

(Translation)

## Notice of the 72<sup>nd</sup> Ordinary General Meeting of Shareholders

May 30, 2014

Dear Shareholder,

We are pleased to send you this convocation notice for the 72nd Ordinary General Meeting of Shareholders. We have sent resident shareholders in Japan the convocation notice and attached documents in Japanese, which were compiled according to the Japanese Corporation Law. Under this law there is no obligation to provide materials in languages other than Japanese. However, we have enclosed an English translation for the reference of non-resident shareholders. Please note that the English translation is an abridged version of the complete text, highlighting several points that we believe will give non-resident shareholders an outline of the meeting agenda. It is not intended to influence shareholders in exercising their voting rights. Unfortunately, we are only able to provide official documents in Japanese. We ask for your understanding in this matter and thank you for your continued support of the Seiko Epson Corporation.

**If you are unable to attend the meeting, please vote by using one of the following methods no later than 5:00 p.m., Monday, June 23, 2014 (Japan time). Prior to voting, you may wish to review the “Reference Materials for the Ordinary General Meeting of Shareholders” document, provided herein.**

### *Voting by Mail*

To vote by mail, please indicate on the enclosed voting form whether you approve or disapprove of each of the proposals and return the completed form to us. The completed form must be received no later than 5:00 p.m., Monday June 23, 2014 (Japan time).

### *Voting by Internet*

To vote by Internet, please log into the shareholders' voting websites at <http://www.evote.jp/> to register your approval or disapproval (Japanese only). Voting by Internet must be completed no later than 5:00 p.m., Monday June 23, 2014 (Japan time).

Sincerely yours,

Minoru Usui

President

Seiko Epson Corporation  
2-4-1 Nishishinjuku,  
Shinjuku-ku, Tokyo

## Description

**1. Date and Time:** 10:00 a.m., Tuesday, June 24, 2014 (Japan time)

**2. Place:** Rose Room 9<sup>th</sup> Floor, Tokyo Kaikan,  
3-2-1, Marunouchi, Chiyoda-ku, Tokyo

### 3. Meeting Agenda:

- Reporting :
1. Report on the business reports, the consolidated financial statements and the reports of the accounting auditors and of the board of statutory auditors regarding the consolidated financial statements for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014).
  2. Report on the non-consolidated financial statements for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014).

Proposals : Proposal 1: Appropriation of Surplus

Proposal 2: Election of Ten Directors

Proposal 3: Election of Two Statutory Auditors

Proposal 4 : The bonus provided for the directors for the fiscal year ended  
March 31,2014 (from April 1, 2013 to March 31, 2014)

Proposal 5: Renewal of Countermeasures to Large-Scale Acquisitions of  
Seiko Epson Shares

### 4. Convocation rules:

- (1) If you exercise your voting rights by both mail and Internet, we will treat the vote by Internet as valid.
- (2) If you exercise your voting rights by Internet on multiple occasions, we will treat the last contact as valid.

### 5. Notes

- (1) Any revisions to the reference materials for the Ordinary General Meeting of Shareholders, report on the business reports, the consolidated financial statements, and the non-consolidated financial statements shall be posted on the Company's website at <http://www.epson.jp/IR/> (Japanese) and <http://global.epson.com/IR/> (English).
- (2) If attending the meeting in person, please remember to bring the ballot enclosed with these materials and to hand it to a receptionist.
- (3) If you exercise your voting rights by proxy, you should appoint as proxy another shareholder with voting rights in the Company. A written letter of proxy should be brought to the meeting and handed to a receptionist.

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**\*The Company offers institutional investors access to ICJ Inc.'s electronic voting platform.**

## Reference Materials for the Ordinary General Meeting of Shareholders

Proposals and related items

### Proposal 1: Appropriation of Surplus

#### Items Relating to the Year-End Dividend

With respect to the year-end cash dividends on common stock shares for the fiscal year, the Company proposes to pay 50 yen per share. Of this amount, 13 yen was paid out as an interim dividend in December 2013; hence, the year-end dividend will be 37 yen per share.

(1) Type of Dividend Property

Cash

(2) Distribution of Dividend

37 yen per share, total amount 6,618,941,322 yen

(3) Effective Date of Distribution

June 25, 2014

### Proposal 2: Election of Ten Directors

The terms of office of nine directors will end at the close of this meeting. The Company proposes to appoint ten directors by adding an outside director to further improve its corporate governance.

The candidates have been nominated after deliberation by the Nomination Committee attended by an outside director in accordance with selection criteria predetermined by the board of directors. The outside director candidates are compliant with the “Standard of Outside Officers’ Independence” (please refer to page 8).

The candidates for the director positions are as follows: (“\*” indicates a newly nominated candidate.)

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned
1	 Minoru Usui (April 22, 1955)	Nov. 1979 Joined Shinshu Seiki Co., Ltd. (now the Company) Jun. 2002 Director of the Company Oct. 2007 Managing Director of the Company Jun. 2008 Representative Director and President of the Company (current position)	68,800

*Note: Mr. Usui is not involved in activities that potentially conflict with the Company.*

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned	
2	 Noriyuki Hama (July 6, 1954)	Apr. 1978	Joined the Company	26,000
		Jun. 2003	Director of the Company	
		Jun. 2006	Executive Officer of the Company	
		Apr. 2010	General Administrative Manager of Human Resources Division (current position)	
		Jun. 2010	Director of the Company	
	Jun. 2012	Managing Director of the Company (current position)		


*Note: Mr. Hama is not involved in activities that potentially conflict with the Company.*

3	 Shigeki Inoue (Oct. 10, 1955)	Apr. 1979	Joined the Company	6,400
		Jun. 2011	Executive Officer of the Company	
		Jun. 2012	Director of the Company (current position)	
		Jun. 2013	General Administrative Manager of Business Infrastructure Development Division (current position)	

*Note: Mr. Inoue is not involved in activities that potentially conflict with the Company.*

4	 Yoneharu Fukushima (Jan. 17, 1954)	Feb. 1982	Joined the Company	16,200
		Jun. 2009	Executive Officer of the Company	
		Jun. 2010	Director of the Company (current position)	
		Jun. 2010	General Administrative Manager of Corporate Research & Development Division (current position)	

