formula below. In the case of an allotment of shares without contribution, "Number of issued and outstanding common shares before the Share Split, etc." and "Number of issued and outstanding common shares after the Share Split, etc." in the following formula shall be to be read as "Number of issued and outstanding common shares before the allotment of shares without contribution (excluding, however, common shares held by the Company at that time)" and "Number of issued and outstanding common shares after the allotment of shares without contribution (excluding, however, common</u></p>

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	<p>shares held by the Company at that time)", respectively.</p> $\frac{\text{Class A Conversion Price after adjustment}}{\text{Class A Conversion Price before adjustment}} \times \frac{\text{Number of issued and outstanding common shares before the Share Split, etc.}}{\text{Number of issued and outstanding common shares after the Share Split, etc.}}$ <p><u>The Class A Conversion Price after adjustment shall be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of shares or allotment of shares without contribution, on and after the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p><u>(ii) If the Company issues its common shares (including dispositions of treasury shares; hereinafter the same in this item (ii)) the price of which is less than the Class A Conversion Price before the adjustment (excluding, however, the cases where (a) the Company implements an allotment of shares without contribution, (b) the Company issues its common shares by exercising or converting the Potential Shares (which means shares with put options, shares subject to call, share options (including those attached to bonds with stock acquisition rights; hereinafter the same in this paragraph 7.), and other securities or rights with status that makes it possible to have it converted into common shares based on the claim by holders of such securities or rights or the Company, or subject to conditions that certain events occur; hereinafter the same), (c) the Company delivers its common shares as a result of a merger, share exchange, or company split, or (d) the Company sells its treasury shares pursuant to Article 194 of the Companies Act), the Company shall adjust the Class A Conversion Price based on the formula below.</u></p> <p><u>In this paragraph 7, the "Total Number of Shares" shall mean the number obtained by adding (i) the number of common shares underlying the issued and outstanding Potential Shares (excluding those held by the Company) as of the day before the date on which the Class A Conversion Price after the adjustment is applied to (ii) the number of issued and outstanding common shares as of</u></p>

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	<p data-bbox="807 230 1321 297"><u>the same day (excluding those held by the Company).</u></p> <p data-bbox="807 331 1398 533"><u>Also, in the case of a disposition of treasury shares, "Issue price" and "Number of shares to be newly issued" in the formula stated in this item (ii) are to be read as "Disposition price" and "Number of treasury shares to be disposed", respectively.</u></p> $ \frac{\text{Class A Conversion Price after adjustment}}{\text{Price after adjustment}} = \frac{\text{Class A Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Issue price per share}}{\text{Class A Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} $ <p data-bbox="807 857 1374 1126"><u>The Class A Conversion Price after adjustment shall be applied on and after the day following the payment date (if the payment period is set, the end of such period). If a record date for allotment to shareholders is set, the Class A Conversion Price after adjustment shall be applied on and after the day following such record date.</u></p> <p data-bbox="807 1160 1398 1496"><u>(iii) If the Company issues shares that can be converted into its common shares (including the case of an allotment of shares without contribution), and the price determined by its board of directors meeting as a price of consideration per common share to be delivered upon the conversion of such shares is less than the Class A Conversion Price before adjustment, the Company shall adjust the Class A Conversion Price based on the formula below.</u></p> <p data-bbox="807 1529 1398 1731"><u>However, "Number of shares to be newly issued" in the formula stated in this item (iii) means the number of common shares to be delivered if all the shares to be issued are converted into common shares on the date on which the adjustment under this item (iii) is applied.</u></p> $ \frac{\text{Class A Conversion Price after adjustment}}{\text{Price after adjustment}} = \frac{\text{Class A Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class A Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} $

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	<p><u>The Class A Conversion Price after adjustment shall be applied on and after the day following the payment date (if the payment period is set, the end of such period), in the case of an allotment of shares without contribution, on and after the effective date of such allotment of shares without contribution (if a record date for such allotment of shares without contribution is set, on and after the day following such record date). Also, if the day of allotment to shareholders is set, the Class A Conversion Price after adjustment shall be applied on and after the day following such day of allotment to shareholders.</u></p> <p><u>(iv) If the Company issues share options for which its common shares are the underlying shares (including the case of an allotment of share options without contribution), and the total amount of the payment price of share options per common share and the price per common share of properties to be invested at the time of exercising such share options (the "Price of Consideration per Share" in this item (iv)) is less than the Class A Conversion Price before adjustment, the Company shall adjust the Class A Conversion Price based on the formula below.</u></p> <p><u>However, "Number of shares to be newly issued" in the formula stated in this item (iv) shall mean the number of common shares to be delivered if all the share options are exercised or converted into common shares on the date on which the adjustment under this item (iv) is applied.</u></p> $ \begin{array}{r} \text{Class A Conversion Price after adjustment} = \frac{\text{Class A Conversion Price before adjustment} \times \text{Total Number of Shares} + \text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class A Conversion Price before adjustment} + \text{Number of shares to be newly issued}} \end{array} $ <p><u>The Class A Conversion Price after adjustment shall be applied on and after the day following the day of the allotment, in the case of an allotment of share options without contribution, on and after the effective date of such allotment of share options without contribution (if a record date for such allotment of share options without contribution is set, on and after the day following</u></p>

