

Securities code: 8892

March 10, 2016

To all shareholders:

4-2-5 Kandasurugadai, Chioyda-ku, Tokyo

ES-CON JAPAN Ltd.

Takatoshi Ito, President and Representative Director

## Announcement of 21<sup>st</sup> Regular General Meeting of Shareholders

Thank you for your ongoing support. We would like to request your attendance at the 21<sup>st</sup> Regular General Meeting of Shareholders, which is to be held as outlined below.

Moreover, even you do not wish to attend on the day, you can exercise your voting right in writing, so please review the “Reference Documents for the General Meeting of Shareholders” in the postscript and then include your Yes/No vote in the enclosed Form for Exercise of Voting Right by returning the completed form to arrive by the end of business hours (6 p.m.) on March 24 (Thu), 2016.

1. Date and time      10:00 a.m. March 25<sup>th</sup> (Fri), 2016
2. Location      3-1-3 Azuchimachi, Chuo-ku, Osaka-shi, Osaka-fu  
Crystal Room, 2<sup>nd</sup> floor, Viale Osaka

(Please refer to the “General Meeting of Shareholders Venue Map” provided at the end of this document.)

### 3. Objectives

#### Reported items

1. Term 21 (January 1 to December 31, 2015) Contents of business reports and consolidated account statements, as well as consolidated account statement audit reports from Accountant Auditors and Board of Company Auditors
2. Term 21 (January 1<sup>st</sup> to December 31, 2015) Items reported in account statements

#### Items for voting

Agenda item 1 Disposal of surplus

Agenda item 2 Changes to the articles of incorporation

Agenda item 3 Election of six (6) Directors (This excludes directors who are Auditor Directors.)

Agenda item 4 Election of three (3) Directors who are Auditor Directors

Agenda item 5 Election of one Director who is an Auditor Director who can fill a vacancy

Agenda item 6 Establishment of compensation amounts for Auditor Directors (This excludes directors who are Auditor Directors.)

Agenda item 7 Establishment of compensation amounts for Directors who are Auditor Directors

Agenda item 8 Determining amounts of performance-based share compensation for Directors (This excludes directors who are Auditor Directors.)

\*Agenda items 6, 7 and 8 accompany the formation of the companies with Auditor Committees established.

When attending on the day, please submit the enclosed Form for Exercise of Voting Right to the reception desk at the venue.

Moreover, any revisions to the reference documents for the General Meeting of Shareholders, business reports, consolidated account statements and statement documents will be posted on our website (<http://www.es-conjapan.co.jp/>).

Exercise of a voting right by proxy shall be possible only if the person commissioned as a proxy is a shareholder with voting rights. Furthermore, only one proxy can be used.

## Reference Documents for the General Meeting of Shareholders

### Agenda items and references

#### Agenda item 1 Disposal of surplus

ES-CON JAPAN Ltd. views the returning of profits to all of its shareholders as one of its main tasks, and its basic policy is to make decisions after comprehensively taking into consideration performance, replenishment of internal reserves and dividend trends, etc., and to return profits to shareholders in an ongoing and stable manner corresponding to the company's growth potential.

Based on this policy, dividends at the end of the current term will be as follows:

1. Type of dividend assets: Cash
2. Items relating to allocation of dividend assets to shareholders, and total amount thereof:  
8 yen per normal share in ES-CON JAPAN Ltd.      543,675,896 yen
3. Date on which surplus dividend takes effect: March 28, 2016

Agenda item 2 Changes to the articles of incorporation

1. Reason for changes

(1) ES-CON JAPAN Ltd. is creating an executive director who is also a member of the Committee of Auditors that includes multiple outside Directors in order to improve the auditing functions of the Board of Directors and better gauge implementation of this layer of corporate governance, and the company shall either newly establish regulations for auditor committee members and the auditor committee required to transition from a company with a board of company auditors to a company with a committee of auditors as well as delete or makes changes to regulations for auditors and the board of auditors.

(2) Based partial changes made to Japan’s Corporate Law (Law No. 90 2014), the Article 28 of the current articles of incorporation are changed to grant Directors who do not carry out business tasks sufficient capability to carry out roles expected of them in accordance with changes in the scope of directors who can conclude contracts with limited responsibility. Furthermore, these changes to the articles of incorporation were agreed upon by every auditor.