*Note: Mr. Fukushima is not involved in activities that potentially conflict with the Company.*

5	 Koichi Kubota (Apr. 3, 1959)	Apr. 1983	Joined Epson Corporation (now the Company)	9,800
		Jun. 2010	Executive Officer of the Company	
		Jun. 2012	Director of the Company (current position)	
		Jun. 2013	Chief Operating Officer of Printer Operations Division (current position)	

*Note: Mr. Kubota is not involved in activities that potentially conflict with the Company.*

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned
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\*Motonori Okumura  
(Feb. 16, 1960)

Apr. 1982 Joined Shinshu Seiki Co., Ltd. (now the Company)  
 Jun. 2010 Executive Officer of the Company (current position)  
 Oct. 2012 General Administrative Manager of Imaging Products Key Component Research & Engineering Division (current position)

10,500

*Note: Mr. Okumura is not involved in activities that potentially conflict with the Company.*

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\*Junichi Watanabe  
(Oct. 24, 1961)

Apr. 1985 Joined the Company  
 Nov. 2005 General Manager of VI Production Control & Procurement Dept.  
 Jun. 2013 Chief Operating Officer of Visual Products Operations Division (current position)

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*Note: Mr. Watanabe is not involved in activities that potentially conflict with the Company.*

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\*Masayuki Kawana  
(Jul. 27, 1964)

Apr. 1988 Joined Seiko Epson Co-op  
 Mar. 1999 Joined the Company  
 Oct. 2008 General Manager of Human Resources Dept. (current position)

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*Note: Mr. Kawana is not involved in activities that potentially conflict with the Company.*

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned
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Toshiharu Aoki  
(Mar. 21, 1939)  
Outside Director  
Candidate

Jun. 1997 Vice President Director of Nippon Telegraph and Telephone Corporation  
 Jun. 1999 President and CEO of NTT Data Corporation  
 Jun. 2003 Executive Advisor and Director of NTT Data Corporation  
 Jun. 2005 Executive Advisor of NTT Data Corporation  
 Jun. 2009 Senior Advisor of NTT Data Corporation  
 Jun. 2012 Director of the Company (current position)

**Reason for nominating Toshiharu Aoki as an outside director**

Toshiharu Aoki has considerable insight and a wealth of experience as a chief executive, and is therefore qualified as a candidate.

**9 Independence of duties**

3,100

Mr. Aoki was vice president of Nippon Telegraph and Telephone Corporation and President of NTT Data Corporation. The Company has had no business transactions with Nippon Telegraph and Telephone Corporation in the past three years. Although the Company has business relationships relating to the license of image data with NTT Data Corporation, it is not comparable to “a contractor which depends largely on the Company” or a “major customer of the Company” as prescribed in the “Standard of Outside Officers’ Independence.”

The Company has registered Mr. Aoki as an independent director with the Tokyo Stock Exchange. If this proposal is approved, he will again be appointed as an independent director.

**Period spent as an outside director**

At this meeting two years will have passed since his initial appointment.

*Note 1: Mr. Aoki is not involved in activities that potentially conflict with the Company.*

*Note 2: Responsibility limitation contract with outside director candidates*

The Company has concluded a contract with Mr. Aoki regarding the limit of liability for damages under the Companies Act based on article 26 clause 2 of the Company’s Articles of Incorporation. If he is reappointed, the Company will renew these responsibility limitation contracts.

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned
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Apr. 2007 Director, Senior Executive Vice President of Mitsubishi Heavy Industries, Ltd.  
Apr. 2008 President and CEO of Mitsubishi Heavy Industries, Ltd.  
Apr. 2013 Chairman of the Board of Mitsubishi Heavy Industries, Ltd. (current position)

**Important concurrent positions held at other companies**

\*Hideaki Omiya  
(Jul 25, 1946)  
Outside Director  
Candidate  
Chairman of Japan Aircraft Development Corporation  
Vice Chairman of Keidanren (Japan Business Federation)

**Reason for nominating Hideaki Omiya as an outside director**

10 Hideaki Omiya has considerable insight and a wealth of experience as a chief executive, and is therefore qualified as a candidate. —

**Independence of duties**

Mr. Omiya is Chairman of the Board of Mitsubishi Heavy Industries, Ltd. Although the Company has had transactions involving the purchase and sale of semiconductor manufacturing equipment with Mitsubishi Heavy Industries, Ltd. in the past three years, it is not comparable to “a contractor which depends largely on the Company” or a “major customer of the Company” as prescribed in the “Standard of Outside Officers’ Independence.”

The Company will register Mr. Omiya as an independent director with the Tokyo Stock Exchange. If this proposal is approved, he will be appointed as an independent director.

*Note 1: Mr. Omiya is not involved in activities that potentially conflict with the Company.*

*Note 2: Responsibility limitation contract with outside director candidates*

If Mr. Omiya is elected as an outside director, the Company will conclude a contract with him regarding the limit of liability for damages to be provided under the Companies Act based on article 26 clause 2 of the Company’s Articles of Incorporation.

*Note 3: Breaches of law/ certificates of incorporation or illegal business activities while in other positions over the past five years*

During the time when Mr. Omiya served as a director of Mitsubishi Heavy Industries, Ltd. (MHI), part of MHI’s automobile parts business was found to have engaged in cartel activities, including inappropriate information exchange, with competitors.

## Reference : Standard of Outside Officers' Independence

Seiko Epson Corporation (the Company) shall not nominate a person who has interests listed below as an outside officer candidate.

a) A contractor (mainly supplier) which depends largely on the Company <sup>\*Note 1</sup>.

In the case where the person has been an executing person <sup>\*Note 2</sup> of a contractor in the past five years.

b) A major customer of the Company <sup>\*Note 3</sup>.

In the case where the person has been an executing person of a customer in the past five years.

c) A business consultant, certified public accountant or lawyer who has received monies, etc. (meaning a large sum of money and other properties <sup>\*Note 4</sup>) other than officers' remuneration from the Company in the past three years.

In the case where the person has been a quasi-executing person who has belonged to the payee's group in the past three years.

d) A major shareholder <sup>\*Note 5</sup> of the Company.