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<p>(Newly established)</p>	<p><u>such record date). Also, if the day of allotment to shareholders is set, the Class A Conversion Price after adjustment shall be applied on and after the day following such day of allotment to shareholders.</u></p> <p><u>(v) If any of (a) a merger in which the Company becomes a surviving company or a parent company of a surviving company, (b) a share exchange in which the Company becomes a wholly-owning parent company or a parent company of a wholly-owning parent company, or (c) a company split in which the Company becomes a succeeding company or a parent company of a succeeding company is implemented, and value per share of the Company to be allotted to shareholders of a consolidated company through a merger or per share of the Company to be allotted to shareholders of a wholly-owned subsidiary through a share exchange, or per share of the Company to be allotted to a split company or shareholders of a split company through a company split (the "Allotted Shares" in this paragraph 7) (such value is reasonably determined by the Company's board of directors meeting. If such Allotted Shares can be converted into its common shares, such value shall be a converted amount per common share; hereinafter the same in this paragraph 7) is less than the Class A Conversion Price before adjustment, the Company shall adjust the Class A Conversion Price based on the formula below.</u></p> <p><u>However, if the Allotted Shares can be converted into the Company's common shares, "Number of Allotted Shares" in the formula stated in this item (v) shall mean the number of common shares underlying the Allotted Shares.</u></p> $ \frac{\text{Class A Conversion Price after adjustment}}{\text{Class A Conversion Price before adjustment}} = \frac{\text{Class A Conversion Price before adjustment} \times \frac{\text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Value per share}}{\text{Class A Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of Allotted Shares}} $ <p><u>The Class A Conversion Price after adjustment shall be applied on and after the effective date of such merger, share exchange, or company split. (Class B Preferred Shares)</u></p> <p><u>Article 11-3</u></p>

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(Newly established)	<p><u>The details of the Class B Preferred Shares issued by the Company shall be provided in the following paragraph through paragraph 8.</u></p> <p><u>2. Dividend of surplus</u></p> <p><u>(1) Dividend of surplus</u> <u>The Company will pay dividends per Class B Preferred Share calculated by multiplying dividends per common share by the Class B Conversion Rate (defined below) on the dividend payment date to the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date (if a record date is set, on such record date; hereinafter the same) pari passu with the Common Shareholders and the Registered Pledges of Common Shares who are registered or recorded on the last shareholders register on the dividend payment date; the Class A Preferred Shareholders and the Registered Pledges of Class A Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date; and the Class C Preferred Shareholders and the Registered Pledges of Class C Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date. If a fraction that is less than JPY 1 occurs as a result of multiplying the dividend amount per Class B Preferred Share by the number of Class B Preferred Shares held by the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares, such fraction will be omitted.</u></p> <p><u>"Class B Conversion Rate" means the number (calculated to the third decimal place, and the digit in the third decimal place will be omitted) obtained by dividing the Class B Investment Amount (defined in (2); hereinafter the same) at that time by the Class B Conversion Price (defined in Article 8, (3); hereinafter the same).</u></p> <p><u>(2) The Class B Investment Amount</u> <u>1) The initial amount will be JPY 75.</u> <u>2) If the Company implements the Share Split, etc., the Class B Investment Amount will be adjusted in accordance with the formula below. If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company will calculate such fraction to the third decimal place, and omit the digit in the third decimal place. In</u></p>

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<p>(Newly established)</p>	<p><u>the case of an allotment of shares without contribution, "Number of issued and outstanding Class B Preferred Shares before the Share Split, etc." and "Number of issued and outstanding Class B Preferred Shares after the Share Split, etc." in the following formula are to be read as "Number of issued and outstanding Class B Preferred Shares before the allotment of shares without contribution (excluding, however, the Class B Preferred Shares held by the Company at that time)" and "Number of issued and outstanding Class B Preferred Shares after the allotment of shares without contribution (excluding, however, the Class B Preferred Shares held by the Company at that time)," respectively.</u></p> $\begin{array}{rcl} \text{Class B} & & \text{Number of issued and outstanding} \\ \text{Investment} & & \text{Class B Preferred Shares before} \\ \text{Amount} & = & \text{the Share Split, etc.} \\ \text{after} & & \times \text{Number of issued and outstanding} \\ \text{adjustment} & & \text{Class B Preferred Shares after the} \\ & & \text{Share Split, etc.} \\ & & \text{Class B} \\ & & \text{Investment} \\ & & \text{Amount} \\ & & \text{before} \\ & & \text{adjustment} \end{array}$ <p><u>The Class B Investment Amount after adjustment will be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of shares or allotment of shares without contribution, on and after the day following the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p><u>3) If other events similar to 2) above occur, the Class B Investment Amount will be properly adjusted by resolutions of the Company's board of directors meeting.</u></p> <p><u>3. Distribution of residual assets</u></p> <p><u>(1) Distribution of residual assets</u> <u>When the Company distributes its residual assets at the dissolution of the Company, the Company will pay amounts per Class B Preferred Share equivalent to the Class B Investment Amount to the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares before the Common Shareholders and Registered Pledges of Common Shares; and pari passu with the Class A Preferred Shareholders and the Registered Pledges of the Class A Preferred Shares as well as the Class C Preferred Shareholders and the Registered Pledges of</u></p>