(3) Other changes required as a result of changes in the above items, such as in the number of each Article above, shall also be made.

Moreover, changes to the articles of incorporation in this Agenda item shall take effect as of the time of conclusion of this meeting.

2. Content of changes

Changes consist of the following content:

(Underlined text indicates change)

Current article of incorporation	Proposed change
Chapter 1 General Rules	Chapter 1 General Rules
Article 1 – Article 3 (text abbreviated)	Article 1 – Article 3 (no change)
Article 4 (Organization) ES-CON JAPAN Ltd. Establishes the following organizational structure in addition to the General Meeting of Shareholders and Directors. (1) Board of Directors (2) <u>Auditors</u> (3) <u>Board of Company Auditors</u> (4) Accountant Auditors	Article 4 (Organization) (no change)  (1) Board of Directors (delete) (2) <u>Auditors Committee</u> (3) <u>Accountant Auditors</u>
Article 5 – 17 (text abbreviated)	Article 5 – 17 (no change)
Chapter 4 Directors and the Board of Directors	Chapter 4 Directors and the Board of Directors

Current article of incorporation	Proposed change
<p>Article 18 (Number of committee members) The ES-CON JAPAN Ltd. Board of Directors shall consist of up to 10 members.</p> <p>Article 19 (Election) Directors shall be elected at the General Meeting of Shareholders.</p> <p>2. (text abbreviated) 3. (text abbreviated) (Newly created)</p> <p>(Newly created)</p> <p>Article 20 (Term of service) The term of service of a Director shall be from the business year to end within one (1) year of election until the time of the final regular General Meeting of Shareholders held during that year.</p> <p>(Newly created)</p> <p>(Newly created)</p>	<p>Article 18 (Number of committee members) The ES-CON JAPAN Ltd. Board of Directors <u>(excluding Directors who are Auditor Committee members)</u> shall consist of up to ten (10) members, <u>of which up to five (5) shall be Directors who are Auditor Committee members.</u></p> <p>Article 19 (Election) <u>Directors who are Auditor Committee members shall be distinguished from all other Directors</u> in election of Directors held at the General Meeting of Shareholders</p> <p>2. (no change) 3. (no change) 4. <u>ES-CON JAPAN Ltd. may elect a Director who can fill a vacancy at the General Meeting of Shareholders to prepare for an event in which there is not a sufficient number of Directors in attendance as specified by Japan Corporate Law and these articles of incorporation.</u> <u>5. The effective period of a decision concerning election of a Director to fill a vacancy shall be until the start of the first regular General Meeting of Shareholders held following said decision.</u></p> <p>Article 20 (Term of service) The term of service of a Director <u>(excludes a Director who is an Auditor Committee member)</u> shall be until the time of the final regular General Meeting of Shareholders held during the business year to end within one (1) year of election.</p> <p><u>2. The term of service of a Director who is an Auditor Committee member shall be until the time of the final regular General Meeting of Shareholders held during the business year to end within two (2) years of election.</u></p> <p><u>3. The term of service of a Director who is an Auditor Director elected to fill a vacancy of a Director who is an Auditor</u></p>

Article 21 (text abbreviated)	<p><u>Director retiring from service before completion of his or her term shall be until the time of the end of the term of the retiring Director who is an Auditor Director.</u></p> <p>Article 21 (no change)</p>
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Current article of incorporation	Proposed change
<p>Article 22 (Convenors and chairperson) (text abbreviated)</p> <p>2. (text abbreviated) (Newly created)</p> <p>Article 23 (Notice of Convocation) Notice of convocation of the Board of Directors must be given to each Director <u>and Auditor Director</u> at least 3 days prior to the meeting date. However, this period of time may be shortened when urgency is required.</p> <p>2. A Board of Directors meeting may be convened without following convention procedures with the approval of all Directors <u>and Auditor Directors.</u></p> <p>Article 24 (text abbreviated) (Newly created)</p> <p>Article <u>25</u> (text abbreviated)</p> <p>Article <u>26</u> (Proceedings)</p>	<p>Article 22 (Convenors and chairperson) (no change)</p> <p>2. (no change)</p> <p><u>3. Regardless of Item 2 above, Directors who are Auditor Committee members elected by the Auditor Committee may convene a Board of Directors meeting.</u></p> <p>Article 23 (Notice of <u>Board of Directors</u> Convocation) Notice of convocation of the Board of Directors shall be given to each Director at least 3 days prior to the meeting date. However, this period of time may be shortened when urgency is required.</p> <p>2. A Board of Directors meeting may be convened without following convention procedures with the approval of all Directors.</p> <p>Article 24 (no change)</p> <p><u>Article 25 Commission of Decisions regarding Execution of Required Tasks</u> <u>The Board of Directors may commission all or part of the decision-making process regarding execution of required tasks (excluding all matters listed in Item 5 of the same Article) to be decided at the Board of Directors meeting to a Director as regulated by Article 399 No. 13 Item 6 of the Japan Companies Act and its resolutions.</u></p> <p>Article <u>26</u> (no change)</p> <p>Article <u>27</u> (Proceedings)</p>