In the case where the shareholder is a corporation and the person has been an executing person or corporate auditor of the shareholder in the past five years.

e) An executing person or corporate auditor in a corporation of which the major shareholder is the Company.

f) A person who has belonged to an auditing firm which has conducted a legal accounting audit of the Company in the past ten years.

g) A person who has belonged to a leading managing underwriter of the Company in the past ten years.

h) A payee of a large donation <sup>\*Note 6</sup>.

In the case where the person has been a judicial partner, general partner, or quasi-executing person who has belonged to the payee group at any time.

i) A person coming from a corporation which has a relationship of exchanging outside officers <sup>\*Note 7</sup> with the Company.

j) A spouse or close relative (sibling, parent, child, grandparent, grandchild) of a person having the interests listed above.

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*Note 1: "Contractor which depends largely on the Company" means a contractor who has received payment not less than 2% of its consolidated net sales from the Company in any fiscal year of the past three years.*

*Note 2: "Executing person" means an executive officer, executive director or operating officer, employee occupying a senior management position higher than general manager.*

*Note 3: "Major customer of the Company" means a customer who has made payment not less than 2% of the Company's consolidated net sales to the Company in any fiscal year of the past three years.*

*Note 4: "A large sum of money and other properties" means average compensation (other than officers' remuneration) of the past three years exceeds;*

*i ) not less than 10 million yen in case where the payee is a person or*

*ii ) not less than 2% of the annual revenues at any fiscal year in case where the payee is a group.*

*Note 5: "Major shareholder" means a shareholder who holds directly or indirectly not less than 10% of the voting power.*

*Note 6: "Large sum of donation" means a donation whose annual average in the past three years exceeds either;*

*i ) 10 million yen or*

*ii ) 30% of the annual expense of the group,*

*whichever is higher.*

*Note 7: "Exchanging outside officers" means mutual dispatch of outside officers between the Company and another corporation.*

End



### Proposal 3: Election of Two Statutory Auditors

At the close of this meeting, Mr. Toru Oguchi will complete his term as statutory auditor and Mr. Torao Yajima will resign his post as statutory auditor. The Company proposes to appoint two statutory auditors. The candidates for the statutory auditor position are as follows. : (“\*” indicates a newly nominated candidate.)

Candidate No.	Name (Date of Birth)	Summary of career, title, position, and significant concurrent positions held at other companies	Shares of the Company's stock owned	
1	 *Kenji Kubota (Dec. 4, 1953)	Apr. 1977	Joined the Company	42,000
		Jun. 2001	Director of the Company	
		Apr. 2003	Managing Director of the Company	
		Jun. 2010	Representative Director of the Company (current position), Senior Managing Director of the Company	
		Apr. 2011	Senior Managing Director of the Company (current position)	
		Apr. 2013	Chief Compliance Officer of the Company (current position) General Administrative Manager of the Management Control Division and Compliance Office of the Company (current position)	

*Note: Mr. Kubota is not involved in activities that potentially conflict with the Company.*

2	 *Seiichi Hirano (Dec. 11, 1954)	Apr. 1977	Joined Shinshu Seiki Co., Ltd. (now the Company)	22,600
		Jun. 2002	Director of the Company	
		Jun. 2006	Executive Officer of the Company	
		Jun. 2007	Representative Director and President of the Epson Sales Japan Corporation (current position)	
		Oct. 2007	Managing Executive Officer of the Company	
		Jun. 2008	Managing Director of the Company (current position)	

*Note: Mr. Hirano is not involved in activities that potentially conflict with the Company.*

### Proposal 4: The bonus provided for the directors for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

The Company proposes to pay bonuses of 81,750,000 yen in total at the end of the fiscal year to eight directors excluding an outside director. The total amount and beneficiaries of the bonus payment have been determined after consideration by the Board of Directors Compensation Council attended by an outside director.

The Company would like to provide the Board of Directors with discretion to determine remuneration for each director.

## **Proposal 5: Renewal of Countermeasures to Large-Scale Acquisitions of Seiko Epson Shares**

Seiko Epson Corporation (the “Company”) introduced a plan for countermeasures to large-scale acquisitions of the shares in the Company (takeover defense measures) with the approval of shareholders at the ordinary general meeting of shareholders held on June 25, 2008, for the purpose of ensuring and enhancing the Company’s corporate value and the common interests of its shareholders. At the ordinary general meeting of shareholders held on June 20, 2011, when the effective period of the plan for countermeasures was to expire, the Company received approval from shareholders for the renewal of the plan for countermeasures with certain changes (the renewed plan for countermeasures: the “Existing Plan”).

As the Existing Plan is effective until the conclusion of this meeting, the Company has considered the Existing Plan, including whether to continue the Existing Plan, from the viewpoint of maintaining and enhancing the common interests of shareholders and the Company’s corporate value. As a result, the Company decides to renew the Existing Plan (the renewed plan for countermeasures: the “Plan”), subject to shareholder approval at this meeting. The Company is therefore asking the shareholders to approve the “Plan”.

In formulating the Plan, formal wording changes were made to the Existing Plan, but with no substantial change made.

### **1. Purpose of the Plan**

The Company will renew the Plan for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders in accordance with Basic Policy regarding Persons Who Control Decisions on the Company’s Financial and Business Policies.

The Company’s board of directors has decided subject to shareholder approval at this meeting that , on occasions when it receives a large-scale acquisition proposal for the shares in the Company from an acquirer, it is still necessary and essential to introduce a mechanism that ensures the necessary time and information is made available for the shareholders to decide whether or not to accept such proposal or for the Company’s board of directors to present an alternative proposal to the shareholders and that enables the board of directors to discuss and negotiate with the acquirer for the benefit of the shareholders, thus discouraging large-scale acquisitions that are detrimental to the corporate value of the Company and, in turn, the common interests of its shareholders.

## 2. Plan Details

### 2.1 Plan Outline

#### (a) Establishment of Procedures

The Plan sets out procedures necessary to achieve the purpose stated in (a) above, including the requirement for acquirers to provide information in advance in the case an acquirer intends to make an acquisition of shares in the Company or any similar action or proposes to make such action (that action, “Acquisition”; the party effecting the Acquisition, the “Acquirer”) (for further details, see section 2.2, ‘Procedures for the Plan’ below).