Current Articles of Incorporation	Amended Articles of Incorporation
(Newly established)	<p><u>Class C Preferred Shares. If a fraction that is less than JPY 1 occurs as a result of multiplying the distribution amount of residual assets per Class B Preferred Share by the number of Class B Preferred Shares held by the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares, such fraction will be omitted. If the distribution amount of residual assets falls short of the total amount necessary to distribute residual assets of a certain order of priority, residual assets should be distributed on a pro rata basis in accordance with the amount necessary to distribute residual assets of that order of priority.</u></p> <p><u>(2) Participation clause</u> <u>If residual assets remain even after the distribution of residual assets to the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares pursuant to (1), the Company will distribute residual assets per Class B Preferred Share calculated by multiplying the amount of residual assets per common share by the Class B Conversion Rate at the time of the distribution of residual assets to the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares pari passu with the Common Shareholders and Registered Pledges of Common Shareholders; the Class A Preferred Shareholders and the Registered Pledges of Class A Preferred Shares; and the Class C Preferred Shareholders and the Registered Pledges of Class C Preferred Shares.</u></p> <p><u>4. Transfer restriction</u></p>
(Newly established)	<p><u>Acquisition of Class B Preferred Shares through their transfer requires the approval of the Company's board of directors meeting.</u></p> <p><u>5. Voting rights</u></p>
(Newly established)	<p><u>The Class B Preferred Shareholders have voting rights at general meetings of shareholders. The number of shares of one unit of Class B Preferred Shares shall be 100 shares.</u></p> <p><u>6. Voting rights at the general meeting of class shareholders</u></p> <p><u>Unless otherwise provided for by law, no resolution of the general meeting of class shareholders comprised of Class B Preferred Shareholders is required in order for the Company to engage in any of the acts listed</u></p>

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(Newly established)	<p><u>under each item of Article 322, paragraph (1) of the Companies Act.</u></p> <p><u>7. Cash-consideration call option (mandatory redemption)</u></p> <p><u>Notwithstanding the intent of the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares, in exchange for delivering the Class B Investment Amount to the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares, within the limit of the distributable amount under Article 461, paragraph (2) of the Companies Act as of the date separately determined by the Company's board of directors meeting (the "Mandatory Redemption Date" in this paragraph 7), the Company can acquire the Class B Preferred Shares in whole or in part anytime, within the extent permitted by law, if the Mandatory Redemption Date has arrived. If there is more than one Class B Preferred Shareholder at the time of acquiring part of the Class B Preferred Shares, the Class B Preferred Shares to be acquired by the Company will be determined by its board of directors meeting on a pro rata basis.</u></p>
(Newly established)	<p><u>8. Common share-consideration put option (right to claim conversion)</u></p> <p><u>(1) Details of the conversion claim</u> <u>On or after the first anniversary of the payment date, within the extent permitted by law, the Class B Preferred Shareholders and Registered Pledges of Class B Preferred Shares can claim that the Company deliver common shares per Class B Preferred Share the number of which is calculated based on the formula stated in (3), in exchange for the Company acquiring the Class B Preferred Shares (the "Conversion Claim" in this paragraph 8).</u></p> <p><u>(2) Formula for number of common shares to be delivered based on the conversion claim</u> <u>The number of common shares to be delivered in exchange for acquiring one Class B Preferred Share will be calculated based on the following formula:</u></p> <p><u>(Formula)</u> <u>Number of common shares to be delivered in exchange for acquiring one Class B Preferred Share</u></p>

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	<p data-bbox="807 230 1302 293"><u>≡ Class B Investment Amount ÷ Class B Conversion Price</u></p> <p data-bbox="807 331 1398 562"><u>If a fraction that is less than 1 share occurs at the time of calculating the number of common shares to be delivered to the Class B Preferred Shareholders and Registered Pledgees of Class B Preferred Shares, such fraction will be omitted and treated in accordance with Article 167, paragraph (3) of the Companies Act.</u></p> <p data-bbox="807 600 1206 629"><u>(3) Class B Conversion Price</u></p> <p data-bbox="807 633 1382 696"><u>The Class B Conversion Price means an amount stated below.</u></p> <p data-bbox="807 701 1286 730"><u>1) The initial price shall be JPY 50.</u></p> <p data-bbox="807 734 1398 999"><u>2) Notwithstanding 1) above, if any of the following (i) through (v) occurs at the Company, the Company will adjust the Class B Conversion Price in accordance with each of (i) through (v). If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company will calculate such fraction to the third decimal place, and omit digits after the second decimal place.</u></p> <p data-bbox="807 1037 1398 1637"><u>(i) If the Company implements the Share Split, etc. of common shares, the Company will adjust the Class B Conversion Price based on the formula below. In the case of an allotment of shares without contribution, "Number of issued and outstanding common shares before the Share Split, etc." and "Number of issued and outstanding common shares after the Share Split, etc." in the following formula are to be read as "Number of issued and outstanding common shares before the allotment of shares without contribution (excluding, however, common shares held by the Company at that time)" and "Number of issued and outstanding common shares after the allotment of shares without contribution (excluding, however, common shares held by the Company at that time)," respectively.</u></p> $ \begin{array}{rcl} \text{Class B Conversion Price after adjustment} & = & \begin{array}{r} \text{Class B Conversion Price before adjustment} \\ \times \end{array} \frac{\text{Number of issued and outstanding common shares before the Share Split, etc.}}{\text{Number of issued and outstanding common shares after the Share Split, etc.}} \end{array} $ <p data-bbox="807 1877 1398 2004"><u>The Class B Conversion Price after adjustment will be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of</u></p>