<p>Points of progress and results from a Board of Directors meeting or matters set forth in other laws shall be listed or recorded in the proceedings and physically or electronically signed by Directors in attendance <u>and Auditor Directors</u>.</p> <p>Article <u>27</u> (Compensation) Profit from assets Directors receive from ES-CON JAPAN Ltd. (<u>hereafter, “compensation.”</u>) as compensation, bonuses and other payment for execution of duties shall be determined by Board of Director meeting resolutions.</p> <p>Article <u>28</u> (Limited Responsibility Contracts of <u>External Directors</u>) ES-CON JAPAN Ltd. may conclude contracts with <u>external Directors</u> that limit responsibility for damages resulting from failure to fulfill duties, as per regulations in Japan Companies Act Article 427 Item 1. However, the maximum amount of responsibility based on such contracts shall be the amount stipulated in the Japan Companies Act.</p> <p>(Newly created)</p> <p>(Newly created)</p> <p>(Newly created)</p>	<p>Points of progress and results from a Board of Directors meeting or matters set forth in other laws shall be listed or recorded in the proceedings and physically or electronically signed by Directors in attendance.</p> <p>Article <u>28</u> (Compensation) Profit from assets Directors receive from ES-CON JAPAN Ltd. (hereafter, “compensation.”) as compensation, bonuses and other payment for execution of duties shall be determined by Board of Director meeting resolutions that are decided <u>by separating Directors who are Auditor Directors and all other Directors</u>.</p> <p>Article <u>29</u> (Limited Responsibility Contracts of Directors) ES-CON JAPAN Ltd. may conclude contracts with Directors (<u>excluding managing directors</u>) that limit responsibility for damages resulting from failure to fulfill duties, as per regulations in Japan Companies Act Article 427 Item 1. However, the maximum amount of responsibility based on such contracts shall be the amount stipulated in the Japan Companies Act.</p> <p><u>Chapter 5 Auditor Committee</u> <u>Article 30 (Notice of Convocation of Auditor Committee)</u> <u>Notice of convocation of the Auditor Committee shall be given to all Auditor Committee members at least 3 days prior to the meeting date. However, this period of time may be shortened when urgency is required.</u> <u>2. An Auditor Committee meeting may be convened without following convention procedures with the approval of all Directors.</u></p> <p><u>Article 31 (Auditor Committee Regulations)</u> <u>Matters pertaining to the Auditor Committee, laws and items other than these articles of incorporation follow the Auditor Committee Regulations set forth</u></p>
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	<u>at the Auditor Committee meeting.</u>
<u>Chapter 5 Auditors and Board of Auditors</u>	
<u>Article 29 (Number of members)</u>	(delete)
<u>The ES-CON JAPAN Ltd. Board of Auditors shall consist of 5 or fewer members.</u>	(delete)
<u>Article 30 (Election)</u>	(delete)
<u>Auditors are elected at the General Meeting of Shareholders.</u>	
<u>2. Resolutions to elect auditors shall be executed when a majority of the one-third or more shareholders who can exercise voting rights attend and exercise voting rights.</u>	
<u>Article 31 (Period of Service)</u>	(delete)
<u>The Auditor Director period of service shall extend from election to the conclusion of the final regular General Meeting of Stockholders held during the business year ending within four years of said election.</u>	
<u>2. The period of service of an Auditor Director elected to fill the vacancy of an Auditor Director who retires prior to the end of a period of service shall be until the end of the period of service of the retiring Auditor Director.</u>	
<u>Article 32 (Regular Auditors and Permanent Auditors)</u>	(delete)
<u>The Board of Auditors selects at least one (1) regular auditor from the Board of Auditors based on this resolution.</u>	
<u>2. The Board of Auditors may select a permanent auditor from among the permanent auditors based on this resolution.</u>	
<u>Article 33 (Notice of Convention)</u>	(delete)
<u>Notice of convention of the Board of Auditors shall be given to each auditor at least three (3) days prior to the meeting date. However, this period of time may be shortened when urgency is required.</u>	
<u>2. A Board of Auditors meeting may be convened without following convention procedures with the approval of all</u>	