#### (b) Implementation of the Gratis Allotment of Stock Acquisition Rights

In the event that an Acquirer conducts an Acquisition of shares in the Company without following the procedures set out in the Plan, or threatens to cause obvious harm to the corporate value of the Company and the common interests of its shareholders (see section 2.3 below, ‘Requirements for the Implementation of the Gratis Allotment of Stock Acquisition Rights (no violation of procedures),’ for details of these requirements), the Company will allot stock acquisition rights with (a) an exercise condition that does not allow the Acquirer to exercise the rights and (b) an acquisition provision to the effect that the Company may acquire the stock acquisition rights in exchange for shares in the Company from persons other than the Acquirer (see section 2.4 below, ‘Outline of the Gratis Allotment of Stock Acquisition Rights,’ for the details of these stock acquisition rights; the “Stock Acquisition Rights”), by means of a gratis allotment of stock acquisition rights (*shinkabu yoyakuken mushou wariate*) to all shareholders, except the Company, at that time.

If a gratis allotment of Stock Acquisition Rights were to take place in accordance with the Plan and all shareholders other than the Acquirer received shares in the Company as a result of those shareholders exercising, or the Company acquiring, those Stock Acquisition Rights, the ratio of voting rights in the Company held by the Acquirer may be diluted by up to one half.

#### (c) Use of the Special Committee

In order to eliminate arbitrary decisions by the Company's board of directors, decisions with respect to the matters such as the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights or the acquisition of Stock Acquisition Rights under the Plan will be made through the objective judgment of a Special Committee (see section 2.5 below, 'Establishment of the Special Committee,' for details; the "Special Committee") which is composed of highly independent members such as outside parties. In addition, the Company's board of directors will convene a general meeting of shareholders and confirm the intent of the Company's shareholders regarding the implementation of the gratis allotment of the Stock Acquisition Rights, if the Special Committee recommends to do so. Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company's shareholders.

## 2.2 Procedures for the Plan

### (a) Targeted Acquisitions

The Plan will apply in cases where there is an Acquisition that falls under (i) or (ii) below. The Acquirer shall follow the procedures set out in the Plan.

- (i) An acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*) of a holder (*hoyuusha*) amounting to 20% or more of the share certificates, etc. (*kabuken tou*) issued by the Company; or
- (ii) A tender offer (*koukai kaittsuke*) that would result in the owning ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*) for share certificates, etc. (*kabuken tou*) of the person carrying out the tender offer and the owning ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha*) with the person carrying out the tender offer totaling at least 20% of the share certificates, etc. issued by the Company.

### (b) Request to the Acquirer for the Provision of Information

Unless otherwise approved by the Company's board of directors, any Acquirer will be requested to submit to the Company's board of directors in a form prescribed by the Company, before effecting an Acquisition, a document written in Japanese which includes the name and address of the Acquirer, the governing law of the country in which the Acquirer is

incorporated, the name of the Acquirer's representative, the Acquirer's contact details in Japan, an outline of the proposed Acquisition, and a written undertaking that the Acquirer will comply with the procedures set out in the Plan ("Expression of Intent"). The Company's board of directors will deliver the list of essential and sufficient information (the "Essential Information") to the Acquirer as soon as practicably possible after receiving the Expression of Intent in order for all of the Company's shareholders to make a determination on, and for the Special Committee to evaluate and consider, the Acquisition. An Acquirer who has received the list shall submit to the Company's board of directors the Essential Information in a document written in Japanese and in accordance with the list.

The Company's board of directors will promptly provide the Expression of Intent and the Essential Information submitted by the Acquirer to the Special Committee. If the Special Committee determines that the Essential Information submitted by the Acquirer does not contain sufficient details for the Company's shareholders to make a determination on, or for the Special Committee to evaluate and consider, the Acquisition, it may set a reply period and request, directly or through the Company's board of directors, that the Acquirer further provide Essential Information. In such case, the Acquirer should further provide such Essential Information within the relevant time limit.

Notwithstanding the details and manner of the Acquisition, the information in the following items shall generally be included in the Essential Information.

- (i) Details (including the exact name, capital structure, financial position, details and result of previous transactions by the Acquirer similar to the Acquisition, and the effect the previous transaction had on the corporate value of the target company) of the Acquirer and its group (including joint holders, persons having a special relationship and, in the case of funds, each partner and other constituent members).
- (ii) The purpose, method and terms of the Acquisition (including information on the amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and the probability that the Acquisition will be effected).
- (iii) The basis for the calculation of the purchase price of the Acquisition (including the underlying facts and assumptions of the calculation, the calculation method, the numerical data used in the calculation, the details of any expected synergies from any series of transactions relating to the Acquisition including the details of such synergies to be shared with minority shareholders).
- (iv) Financial support for the Acquisition (specifically including the name of the fund providers (including all indirect fund providers), financing methods and the terms of

- any related transactions).
- (v) Post-Acquisition management policy, business plan, capital and dividend policies for the Company group.
  - (vi) Post-Acquisition treatment of and policies for the Company's employees, business partners, customers, and any other stakeholders in the Company.
  - (vii) Specific measures to avoid any conflict of interest with other shareholders in the Company (if any).
  - (viii) Any other information that the Special Committee reasonably considers necessary.

If the Special Committee recognizes that an Acquirer has initiated an Acquisition without complying with the procedures set out in the Plan, as a general rule, it will recommend the Company's board of directors implement a gratis allotment of Stock Acquisition Rights in accordance with 2.2(d)(i) below, except in particular circumstances where it should continue with its requests for the submission of the Essential Information, and its discussion and negotiation with the Acquirer.

- (c) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal

- (i) Request to the Company's Board of Directors for the Provision of Information

If the Acquirer submits the Essential Information and any additional Essential Information that the Special Committee requests (if any), the Special Committee may request that the Company's board of directors promptly present an opinion on the terms of the Acquirer's Acquisition (including an opinion to reserve giving such an opinion; hereinafter the same) and supporting materials, alternative proposals (if any), and any other information or materials that the Special Committee considers necessary as needed within a reasonable period determined by the Special Committee (up to 30 days as a general rule) for the Company's board of directors to collect information, examine corporate valuation, and consider alternative proposals (including consideration by outside experts, if necessary) in order to compare the information contained in the Essential Information with the business plan and corporate valuation made by the Company's board of directors as well as consider alternative proposals by the Company's board of directors in light of ensuring and enhancing the Company's corporate value and common interests of its shareholders.