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	<p><u>shares or allotment of shares without contribution, on and after the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p><u>(ii) If the Company issues its common shares (including dispositions of treasury shares; hereinafter the same in this item (B)) the price of which is less than the Class B Conversion Price before the adjustment (excluding, however, the cases where (i) the Company implements an allotment of shares without contribution, (ii) the Company issues its common shares by exercising or converting the Potential Shares (which means shares with put options, shares subject to call, stock acquisition rights (including those attached to bonds with stock acquisition rights; hereinafter the same in this Section (vii)), and other securities or rights with status that makes it possible to have them converted into common shares based on the claim by holders of such securities or rights or the Company, or subject to conditions that certain events occur; hereinafter the same in this paragraph 8), (iii) the Company delivers its common shares as a result of a merger, share exchange, or company split, or (iv) the Company sells its treasury shares pursuant to Article 194 of the Companies Act), the Company will adjust the Class B Conversion Price based on the formula below.</u></p> <p><u>In this paragraph 8, the "Total Number of Shares" means the number obtained by adding (i) the number of common shares underlying the issued and outstanding Potential Shares (excluding those held by the Company) as of the day before the date on which the Class B Conversion Price after the adjustment is applied to (ii) the number of issued and outstanding common shares as of the same day (excluding those held by the Company).</u></p> <p><u>Also, in the case of a disposition of treasury shares, "Issue price" and "Number of shares to be newly issued" in the formula stated in this item (ii) are to be read as "Disposition price" and "Number of treasury shares to be disposed," respectively.</u></p> $\text{Class B Conversion Price} = \frac{\text{Class B Conversion Price} \times \text{Total Number} + \text{Number of shares to be newly issued}}{\text{Issue price per share}}$

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	<p data-bbox="810 226 1394 394"> $\frac{\text{Price after adjustment before of Class B Conversion adjustment adjustment Shares Price before adjustment}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}}$ </p> <p data-bbox="810 434 1394 629"> <u>The Class B Conversion Price after adjustment will be applied on and after the day following the payment date (if the payment period is set, the end of such period), if a record date for the allotment to shareholders is set, on and after the day following such record date.</u> </p> <p data-bbox="810 669 1394 999"> <u>(iii) If the Company issues shares that can be converted into its common shares (including the case of an allotment of shares without contribution), and the price determined by its board of directors meeting as a price of consideration per common share to be delivered upon the conversion of such shares is less than the Class B Conversion Price before adjustment, the Company will adjust the Class B Conversion Price based on the formula below.</u> </p> <p data-bbox="810 1039 1394 1234"> <u>However, "Number of shares to be newly issued" in the formula stated in this item (iii) means the number of common shares to be delivered if all the shares to be issued are converted into common shares on the date on which the adjustment under this item (iii) is applied.</u> </p> <p data-bbox="810 1274 1394 1547"> $\text{Class B Conversion Price after adjustment} = \frac{\text{Class B Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class B Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}}$ </p> <p data-bbox="810 1588 1394 2018"> <u>The Class B Conversion Price after adjustment will be applied on and after the day following the payment date (if the payment period is set, the end of such period), in the case of an allotment of shares without contribution, on and after the effective date of such allotment of shares without contribution (if a record date for such allotment of shares without contribution is set, on and after the day following such record date). Also, if the day of allotment to shareholders is set, the Class B Conversion Price after adjustment will be applied on and after the day following such day of allotment to shareholders.</u> </p>

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	<p data-bbox="805 264 1394 696"><u>(iv) If the Company issues stock acquisition rights for which its common shares are the underlying shares (including the case of an allotment of stock acquisition rights without contribution), and the total amount of the payment price of stock acquisition rights per common share and the price per common share of properties to be invested at the time of exercising such stock acquisition rights (the "Price of Consideration per Share" in this item (iv)) is less than the Class B Conversion Price, the Company will adjust the Class B Conversion Price based on the formula below.</u></p> <p data-bbox="805 734 1394 965"><u>However, "Number of shares to be newly issued" in the formula stated in this item (iv) means the number of common shares to be delivered if all the stock acquisition rights are exercised or converted into common shares on the date on which the adjustment under this item (iv) is applied.</u></p> $ \begin{array}{r} \text{Class B Conversion Price after} \\ \text{adjustment} = \frac{\text{Class B Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class B Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} \end{array} $ <p data-bbox="805 1317 1394 1749"><u>The Class B Conversion Price after adjustment will be applied on and after the day following the day of the allotment, in the case of an allotment of stock acquisition rights without contribution, on and after the effective date of such allotment of stock acquisition rights without contribution (if a record date for such allotment of stock acquisition rights without contribution is set, on and after the day following such record date). Also, if the day of allotment to shareholders is set, the Class B Conversion Price after adjustment will be applied on and after the day following such day of allotment to shareholders.</u></p> <p data-bbox="805 1787 1394 2018"><u>(v) If any of (a) a merger in which the Company becomes a surviving company or a parent company of a surviving company, (b) a share exchange in which the Company becomes a wholly-owning parent company or a parent company of a wholly-owning parent company, or (c) a company split in which the Company</u></p>