<u>Auditors.</u>	
<p><u>Article 34 (Method of Executing Resolutions)</u>  <u>Board of Auditors resolutions shall be executed by a majority of auditors unless law stipulates otherwise.</u></p>	(delete)
<p><u>Article 35 (Regulations of the Board of Auditors)</u>  <u>Matters pertaining to the Board of Auditors follow the regulations of the Board of Auditors set forth in meetings of the Board of Auditors in addition to law and these articles of incorporation.</u></p>	(delete)
<p><u>Article 36 (Proceedings)</u>  <u>Points of progress and results from a Board of Auditors meeting or matters set forth in other laws shall be listed or recorded in the proceedings and physically or electronically signed by Auditors in attendance.</u></p>	(delete)
<p><u>Article 37 (Compensation)</u>  <u>Compensation for Auditors shall be determined by resolutions of the General Meeting of Shareholders.</u></p>	(delete)
<p><u>Article 38 (Limited Responsibility Contracts of External Directors)</u>  <u>ES-CON JAPAN Ltd. may conclude contracts with external Directors that limit responsibility for damages resulting from failure to fulfill duties, as per regulations in Japan Companies Act Article 427 Item 1. However, the maximum amount of responsibility based on such contracts shall be the amount stipulated in the Japan Companies Act.</u></p>	(delete)
Articles <u>39</u> – <u>44</u> (text abbreviated)	Articles <u>32</u> – <u>37</u> (no change)

Agenda item 3 Election of six (6) Directors (This excludes directors who are Auditor Directors.)

As a condition of approval of Agenda Item 2 “Changes to the articles of incorporation,” ES-CON JAPAN, Ltd. is transitioning to become a company with an Auditor Committee. Accordingly, the terms of office all seven (7) Directors will expire at the end of this General Meeting. Accordingly, we would like to elect six (6) new Directors (excluding Directors who are Auditor Directors.) This Agenda item shall only take effect when Agenda Item 2 “Changes to the articles of incorporation” take effect.

Candidates (excluding Directors who are Auditor Directors) are as follows:

Candidate no.	Full name (date of birth)	History and position/area of responsibility in ES-CON JAPAN Ltd. (main concurrent posts)	Number of shares held in ES-CON JAPAN Ltd.
1	Takatoshi Ito (b. September 1, 1971)	<p>September 2001 - Joined ES-CON JAPAN Ltd.</p> <p>February 2006 - Operating Officer, ES-CON JAPAN Ltd.</p> <p>March 2007 - Managing Director, ES-CON JAPAN Ltd.</p> <p>November 2010 - Head of Business Division, ES-CON JAPAN Ltd. (present post)</p> <p>March 2011 - President and Representative Director, ES-CON JAPAN Ltd. (present post)</p> <p>January 2012 - Head of Tokyo Office, ES-CON JAPAN Ltd. (present post)</p> <p>May 2013 - President and Representative Director, ES-CON PROPERTY Ltd. (present post)</p> <p>August 2013 - Head of Development Division, ES-CON JAPAN Ltd.</p> <p>July 2014 - Director, ES-CON ASSET MANAGEMENT Ltd.</p>	982,300