- (ii) Special Committee Consideration

If the Special Committee determines that the information and materials (including those additionally requested) have been sufficiently provided by the Acquirer and the Company's board of directors (if the Company's board of directors is so required as set out in (i) above), it may set a consideration period (up to sixty days as a general rule; the "Special Committee Consideration Period"; in this regard, however, the Special Committee may extend the period by its resolution in accordance with (d)(iii) of '2.2 Procedures for the Plan' below). The Special Committee will consider the Acquisition terms, collect information on the materials such as the management plans and business plans of the Acquirer and the Company's board of directors and conduct a comparison thereof, and consider any alternative plan presented by the Company's board of directors, and the like during the Special Committee Consideration Period. Further, if it is necessary in order to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of its shareholders, the Special Committee will directly or indirectly through the Company's board of directors discuss and negotiate with the Acquirer, or present the shareholders with the alternative proposal presented by the Company's board of directors, or conduct any similar action.

If the Special Committee directly or indirectly through the Company's board of directors requests the Acquirer provide materials for consideration or any other information, or discuss and negotiate with the Special Committee, the Acquirer must promptly respond to such request.

In order to ensure that the Special Committee's decision contributes to the Company's corporate value and the common interests of its shareholders, the Special Committee may at the cost of the Company obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys, consultants or any other experts).

(iii) Disclosure of Information to Shareholders and Investors

The Company will promptly disclose to all shareholders and investors the fact that an Acquirer has emerged, the fact that it has received an Expression of Intent from the Acquirer, the fact that the Special Committee Consideration Period has commenced, the fact that the Company's board of directors has presented an alternative plan to the Special Committee, and any matters considered appropriate by the Special Committee from the Essential Information or other information.

(d) Judgment by the Special Committee

If an Acquirer emerges, the Special Committee will make recommendations to the Company's board of directors as follows. If the Special Committee makes recommendations or otherwise as listed in (i) through (iii) below to the Company's board of directors, or otherwise believes it to be appropriate, the Company will promptly disclose to all shareholders and investors the fact that recommendations or a resolution was made and an outline thereof and any other matters that the Special Committee considers appropriate (in the case of extending the Special Committee Consideration Period, including the period of and a summary of the reason for such extension).

(i) Non-Compliance by the Acquirer with Procedures set out in the Plan

If the Acquirer fails to comply with the procedures set out in the Plan and the implementation of the gratis allotment of Stock Acquisition Rights is determined to be reasonable, the Special Committee will recommend the implementation of the gratis allotment of Stock Acquisition Rights to the Company's board of directors, regardless of whether the Special Committee Consideration Period has commenced or ended.

However, even after the Special Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if the Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after such recommendation, until the date prior to the Stock Acquisition Rights Exercise Period Commencement Date (defined in (f) of 2.4, 'Outline of the Gratis Allotment of Stock Acquisition Rights' below; hereinafter the same), the Special Committee may make a new recommendation (i) that (before gratis allotment has taken effect) the Company should cancel the gratis allotment of Stock Acquisition Rights, or (ii) that (after the gratis allotment has taken effect) the Company should acquire the Stock Acquisition Rights without consideration.

(ii) Compliance by the Acquirer with Procedures set out in the Plan

If the Acquirer complies with the procedures set out in the Plan, the Special Committee will, as a general rule, recommend to the Company's board of directors the non-implementation of the gratis allotment of Stock Acquisition Rights.

However, even if the Acquirer complies with the procedures set out in the Plan, if as a result of considering the terms of the Acquirer's Acquisition and discussions, negotiations or the like with the Acquirer, the Special Committee determines that the Acquisition by the Acquirer meets any of the requirements set out below at 2.3, 'Requirements for the Implementation of the Gratis Allotment of Stock Acquisition Rights (no violation of



procedures),’ and it is reasonable to implement a gratis allotment of Stock Acquisition Rights, the Special Committee will recommend the implementation of the gratis allotment of Stock Acquisition Rights as an exceptional measure. Even after the Special Committee has already made a recommendation for the implementation of the gratis allotment of Stock Acquisition Rights, if (i) the Acquirer withdraws the Acquisition or the Acquisition otherwise ceases to exist after such recommendation, or (ii) there is a change in the facts or otherwise upon which the recommendation decision was made and the Special Committee determines that the Acquisition by the Acquirer does not meet any of the requirements set out below at 2.3, ‘Requirements for the Implementation of the Gratis Allotment of Stock Acquisition Rights (no violation of procedures),’ or the Acquisition meets the requirement(s) but it is not reasonable to implement the gratis allotment of Stock Acquisition Rights or allow shareholders to exercise the Stock Acquisition Rights, until the date prior to the Stock Acquisition Rights Exercise Period Commencement Date, the Special Committee may make a new recommendation (i) that (before gratis allotment has taken effect) the Company should cancel the gratis allotment of Stock Acquisition Rights, or (ii) that (after the gratis allotment has taken effect) the Company should acquire the Stock Acquisition Rights without consideration.

Even if the Special Committee considers the implementation of the gratis allotment of Stock Acquisition Rights is reasonable, it will recommend that the Company’s board of directors convenes a general meeting of shareholders and submits a proposal of the implementation of the gratis allotment of Stock Acquisition Rights if the Special Committee deems it appropriate to obtain a resolution at a general meeting of shareholders on the implementation of the gratis allotment of Stock Acquisition Rights.

(iii) Extension of the Special Committee Consideration Period

If the Special Committee does not reach a decision to recommend either the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights (including a recommendation to convene a general meeting of shareholders and submit a proposal of the implementation of the gratis allotment of Stock Acquisition Rights) by the expiry of the initial Special Committee Consideration Period, the Special Committee will pass a resolution to extend the Special Committee Consideration Period to the reasonable extent considered necessary (however, no more than thirty days) for actions such as consideration of the terms of the Acquirer’s Acquisition, discussion or negotiation with the Acquirer and consideration of an alternative proposal.