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	<p><u>becomes a succeeding company or a parent company of a succeeding company is implemented, and value per share of the Company to be allotted to shareholders of a consolidated company through a merger or per share of the Company to be allotted to shareholders of a wholly-owned subsidiary through a share exchange, or per share of the Company to be allotted to a split company or shareholders of a split company (the "Allotted Shares" in this paragraph 8) (such value is reasonably determined by the Company's board of directors meeting. If such Allotted Shares can be converted into its common shares, such value will be a converted amount per common share; hereinafter the same in this paragraph 8) is less than the Class B Conversion Price before adjustment, the Company will adjust the Class B Conversion Price based on the following formula.</u></p> <p><u>However, if such Allotted Shares can be converted into the Company's common shares, the "Number of Allotted Shares" in the formula stated in this item (v) should be the number of common shares underlying such shares.</u></p> $\text{Class B Conversion Price after adjustment} = \frac{\text{Class B Conversion Price before adjustment} \times \text{Total Number of Shares} + \text{Number of Allotted Shares} \times \text{Value per share}}{\text{Total Number of Shares} + \text{Number of Allotted Shares}}$ <p><u>The Class B Conversion Price after adjustment will be applied on and after the effective date of such merger, share exchange, or company split. (Class C Preferred Shares)</u></p>
(Newly established)	<p><u>Article 11-4</u></p> <p><u>The details of the Class B Preferred Shares issued by the Company shall be provided in the following paragraph through paragraph 8.</u></p>
(Newly established)	<p><u>2. Dividend of surplus</u></p> <p><u>(1) Dividend of surplus</u></p> <p><u>the Company will pay dividends per Class C Preferred Share calculated by multiplying dividends per common share by the Class C Conversion Rate (defined below) on the dividend payment date to the Class C Preferred Shareholders or the Registered Pledges of Class C Preferred Shares who are registered or recorded on the last shareholders register on the</u></p>

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	<p><u>dividend payment date pari passu with the Common Shareholders and the Registered Pledges of Common Shares who are registered or recorded on the last shareholders register on the dividend payment date; the Class A Preferred Shareholders and the Registered Pledges of Class A Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date; and the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares who are registered or recorded on the last shareholders register on the dividend payment date. If a fraction that is less than JPY 1 occurs as a result of multiplying the dividend amount per Class C Preferred Share by the number of Class C Preferred Shares held by the Class C Preferred Shareholders and the Registered Pledges of Class C Preferred Shares, such fraction will be omitted.</u></p> <p><u>"Class C Conversion Rate" means the number (calculated to the third decimal place, and the digit in the third decimal place will be omitted) obtained by dividing the Class C Investment Amount (defined in (2); hereinafter the same) at that time by the Class C Conversion Price (defined in Article 8, (3); hereinafter the same).</u></p> <p><u>(2) The Class C Investment Amount</u> <u>1) The initial amount will be JPY 75.</u> <u>2) If the Company implements the Share Split, etc., the Class C Investment Amount will be adjusted in accordance with the formula below. If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company will calculate such fraction to the third decimal place, and omit the digit in the third decimal place. In the case of an allotment of shares without contribution, "Number of issued and outstanding Class C Preferred Shares before the Share Split, etc." and "Number of issued and outstanding Class C Preferred Shares after the Share Split, etc." in the following formula are to be read as "Number of issued and outstanding Class C Preferred Shares before the allotment of shares without contribution (excluding, however, the Class C Preferred Shares held by the Company at that time)" and "Number of issued and outstanding Class C Preferred Shares after the allotment of shares without contribution (excluding, however, the Class C Preferred Shares held by the Company at that time)," respectively.</u></p>

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<p>(Newly established)</p>	$\text{Class C Investment Amount after adjustment} = \frac{\text{Class C Investment Amount before adjustment} \times \text{Number of issued and outstanding Class C Preferred Shares before the Share Split, etc.}}{\text{Number of issued and outstanding Class C Preferred Shares after the Share Split, etc.}}$ <p><u>The Class C Investment Amount after adjustment will be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of shares or allotment of shares without contribution, on and after the day following the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p><u>3) If other events similar to 2) above occur, the Class C Investment Amount will be properly adjusted by resolutions of the Company's board of directors meeting.</u></p> <p><u>3. Distribution of residual assets</u></p> <p><u>(1) Distribution of residual assets</u> <u>When the Company distributes its residual assets at the dissolution of the Company, the Company will pay amounts per Class C Preferred Share equivalent to the Class C Investment Amount to the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares before the Common Shareholders and Registered Pledges of Common Shares; and pari passu with the Class A Preferred Shareholders and the Registered Pledges of the Class A Preferred Shares as well as the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares. If a fraction that is less than JPY 1 occurs as a result of multiplying the distribution amount of residual assets per Class C Preferred Share by the number of Class C Preferred Shares held by the Class C Preferred Shareholders and the Registered Pledges of Class C Preferred Shares, such fraction will be omitted. If the distribution amount of residual assets falls short of the total amount necessary to distribute residual assets of a certain order of priority, residual assets should be distributed on a pro rata basis in accordance with the amount necessary to distribute residual assets of that order of priority.</u></p> <p><u>(2) Participation clause</u></p>