		(present post) November 2014 – President and Corporate Officer, ES-CON JAPAN Ltd. (present post)	
2	Keiko Akashi (b. December 16, 1963)	September 2001 - Joined ES-CON JAPAN Ltd.  February 2005 - Head of Sales Integration Dept., Residential Development Division, ES-CON JAPAN Ltd.  March 2007 - Head of Business Management Office, ES-CON JAPAN Ltd.  March 2010 - Director, ES-CON JAPAN Ltd. (present post)  November 2010 - Head of Management Dept., ES-CON JAPAN Ltd. (present post)  March 2011 - Head of Business Management Dept., ES-CON JAPAN Ltd.  February 2013 - Head of Planning and Sales Dept., ES-CON JAPAN Ltd. (present post)  May 2013 - Director, ES-CON PROPERTY Ltd.  August 2013 - Director (present post); Head of Planning and Sales Dept., ES-CON PROPERTY Ltd.  November 2014 – ES-CON JAPAN, Ltd. Operating Officer  March 2015 - ES-CON JAPAN, Ltd. Executive Director (present post) ;ES-CON JAPAN, Ltd. Managing Executive Officer (present post)	258,400
3	Minoru Nakanishi (b. September 14,	April 1975 - Joined Yasuda Trust & Banking Co., Ltd. (currently	59,900

	1952)	<p>Mizuho Trust &amp; Banking Co., Ltd.)</p> <p>April 2005 - Executive Officer (Head of Osaka Branch Office)</p> <p>April 2007 - Joined Kobayasahijutaku Co., Ltd.</p> <p>April 2008 - Joined SOKEN Co., Ltd.</p> <p>Inaugurated as Senior Managing Director</p> <p>August 2011 - Joined ES-CON JAPAN Ltd.</p> <p>January 2012 - Executive Officer (Management Planning Office), ES- CON JAPAN Ltd.</p> <p>Head of Finances Dept., ES-CON JAPAN Ltd.</p> <p>June 2012 - Executive Officer (Head of Finance and Accounting Dept.), ES-CON JAPAN Ltd. (present post)</p> <p>March 2013 - Director, ES-CON JAPAN Co., Ltd. (present post)</p> <p>May 2013 - Director, ES-CON PROPERTY, Ltd. (present post)</p> <p>August 2013 - Head of Management Division, ES-CON JAPAN Ltd. (present post)</p> <p>January 2014 - Head of Investment Consultancy Dept., ES-CON JAPAN Ltd.</p> <p>July 2014 - Director, ES-CON ASSET MANAGEMENT, Ltd. (present post)</p> <p>November 2014 - Operating Officer, ES-CON JAPAN Ltd.</p> <p>March 2015 - Executive Director,</p>	
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		ES-CON JAPAN Ltd (present post) Managing Executive Officer, ES- CON JAPAN Ltd (present post)	
4	Hiroshige Ueda (b. June 9, 1961)	<p>April 1990 - Joined Nitto Denko Corporation</p> <p>April 1996 - Moved to Head Office Auditing Dept.</p> <p>September 2002 - Joined Seiryu Corporation</p> <p>March 2010 - Inaugurated as Representative Director, Seiryu Business Co., Ltd.</p> <p>March 2011 - Director, ES-CON JAPAN Ltd. (present post)</p> <p>Head of Finance, ES-CON JAPAN Ltd.</p> <p>January 2012 - Head of Finance and Accounting Dept., ES-CON JAPAN Ltd.</p> <p>June 2012 - Head of Management Planning Office, ES-CON JAPAN Ltd.</p> <p>October 2012 - Head of Internal Auditing Office, ES-CON JAPAN Ltd. (present post)</p> <p>March 2013 - Director, E-STATE Co., Ltd. (present post)</p> <p>November 2014 - Head of Corporate Officer General Research Department, ES-CON JAPAN Ltd. (present post)</p>	128,200