If the Special Committee Consideration Period is extended as a result of the resolution

described above, the Special Committee will continue with its information collection, consideration process and like activities, and use best efforts to make a recommendation for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights (including a recommendation to convene a general meeting of shareholders and submit a proposal of the implementation of the gratis allotment of Stock Acquisition Rights) within the extended period.

(e) Resolutions of the Board of Directors and Convocation of the Shareholders Meeting

The Company's board of directors will promptly pass a resolution relating to the implementation or non-implementation of a gratis allotment of Stock Acquisition Rights (including cancellation of gratis allotment of Stock Acquisition Rights) respecting any recommendation of the Special Committee described above to the maximum extent.

If the Special Committee recommends the Company's board of directors convenes a general meeting of shareholders and submits a proposal for the implementation of the gratis allotment of Stock Acquisition Rights, the Company's board of directors will promptly convene the general meeting of shareholders so that the meeting is held as soon as practicably possible and submit a proposal for the implementation of the gratis allotment of Stock Acquisition Rights, unless it is practicably and significantly difficult to convene a general meeting of shareholders. If the general meeting of shareholders resolves to implement the gratis allotment of the Stock Acquisition Rights, the Company's board of directors will promptly resolve to implement the gratis allotment of the Stock Acquisition Rights. However, if the proposal at the general meeting of shareholders to implement the gratis allotment of Stock Acquisition Rights is not approved as proposed, the Company's board of directors will make a resolution for the non-implementation of the gratis allotment of Stock Acquisition Rights.

The Acquirer must not effect an Acquisition after the commencement of procedures for the Plan until the Company's board of directors passes a resolution for implementation or non-implementation of the gratis allotment of Stock Acquisition Rights.

If the Company's board of directors passes a resolution for the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights, or the Company's board of directors resolves to convene the above general meeting of shareholders, or the general meeting of shareholders resolves to implement the gratis allotment of Stock

Acquisition Rights, the Company's board of directors will promptly disclose to all shareholders and investors an outline of the resolution, and any other matters that the Company's board of directors considers appropriate.

### 2.3 Requirements for the Implementation of the Gratis Allotment of Stock Acquisition Rights (no violation of procedures)

Even if the Acquirer has complied with the procedures set out in the Plan, the Company intends to implement the gratis allotment of Stock Acquisition Rights by a resolution of the Company's board of directors as described above at (e) of 2.2, 'Procedures for the Plan,' if it is considered that an Acquisition by an Acquirer falls under any of the items below and it is reasonable to implement the gratis allotment of Stock Acquisition Rights. However, the Company's board of directors will, without fail, make its determination as to whether an Acquisition of an Acquirer falls under a requirement below and if it is reasonable or not to implement the gratis allotment of Stock Acquisition Rights following the judgment of the Special Committee in accordance with (d) of section 2.2 above, 'Procedures for the Plan.'

- (a) An Acquisition that threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through actions such as those described below or any similar action:
  - (i) A buyout of share certificates to require such share certificates to be compulsorily purchased by the Company at an inflated price.
  - (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company's management for the low-cost acquisition of the Company's material assets.
  - (iii) Diversion of the Company's assets to secure or repay debts of the Acquirer or its group company.
  - (iv) Temporary control of the Company's management to bring about a disposal of high-value assets that have no current relevance to the Company's business and declaring temporarily high dividends from the profits of the disposal, or selling the shares at a high price and taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends.
  - (v) Acquisition made with no intention of truly participating in corporate management and for the sole purpose of increasing the share price of the Company and having the Company's affiliates purchase shares in the Company at an inflated price.

- (b) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers that do not offer to acquire all shares in the initial acquisition, and set acquisition terms for the second stage that are unfavorable to shareholders or do not set clear terms for the second stage).
- (c) Acquisitions whose terms (including amount and type of consideration for the Acquisition, the Acquisition schedule, the legality of the Acquisition method, the probability of the Acquisition being effected, post-Acquisition management policies and business plans, and post-Acquisition policies dealing with the Company's other shareholders, employees, customers, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's intrinsic value.
- (d) Acquisitions that materially threaten to be against the corporate value of the Company or the common interests of shareholders, by destroying relationships with the Company's employees, customers, business partners and the like, technical development strength, social credit or brand value which are indispensable to the generation of the Company's corporate value.

## 2.4 Outline of the Gratis Allotment of Stock Acquisition Rights

An outline of the gratis allotment of Stock Acquisition Rights scheduled to be implemented under the Plan is described below (please see Attachment 1, 'Terms and Conditions of Gratis Allotment of Stock Acquisition Rights' for details of Stock Acquisition Rights).

### (a) Number of Stock Acquisition Rights

The Company will implement a gratis allotment of Stock Acquisition Rights in the number equivalent to the final and total number of issued and outstanding shares in the Company (excluding the number of shares in the Company held by the Company at that time) on an allotment date (the "Allotment Date") that is separately determined in a resolution by the Company's board of directors relating to the implementation of the gratis allotment of

## Stock Acquisition Rights (“Gratis Allotment Resolution”).

### (b) Shareholders Eligible for Allotment

The Company will allot the Stock Acquisition Rights without consideration to those shareholders, other than the Company, who are recorded in the Company’s final register of shareholders on the Allotment Date, at a ratio of one Stock Acquisition Right for every one share in the Company held.

### (c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The effective date of the gratis allotment of Stock Acquisition Rights will be separately determined in the Gratis Allotment Resolution.

### (d) Number of Shares to be Acquired upon Exercise of the Stock Acquisition Rights

The number of shares in the Company to be acquired upon exercise of each Stock Acquisition Right (which shall be book-entry stock prescribed in Article 128, Paragraph 1 of the Act on Book-Entry Transfer of Company Bonds, Shares, Etc. (Act No. 75 of 2001)) (the “Applicable Number of Shares”) shall be one share unless otherwise adjusted.

### (e) The Amount to be Contributed upon Exercise of the Stock Acquisition Rights

Contributions upon exercise of the Stock Acquisition Rights are to be in cash, and the amount per share in the Company to be contributed upon exercise of the Stock Acquisition Rights will be an amount separately determined in the Gratis Allotment Resolution within the range between a minimum of one yen and a maximum of any amount equivalent to one-half of the fair market value of one share in the Company. “Fair market value” means the average closing price (including quotations) for regular transactions of the stock of the Company on the Tokyo Stock Exchange on each day during the ninety day period prior to the Gratis Allotment Resolution (excluding the days on which the closing price is not available), with any fraction of a yen after such calculation to be rounded up to the nearest whole yen.