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(Newly established)	<p><u>If residual assets remain even after the distribution of residual assets to the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares pursuant to (1), the Company will distribute residual assets per Class C Preferred Share calculated by multiplying the amount of residual assets per common share by the Class C Conversion Rate at the time of the distribution of residual assets to the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares pari passu with the Common Shareholders and Registered Pledges of Common Shareholders; the Class A Preferred Shareholders and the Registered Pledges of Class A Preferred Shares; and the Class B Preferred Shareholders and the Registered Pledges of Class B Preferred Shares.</u></p> <p><u>4. Transfer restriction</u></p>
(Newly established)	<p><u>Acquisition of Class C Preferred Shares through their transfer requires the approval of the Company's board of directors meeting.</u></p> <p><u>5. Voting rights</u></p>
(Newly established)	<p><u>Unless otherwise provided for by law, the Class C Preferred Shareholders have no voting rights at general meetings of shareholders.</u></p> <p><u>6. Voting rights at the general meeting of class shareholders</u></p>
(Newly established)	<p><u>Unless otherwise provided for by law, no resolution of the general meeting of class shareholders comprised of Class B Preferred Shareholders is required in order for the Company to engage in any of the acts listed under each item of Article 322, paragraph (1) of the Companies Act.</u></p> <p><u>7. Cash-consideration call option (mandatory redemption)</u></p>
	<p><u>Notwithstanding the intent of the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares, in exchange for delivering the Class C Investment Amount to the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares, within the limit of the distributable amount under Article 461, paragraph (2) of the Companies Act as of the date separately determined by the Company's board of directors meeting (the "Mandatory Redemption Date" in this paragraph 7), to the extent possible permitted by applicable laws, the Company can acquire the Class C Preferred</u></p>

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(Newly established)	<p data-bbox="807 230 1398 495"><u>Shares in whole or in part anytime, if the Mandatory Redemption Date has arrived. If there is more than one Class C Preferred Shareholder at the time of acquiring part of the Class C Preferred Shares, the Class C Preferred Shares to be acquired by the Company will be determined by its board of directors meeting on a pro rata basis.</u></p> <p data-bbox="807 499 1398 562"><u>8. Common share-consideration put option (right to claim conversion)</u></p> <p data-bbox="807 600 1398 1066"><u>(1) Details of the conversion claim</u> <u>On or after the first anniversary of the payment date (meaning the day when the Class C Preferred Shares are initially issued; hereinafter the same in this paragraph 8), to the extent permitted by applicable laws, the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares can claim that the Company deliver common shares per Class C Preferred Share the number of which is calculated based on the formula stated in (3), in exchange for the Company acquiring the Class C Preferred Shares (the "Conversion Claim" in this paragraph 8).</u></p> <p data-bbox="807 1104 1398 1200"><u>(2) Formula for number of common shares to be delivered based on the conversion claim</u></p> <p data-bbox="807 1238 1398 1368"><u>The number of common shares to be delivered in exchange for acquiring one Class C Preferred Share will be calculated based on the following formula:</u></p> <p data-bbox="807 1406 1398 1603"><u>(Formula)</u> <u>Number of common shares to be delivered in exchange for acquiring one Class C Preferred Share</u> <u>= Class C Investment Amount ÷ Class C Conversion Price</u></p> <p data-bbox="807 1641 1398 1872"><u>If a fraction that is less than 1 share occurs at the time of calculating the number of common shares to be delivered to the Class C Preferred Shareholders and Registered Pledges of Class C Preferred Shares, such fraction will be omitted and treated in accordance with Article 167, paragraph (3) of the Companies Act.</u></p> <p data-bbox="807 1910 1398 2004"><u>(3) Class C Conversion Price</u> <u>The Class C Conversion Price means an amount stated below.</u></p>

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	<p>1) <u>The initial price shall be JPY 50.</u></p> <p>2) <u>Notwithstanding 1) above, if any of the following (i) through (v) occurs at the Company, the Company will adjust the Class C Conversion Price in accordance with each of (i) through (v). If a fraction that is less than JPY 1 occurs as a result of the adjustment, the Company will calculate such fraction to the third decimal place, and omit digits after the second decimal place.</u></p> <p>(i) <u>If the Company implements the Share Split, etc. of common shares, the Company will adjust the Class C Conversion Price based on the formula below. In the case of an allotment of shares without contribution, "Number of issued and outstanding common shares before the Share Split, etc." and "Number of issued and outstanding common shares after the Share Split, etc." in the following formula are to be read as "Number of issued and outstanding common shares before the allotment of shares without contribution (excluding, however, common shares held by the Company at that time)" and "Number of issued and outstanding common shares after the allotment of shares without contribution (excluding, however, common shares held by the Company at that time)," respectively.</u></p> $\text{Class C Conversion Price after adjustment} = \frac{\text{Class C Conversion Price before adjustment}}{\frac{\text{Number of issued and outstanding common shares before the Share Split, etc.}}{\text{Number of issued and outstanding common shares after the Share Split, etc.}}}$ <p><u>The Class C Conversion Price after adjustment will be applied, in the case of a share split, on and after the day following the record date of such share split, in the case of a consolidation of shares or allotment of shares without contribution, on and after the effective date of such consolidation of shares or allotment of shares without contribution (if a record date is set, on and after the day following such record date).</u></p> <p>(ii) <u>If the Company issues its common shares (including dispositions of treasury shares; hereinafter the same in this item (ii)) the price of which is less than the Class C Conversion Price before the adjustment (excluding, however, the cases where (i) the Company implements an allotment of shares without contribution, (ii) the</u></p>