5	Tomohiko Egashira (b. July 1, 1965)	<p>April 1990 - Joined Hoyu Construction Co., Ltd.</p> <p>January 1992 - Joined Fuji Corporation Limited</p>	40,900
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		<p>April 2002 – Joined ES-CON JAPAN Ltd.</p> <p>January 2012 – Head of Corporate Officer Division, ES-CON JAPAN Ltd.</p> <p>July 2012 - Head of Corporate Officer Tokyo Division, ES-CON JAPAN Ltd.</p> <p>February 2013 - Head of Corporate Officer Development Division, ES-CON JAPAN Ltd.</p> <p>March 2015 –Director, ES-CON JAPAN Ltd. (present post)</p> <p>January 2016 – Head of Corporate Officer Development Division, ES-CON JAPAN Ltd. (present post)</p>	
6	Junya Kikuchi (b. October 1, 1967)	<p>October 1992 - Joined KPMG Century Auditing Corporation (currently Ernst &amp; Young ShinNihon LLC)</p> <p>April 1996 - Joined Hokuto Auditing Corporation (currently Gyosei &amp; Co.)</p> <p>June 2004 – Representative Director, WIN Consulting (present post)</p> <p>August 2004 - Representative, WIN Tax Accountant Corporation (currently WIN Consulting) (present post)</p> <p>June 2005 - Director, Nissei Build Kogyo Co., Ltd. (present post)</p> <p>November 2009 - Auditor, Seiryu Asset Management Co., Ltd. (present post) Auditor, Sanai Housing Co., Ltd. (present post)</p>	211,300

		<p>March 2010 - Director, ES-CON JAPAN Ltd. (present post)</p> <p>February 2013 – Director, NB Construction Co., Ltd. (present post)</p> <p>January 2014 – Integrated Solutions Co., Ltd. (present post)</p> <p>June 2014 – Representative, Hoyu Certified Public Accountant Office (current post)</p> <p>Representative, NB Networks (current post)</p> <p>(Main concurrent posts)</p> <p>Representative partner, WIN Consulting Tax Accountants' Corporation</p> <p>Representative director, WIN Consulting Co., Ltd.</p> <p>Employee representative, Tomodomo Audit Corporation</p> <p>Representative director, Integrated Solutions Co., Ltd.</p> <p>Director, Nissei Build Kogyo Co., Ltd.</p> <p>Auditor, Seiryu Asset Management Co., Ltd.</p> <p>Auditor, Sanai Housing Co., Ltd.</p> <p>Auditor, NB Construction Co., Ltd.</p>	
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Note: 1. There are no special interests between these candidates and our company.

2. ES-CON JAPAN, Ltd. has executed at limited responsibility contract with Junya Kikuchi as per Japan Companies Law No. 427-1. If selection of this candidate is approved, our company plans to conclude a contract of the same content.

An overview of this contract follows.

- In the event a Director (excludes those personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages due to his/her own negligence in the performance of duty, the Director shall bear the legally established minimum limit of liability.



Agenda item 4 Election of three (3) Directors who are Auditor Directors

As a condition of approval of Agenda Item 2 “Changes to the articles of incorporation,” ES-CON JAPAN, Ltd. is transitioning to become a company with an Auditor Committee. Accordingly, we would like to elect three (3) new Auditor Directors.) This Agenda item shall only take effect when Agenda Item 2 “Changes to the articles of incorporation” takes effect.

Candidates for Directors who are Auditor Directors are as follows:

Candidate no.	Full name (date of birth)	History and position/area of responsibility in ES-CON JAPAN Ltd. (main concurrent posts)	Number of shares held in ES-CON JAPAN Ltd.
1	Kunio Takahashi (b. November 22, 1951)	<p>April 1975 - Joined Daiwa Bank (currently Resona Bank Co., Ltd.)</p> <p>June 2003 - Executive Officer, Head of Osaka Public Affairs Department, Resona Bank Co., Ltd.</p> <p>April 2004 - Auditor, Saitama Resona Bank Co., Ltd.</p> <p>June 2005 – Auditor, Kinki Bank of Osaka Co., Ltd.</p> <p>June 2010 – Auditor, Nippon Metal Industry Co., Ltd.</p> <p>March 2013 - Auditor, ES-CON JAPAN Ltd. (present post)</p> <p>June 2013 – Auditor, Shikibo Co., Ltd. (present post) Fulltime Auditor, ES-CON JAPAN Co., Ltd. (present post)</p> <p>(Main concurrent posts) Auditor, Shikibo Co., Ltd.</p>	5,000
2	Hiroto Mizobata (b. July 31, 1963)	<p>April 1986 - Joined Asahi Shinwa Accounting and Audit Firm (currently Limited Liability Azusa Audit Corporation)</p> <p>March 1988 – Registered certified</p>	700