### (f) Exercise Period of the Stock Acquisition Rights

The commencement date will be a date separately determined in the Gratis Allotment Resolution (this commencement date of the exercise period shall be referred to as the “Exercise Period Commencement Date”), and the period will be a period from one month to three months long as separately determined in the Gratis Allotment Resolution; provided, however, that if the Company acquires the Stock Acquisition Rights pursuant to the provision of (ii) in paragraph (i) below, the exercise period for the Stock Acquisition Rights with respect to that acquisition will be up to and including the business day immediately prior to the relevant acquisition date. Further, if the final day of the exercise period falls on a holiday for the payment place for the cash payable upon exercise, the final day will be the preceding business day.

(g) Conditions for the Exercise of the Stock Acquisition Rights

As a general rule, the following parties may not exercise the Stock Acquisition Rights (the parties falling under (I) through (VI) below shall collectively be referred to as “Non-Qualified Parties”):

- (I) Specified Large Holders;
- (II) Joint Holders of Specified Large Holders;
- (III) Specified Large Purchasers;
- (IV) Persons having a Special Relationship with Specified Large Purchasers;
- (V) Any transferee of or successor to the Stock Acquisition Rights of any party falling under (I) through (IV) without the approval of the Company’s board of directors; or
- (VI) Any Affiliated Party of any party falling under (I) through (V).

Further, nonresidents of Japan who are required to follow certain procedures under foreign laws and regulations to exercise the Stock Acquisition Rights may not as a general rule exercise the Stock Acquisition Rights (provided, however, that certain nonresidents to whom the exemption provision under the applicable law applies may exercise the Stock Acquisition Rights and the Stock Acquisition Rights held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out in (ii) of paragraph (i) below, ‘Acquisition of the Stock Acquisition Rights by the Company.

(h) Assignment of the Stock Acquisition Rights

Any acquisition of the Stock Acquisition Rights by assignment requires the approval of the Company's board of directors.

(i) Acquisition of the Stock Acquisition Rights by the Company

- (i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Company's board of directors recognizes that it is appropriate for the Company to acquire the Stock Acquisition Rights, the Company may, on a day separately determined by the Company's board of directors, acquire all of the Stock Acquisition Rights without consideration.
- (ii) On a day separately determined by the Company's board of directors, the Company may acquire all of the Stock Acquisition Rights that have not been exercised before or on the business day immediately prior to such date determined by the Company's board of directors, that are held by parties other than Non-Qualified Parties and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for every one Stock Acquisition Right. Further, if, on or after the date upon which the acquisition takes place, the Company's board of directors recognizes the existence of any party holding Stock Acquisition Rights other than Non-Qualified Parties, the Company may, on a day falling on a date determined by the Company's board of directors after the date upon which the acquisition described above takes place, acquire all of the Stock Acquisition Rights held by that party that have not been exercised by or on the day immediately prior to such date determined by the Company's board of directors (if any) and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for every one Stock Acquisition Right. The same will apply thereafter.
- (iii) In addition to the above, the Company may, in the Gratis Allotment Resolution, determine matters relating to acquisition of Stock Acquisition Rights including separate Stock Acquisition Rights acquisition events.

## 2.5 Establishment of the Special Committee

The Company will establish the Special Committee as an organization that will eliminate arbitrary decisions by the Company's board of directors in relation to the implementation or non-implementation of the gratis allotment of Stock Acquisition Rights under the Plan and objectively carry out the substantial decisions on behalf of the shareholders in the event of operating the Plan. The Special Committee will have three or more members elected by the Company's board of directors, consisting of outside directors of the Company, outside statutory auditors of the Company, or outside experts who are highly independent from the management of the Company.

If an Acquisition is to be actuated, the Special Committee shall make substantial determination whether or not that Acquisition could harm the corporate value of the Company and the common interests of its shareholders, and the Company's board of directors shall pass a resolution on the implementation or non-implementation of a gratis allotment of Stock Acquisitions Rights respecting such decision of the Special Committee to the maximum extent, in accordance with section 2.2, 'Procedures for the Plan' above.

## 2.6 Effective Period, Abolition and Amendment of the Plan

The effective period of the Plan (the "Effective Period") shall be the period until the conclusion of the ordinary general meeting of shareholders relating to the final fiscal year ending within three years after the conclusion of this meeting.

However, if, before the expiration of the Effective Period, (i) a general meeting of shareholders of the Company, or (ii) the Company's board of directors consisting of directors elected at a general meeting of shareholders passes a resolution to abolish the Plan, the Plan shall be abolished at that time.

Further, the Company's board of directors may revise or amend the Plan even during the Effective Period of the Plan, if such revision or amendment is not against the purpose of a resolution of this meeting such as cases where any law, regulation, financial instrument exchange rule or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition, cases where it is



appropriate to revise the wording for reasons such as typographical errors and omissions, cases where such revision or amendment is not detrimental to the Company's shareholders, or any similar cases, and subject to the approval of the Special Committee.

If the Plan is abolished, modified, amended or otherwise altered, the Company will promptly disclose facts including the fact that such abolition, modification amendment or alteration has taken place, and (in the event of a modification or amendment) the details of the modification or amendment and any other matters.

(Reference)

The contents of the Plan are as described in 2 "Plan Details" above. The reason for the following (I) Impact on Shareholders and Investors at the Time of Renewing the Plan , at the Time of the Gratis Allotment of Stock Acquisition Rights and (II) Decisions and Reasoning of the Company's Board of Directors regarding the Plan is as follows. The Company would like approval for this proposal to shareholders in consideration of these points.

(I) Impact on Shareholders and Investors at the Time of Renewing the Plan, at the Time of the Gratis Allotment of Stock Acquisition Rights

(a) Impact on Shareholders and Investors at the Time of Renewing the Plan

At the time of renewing the Plan, no actual gratis allotment of Stock Acquisition Rights will be implemented, resulting in no direct or material impact on shareholders and investors.