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	<p><u>Company issues its common shares by exercising or converting the Potential Shares (which means shares with put options, shares subject to call, stock acquisition rights (including those attached to bonds with stock acquisition rights; hereinafter the same in this Section (vii)), and other securities or rights with status that makes it possible to have them converted into common shares based on the claim by holders of such securities or rights or the Company, or subject to conditions that certain events occur; hereinafter the same in this paragraph 8), (iii) the Company delivers its common shares as a result of a merger, share exchange, or company split, or (iv) the Company sells its treasury shares pursuant to Article 194 of the Companies Act), the Company will adjust the Class C Conversion Price based on the formula below.</u></p> <p><u>In this paragraph 8, the "Total Number of Shares" means the number obtained by adding (i) the number of common shares underlying the issued and outstanding Potential Shares (excluding those held by the Company) as of the day before the date on which the Class C Conversion Price after the adjustment is applied to (ii) the number of issued and outstanding common shares as of the same day (excluding those held by the Company).</u></p> <p><u>Also, in the case of a disposition of treasury shares, "Issue price" and "Number of shares to be newly issued" in the formula stated in this item (ii) are to be read as "Disposition price" and "Number of treasury shares to be disposed," respectively.</u></p> $ \begin{array}{r} \text{Class C Conversion Price after adjustment} = \frac{\text{Class C Conversion Price before adjustment} \times \text{Total Number of Shares} + \text{Number of shares to be newly issued} \times \text{Issue price per share}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} \end{array} $ <p><u>The Class C Conversion Price after adjustment will be applied on and after the day following the payment date (if the payment period is set, the end of such period), if a record date for the allotment to shareholders is set, on and after the day following such record date.</u></p>

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	<p data-bbox="807 232 1402 562"><u>(iii) If the Company issues shares that can be converted into its common shares (including the case of an allotment of shares without contribution), and the price determined by its board of directors meeting as a price of consideration per common share to be delivered upon the conversion of such shares is less than the Class C Conversion Price before adjustment, the Company will adjust the Class C Conversion Price based on the formula below.</u></p> <p data-bbox="807 600 1402 797"><u>However, "Number of shares to be newly issued" in the formula stated in this item (iii) means the number of common shares to be delivered if all the shares to be issued are converted into common shares on the date on which the adjustment under this item (iii) is applied.</u></p> $ \begin{array}{r} \text{Class C Conversion Price after adjustment} = \frac{\text{Class C Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class C Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} \end{array} $ <p data-bbox="807 1153 1402 1585"><u>The Class C Conversion Price after adjustment will be applied on and after the day following the payment date (if the payment period is set, the end of such period), in the case of an allotment of shares without contribution, on and after the effective date of such allotment of shares without contribution (if a record date for such allotment of shares without contribution is set, on and after the day following such record date). Also, if the day of allotment to shareholders is set, the Class B Conversion Price after adjustment will be applied on and after the day following such day of allotment to shareholders.</u></p> <p data-bbox="807 1624 1402 1973"><u>(iv) If the Company issues stock acquisition rights for which its common shares are the underlying shares (including the case of an allotment of stock acquisition rights without contribution), and the total amount of the payment price of stock acquisition rights per common share and the price per common share of properties to be invested at the time of exercising such stock acquisition rights (the "Price of Consideration per Share" in this item (iv)) is less than the Class C Conversion Price,</u></p>

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	<p data-bbox="807 230 1393 293"><u>the Company will adjust the Class C Conversion Price based on the formula below.</u></p> <p data-bbox="807 331 1393 562"><u>However, "Number of shares to be newly issued" in the formula stated in this item (iv) means the number of common shares to be delivered if all the stock acquisition rights are exercised or converted into common shares on the date on which the adjustment under this item (iv) is applied.</u></p> $ \begin{array}{r} \text{Class C Conversion Price after adjustment} = \frac{\text{Class C Conversion Price before adjustment} \times \text{Total Number of Shares} + \frac{\text{Number of shares to be newly issued} \times \text{Price of consideration per share}}{\text{Class C Conversion Price before adjustment}}}{\text{Total Number of Shares} + \text{Number of shares to be newly issued}} \end{array} $ <p data-bbox="807 913 1393 1346"><u>The Class C Conversion Price after adjustment will be applied on and after the day following the day of the allotment, in the case of an allotment of stock acquisition rights without contribution, on and after the effective date of such allotment of stock acquisition rights without contribution (if a record date for such allotment of stock acquisition rights without contribution is set, on and after the day following such record date). Also, if the day of allotment to shareholders is set, the Class C Conversion Price after adjustment will be applied on and after the day following such day of allotment to shareholders.</u></p> <p data-bbox="807 1384 1393 2018"><u>(v) If any of (a) a merger in which the Company becomes a surviving company or a parent company of a surviving company, (b) a share exchange in which the Company becomes a wholly-owning parent company or a parent company of a wholly-owning parent company, or (c) a company split in which the Company becomes a succeeding company or a parent company of a succeeding company is implemented, and value per share of the Company to be allotted to shareholders of a consolidated company through a merger or per share of the Company to be allotted to shareholders of a wholly-owned subsidiary through a share exchange, or per share of the Company to be allotted to a split company or shareholders of a split company (the "Allotted Shares" in this paragraph 8) (such value is reasonably determined by the Company's board</u></p>