		<p>public accountant</p> <p>December 1991 - Registered licensed tax accountant</p> <p>March 1992 - Representative, Mizobata Certified Public Accountant Office (present post)</p> <p>March 2015 – Auditor, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)</p> <p>Representative, Mizobata Certified Public Accountant Office</p> <p>External Director, Yamaki Co., Ltd. (Auditor Director)</p> <p>External Director, Kyocera Corporation</p>	
3	Kotaro Niwa (b. November 26, 1974)	<p>October 2000 - Joined Oshima Partners Law Office as Registered Lawyer</p> <p>May 2006 - Head of Niwa Partners Law Office</p> <p>May 2010 - Partner, IPAX Law Office (present post)</p> <p>March 2011 – Director, ES-CON JAPAN Ltd. (present post)</p> <p>(Main concurrent posts)</p> <p>Partner, IPAX Law Office</p> <p>Outside Auditor, TAC, Inc.</p>	1,300

Note:

1. There are no special interests between these candidates and our company.
2. Kunio Takahashi, Hiroto Mizobata and Kotaro Niwa are candidates for positions as External Directors.
  - (1) The reason for nominating Kunio Takahashi as a candidate for the position of External Director is to utilize candidate's rich experience and knowledge gained as an auditor for financial institutions and public companies in the management of ES-CON JAPAN Ltd. The

candidate is currently an external auditor for ES-CON JAPAN Ltd., but Takahashi's term in office as an auditor will be 3 years as of the conclusion of the General Meeting.

(2) The reason for nominating Hiroto Mizobata as a candidate for the position of auditor is that the candidate's professional expertise as a certified public accountant and lawyer will be utilized in the management of ES-CON JAPAN Ltd. The candidate does not have previous experience of contributing to a company other than from an Outside Director position, but it has been decided that he is capable of performing the duties of an Outside Director for the reasons stated above. Hiroto Mizobata's currently serves as an Outside Director of ES-CON JAPAN Ltd. but his term of office as an auditor will be for 1 year as of the conclusion of the General Meeting.

(3) The reason for nominating Kotaro Niwa as a candidate for the position of External Director is that the candidate's professional expertise as a lawyer will be utilized in the management of ES-CON JAPAN Ltd. The candidate does not have previous experience of contributing to a company other than from an Outside Director position, but it has been decided that he is capable of performing the duties of an Outside Director for the reasons stated above. Moreover, Hiroto Mizobata's term of office as an auditor will be for 5 years as of the conclusion of the General Meeting.

3. ES-CON JAPAN Ltd. has executed limited liability agreements with , Hiroto Mizobata and Kotaro Niwa in accordance with Article 427, Paragraph 1 of the Companies Act.

If the candidates Hiroto Mizobata, Kotaro Niwa and Kunio Takahashi are elected, ES-CON JAPAN Ltd. will perpetuate the limited liability agreements that have been executed with all parties.

An outline of these agreements follows.

- In the event a Director (excludes those personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages due to his/her own negligence in the performance of duty, the Director shall bear the legally established minimum limit of liability.

4. ES-CON JAPAN, Ltd. reports Hiroto Mizobata and Kotaro Niwa as independent officials to the Tokyo Stock Exchange, and will perpetuate the reporting of both parties as independent officials in the event they are elected.

Agenda item 5 Election of one Director to be Deputy Auditor

As a condition of approval of Agenda Item 2 “Changes to the articles of incorporation,” ES-CON JAPAN, Ltd. is transitioning to become a company with an Auditor Committee.

In order to prevent the number of Auditors from falling below the legally established requirement, we would like to elect one Deputy Auditor.

Moreover, this agenda items has been approved by the Board of Company Auditors.

This Agenda item shall only take effect when Agenda Item 2 “Changes to the articles of incorporation” takes effect.

The Deputy Auditor candidate is as follows.

Full name (date of birth)	History and position in ES-CON JAPAN Ltd. (main concurrent posts)	Number of shares held in ES-CON JAPAN Ltd.
Tadashi Fukuda (b. March 4, 1953)	April 1986 – Registered as lawyer  December 2012 – Outside Auditor, ES-CON JAPAN Ltd. (present post)  (Main concurrent posts) Outside Auditor, SHINYEI KAISHA	0

Note: 1. There are no special interests between this candidate and our company.