(b) Impact on Shareholders and Investors at the Time of the Gratis Allotment of Stock Acquisition Rights

If the Company's board of directors passes a resolution for a gratis allotment of Stock Acquisition Rights, the Company will make a gratis allotment of Stock Acquisition Rights to the shareholders on the Allotment Date provided separately in the Gratis Allotment Resolution of one Stock Acquisition Right per share in the Company held by the Entitled Shareholders. If the shareholders do not pay the exercise price or perform other procedures for exercise of Stock Acquisition Rights during the exercise period of Stock Acquisition Rights, the value of all shares they hold in the Company will be diluted by the exercise of Stock Acquisition Rights by other shareholders. However, it is also possible for the Company to acquire the

Stock Acquisition Rights of all shareholders other than Non-Qualified Parties and, in exchange, deliver shares in the Company. If the Company carries out that acquisition procedure, all shareholders other than Non-Qualified Parties will come to receive shares in the Company without exercising their Stock Acquisition Rights or paying an amount equivalent to the prescribed exercise price and, in this case, dilution of the value per share in the Company held by the shareholder may result but, as a general rule, no financial dilution of the overall value of shares in the Company held will result.

In addition, even after the Company’s board of directors passes a resolution for gratis allotment of Stock Acquisition Rights, the Company may, by respecting any recommendation of the Special Committee described above at section (d) of 2.2, ‘Procedures for the Plan,’ to the maximum extent, (i) (on or before the effective date of the gratis allotment of Stock Acquisition Rights), cancel the gratis allotment of Stock Acquisition Rights, or (ii) (after the effective date of the gratis allotment of Stock Acquisition Rights and until the day immediately prior to the commencement date of the exercise period of the Stock Acquisition Rights) acquire the Stock Acquisition Rights without consideration. In such cases, no dilution of the value per share in the Company held by the shareholders will result, and it is possible that any shareholders or investors who have sold or bought the shares in the Company expecting to see a dilution of the value per share in the Company may commensurately incur damage as a result of a fluctuation in the share price.

(II) Decisions and Reasoning of the Company’s Board of Directors regarding the Plan

The Company has implemented measures for enhancing the corporate value and policies such as strengthening its corporate governance practices as specific measures to continually and persistently enhance the Company’s corporate value and the common interests of the Company’s shareholders. Therefore, these measures are not implemented for the purpose of maintaining the positions of the directors and the statutory auditors of the Company.

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## Attachment

### Profiles of the Members of the Special Committee

The following five persons have been nominated as members of the Special Committee at the time of renewing the Plan.

Toshiharu Aoki

#### Business Background

Jun. 1997	Vice President and Director of Nippon Telegraph and Telephone Corporation
Jun. 1999	President and CEO of NTT Data Corporation
Jun. 2003	Executive Advisor and Director of NTT Data Corporation
Jun. 2005	Executive Advisor of NTT Data Corporation
Jun. 2009	Senior Advisor of NTT Data Corporation
Jun. 2012	Director of the Company (current position)

\* Mr. Aoki is an outside director as prescribed in Article 2, Item (15) of the Companies Act, and if he is reappointed, he has been registered as an independent director under the rules of the Tokyo Stock Exchange.

\* Mr. Aoki does not have any business relations with or special interest in the Company.

Hideaki Omiya

#### Business Background

Apr. 2007	Director, Senior Executive Vice President of Mitsubishi Heavy Industries, Ltd.
Apr. 2008	President and CEO of Mitsubishi Heavy Industries, Ltd.
Apr. 2013	Chairman of the Board of Mitsubishi Heavy Industries, Ltd. (current position)

\* Mr. Omiya is a candidate for outside director as prescribed in Article 2, Item (15) of the Companies Act. If Mr. Omiya is elected as an outside director, the Company will apply to the Tokyo Stock Exchange for the registration of Mr. Omiya as an independent director.

\* Mr. Omiya does not have any business relations with or special interest in the Company.

Yoshiro Yamamoto

Business Background

Jun. 1996	President and CEO of the Fuji Bank, Ltd.
Sep. 2000	President and CEO of the Fuji Bank, Ltd. and Chairman of the Board of Directors of Mizuho Holdings, Inc.
Jun. 2002	Honorary advisor of Mizuho Financial Group, Inc. (current position) Statutory Auditor of the Company (current position)

\* Mr. Yamamoto is an outside statutory auditor as prescribed in Article 2, Item (16) of the Companies Act, and has been registered as an independent auditor under the rules of the Tokyo Stock Exchange.

\* Mr. Yamamoto does not have any business relations with or special interest in the Company.

Kenji Miyahara

Business Background

Jun. 1996	President and CEO of Sumitomo Corporation
Jun. 2001	Chairman of the Board of Directors of Sumitomo Corporation
Jun. 2007	Senior Advisor of Sumitomo Corporation
Jun. 2008	Statutory Auditor of the Company (current position)
Jun. 2010	Honorary Advisor of Sumitomo Corporation (current position)

\* Mr. Miyahara is an outside statutory auditor as prescribed in Article 2, Item (16) of the Companies Act, and has been registered as an independent auditor under the rules of the Tokyo Stock Exchange.

\* Mr. Miyahara does not have any business relations with or special interest in the Company.

Michihiro Nara

Business Background

Apr. 1974	Admitted to the bar
Jul. 1988	Member of the Tokyo District Mental Health Council
Apr. 1995	Managing Director of Japan Federation of Bar Associations Vice-Chairman of Daiichi Tokyo Bar Association

Apr. 2006            Vice-Chairman of Japan Federation of Bar Associations  
                         Chairman of Daiichi Tokyo Bar Association

Jun. 2007            Member of the Third-Party Committee to Check Pension Records of  
                         Ministry of Internal Affairs and Communications (current position)

Mar. 2011            Member of Legislative Council of the Ministry of Justice

Jun. 2013            Statutory Auditor of the Company (current position)

\* Mr. Nara is an outside statutory auditor as prescribed in Article 2, Item (16) of the Companies Act, and has been registered as an independent auditor under the rules of the Tokyo Stock Exchange.

\* Mr. Nara does not have any business relations with or special interest in the Company.

More information about “The Plan” resolved at its board of directors meeting held on April 30, 2014, shall be posted on the Company’s website at <http://global.epson.com/IR/> (English).

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