Current Articles of Incorporation	Amended Articles of Incorporation
<p>(Newly established)</p>	<p><u>of directors meeting. If such Allotted Shares can be converted into its common shares, such value will be a converted amount per common share; hereinafter the same in this paragraph 8) is less than the Class C Conversion Price before adjustment, the Company will adjust the Class C Conversion Price based on the following formula.</u></p> <p><u>However, if such Allotted Shares can be converted into the Company's common shares, the "Number of Allotted Shares" in the formula stated in this item (v) should be the number of common shares underlying such shares.</u></p> $\text{Class C Conversion Price after adjustment} = \frac{\text{Class C Conversion Price before adjustment} \times \text{Total Number of Shares} + \text{Number of Allotted Shares} \times \text{Class C Conversion Price before adjustment}}{\text{Total Number of Shares} + \text{Number of Allotted Shares}}$ <p><u>The Class C Conversion Price after adjustment will be applied on and after the effective date of such merger, share exchange, or company spilt. (Consolidation of shares or share split)</u></p> <p><u>Article 11-5</u></p> <p><u>1. If the Company implements a share split or consolidation of shares, the Company will also implement such share split or consolidation of shares with respect to common shares, the Class A Preferred Shares, the Class B Preferred Shares and the Class C Preferred Shares, at the same time and proportion for each class.</u></p> <p><u>2. If the Company grants to shareholders entitlement to the allotment of offered shares, the Company will grant to the Common Shareholders entitlement to the allotment of common shares, to the Class A Preferred Shareholders entitlement to the allotment of the Class A Preferred Shares, to the Class B Preferred Shareholders entitlement to the allotment of the Class B Preferred Shares, and to the Class C Preferred Shareholders entitlement to the allotment of the Class C Preferred Shares, at the same time and proportion, respectively.</u></p> <p><u>3. If the Company implements an allotment of shares without contribution, the Company will allot common shares to the Common Shareholders without contribution, the Class A Preferred Shares to the Class A Preferred Shareholders without contribution, the Class B Preferred Shares to the Class B Preferred</u></p>

Current Articles of Incorporation	Amended Articles of Incorporation
(Newly established)	<p><u>Shareholders without contribution, and the Class C Preferred Shares to the Class C Preferred Shareholders without contribution, at the same time and proportion, respectively.</u></p> <p><u>4. If the Company grants to shareholders entitlement to the allotment of offered stock acquisition rights, the Company will grant to the Common Shareholders entitlement to the allotment of stock acquisition rights for which common shares are the underlying shares, entitlement to the Class A Preferred Shareholders to the allotment of stock acquisition rights for which the Class A Preferred Shares are the underlying shares, entitlement to the Class B Preferred Shareholders to the allotment of stock acquisition rights for which the Class B Preferred Shares are the underlying shares, and entitlement to the Class C Preferred Shareholders to the allotment of stock acquisition rights for which the Class C Preferred Shares are the underlying shares, at the same time and proportion (including making the ratio of the number of shares underlying stock acquisition rights substantially the same; hereinafter the same in this paragraph), respectively, under the conditions including substantially fair payment amount, property value to be invested at the time of exercising stock acquisition rights, from the perspective of the Class C Preferred Shareholders' rights and interests.</u></p> <p><u>5. If the Company implements allotment of stock acquisition rights without contribution, the Company will allot stock acquisition rights for which common shares are the underlying shares to the Common Shareholders, stock acquisition rights for which the Class A Preferred Shares are the underlying shares to the Class A Preferred Shareholders, stock acquisition rights for which the Class B Preferred Shares are the underlying shares to the Class B Preferred Shareholders, and stock acquisition rights for which the Class C Preferred Shares are the underlying shares to the Class C Preferred Shareholders, at the same time and proportion, respectively.</u></p> <p><u>(Class Meeting)</u></p> <p><u>Article 18-2</u></p> <p><u>1. Article 13 shall be applied mutatis mutandis to class meetings that are held on the same date as the annual general meeting of shareholders.</u></p> <p><u>2. Articles 14, 15, 17, and 18 shall be applied mutatis mutandis to class meetings.</u></p>

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	<p>3. <u>Article 16, paragraph 1 shall be applied mutatis mutandis to resolutions by class meetings under Article 324, paragraph 1 of the Companies Act, and Article 16, paragraph 2 shall be applied mutatis mutandis to resolutions by class meetings under Article 324, paragraph 2 of the Companies Act.</u></p>

Draft Amended Articles of Incorporation (2)

(Amendments are underlined)

Current Articles of Incorporation	Amended Articles of Incorporation
<p>(Total Number of Authorized Shares and Class Shares) Article 6 The total number of authorized shares of the Company shall be <u>3,380,000,000</u> shares, and total number of authorized class shares of the Company shall be as follows: Common shares <u>3,380,000,000</u> shares Class A Preferred Shares 1,020,000,000 shares Class B Preferred Shares 672,000,000 shares Class C Preferred Shares 672,000,000 shares</p>	<p>(Total Number of Authorized Shares <u>and Class Shares</u>) Article 6 The total number of authorized shares of the Company shall be <u>10,000,000,000</u> shares, and total number of authorized class shares of the Company shall be as follows: Common shares <u>10,000,000,000</u> shares Class A Preferred Shares 1,020,000,000 shares Class B Preferred Shares 672,000,000 shares Class C Preferred Shares 672,000,000 shares</p>