2. Tadashi Fukuda is a deputy Outside Auditor.

3. The reason for appointing Tadashi Fukuda as a deputy Outside Auditor is that he has a wealth of experience as a lawyer and extensive expertise, which will be reflected in audits for ES-CON JAPAN Ltd. The candidate does not have previous experience other than contributing to the company from an Outside Director position, but it has been decided that he is capable of performing the duties of an Outside Director for the reasons stated above.

4. If Tadashi Fukuda is elected to the position of Director who is a member of the Auditor Committee, ES-CON JAPAN Ltd. will execute a limited liability agreement with Fukuda in accordance with Article 427, Paragraph 1 of the Companies Act.

An outline of this agreement follows.

· In the event a Director (excludes those personnel who are managing directors) causes ES-CON JAPAN Ltd. to bear liability for compensation for damages due to his/her own negligence in the performance of duty, the Director shall bear the legally established minimum limit of liability.

Agenda item 6 Establishment of compensation amounts for Auditor Directors (This excludes directors who are Auditor Directors.)

Compensation amounts for ES-CON JAPAN, Ltd. Directors were determined to be less than 40 billion yen per year (not including employee salary portion of a Director who is also an employee) at the 11<sup>th</sup> Regular Meeting of Shareholders held on March 24, 2008 and are still used today. However, if Agenda item 2 Changes to the articles of incorporation are approved; ES-CON JAPAN, Ltd. will transition to a company with an Auditor Committee. Accordingly, the current compensation framework for Directors will be abolished and new compensation amounts for Directors (excludes Directors who are also Auditor Committee members) set. We would like to set the compensation amounts at the same less than 400 million yen of the past in light of the compensation amounts for Directors in the past and the varied economic situation.

Moreover, we would like to exclude the employee salary portion of a Director who is also an employee in the compensation amount for Directors (excludes Directors who are also Auditor Committee members).

There are currently 7 Directors (two of whom are External Directors), and the number of Directors proposed in this Agenda item (excludes Directors who are Auditor Committee members), will make this number six (6) if Agenda Items 2 and 3 are approved in draft form.

Furthermore, this Agenda item shall only take effect when the changes to the articles of incorporation of Agenda item 2 take effect.

Agenda item 7      Establishment of compensation amounts for Directors who are Auditor Directors

If Agenda item 2 Changes to the articles of incorporation are approved, ES-CON JAPAN, Ltd. will transition to a company with an Auditor Committee

Therefore, considering the recent economic climate and various other factors, we would like to set the compensation amounts for Directors who are Auditor Directors to be not more than 50 million yen per year.

If Agenda items 2 and 4 are approved as drafted, the number of Directors proposed in this Agenda (excluding Directors and External Directors who are Auditor Committee members) will become three (3).

Furthermore, this Agenda item shall only take effect when the changes to the articles of incorporation of Agenda item 2 take effect.

Agenda item 8 Determining amounts of performance-based share compensation for Directors (This excludes directors who are Auditor Directors.)

1. Reason for proposal and reason for comparable said compensation

ES-CON JAPAN Ltd. received approval to implement the performance-based share compensation system (hereafter, “this system”) for Directors (excluding Directors who are Auditor Directors) at the 20<sup>th</sup> Regular Meeting of Shareholders held on March 20, 2015 and continues to use this system today. However, as a condition of approval of Agenda item 2 Changes to the articles of incorporation and in accordance with the transition to a company with an Auditor Committee, the compensation framework of the performance-based share compensation system for current Directors (excluding Directors who are Auditor Directors) will be abolished and we request approval to set a new compensation framework for performance-based share compensation for Directors (excludes Directors who are Auditor Committee Members and External Directors) of ES-CON JAPAN, Ltd.

This Agenda item is part of procedures necessary to become a company with an Auditor Committee and is thought to be comparable in substance to the content of the compensation framework approved at the Regular Meeting of Shareholders held on March 20, 2015.

Specifically, the item request approval to provide Directors of ES-CON JAPAN, Ltd. (excluding Directors and External Directors who are Auditor Committee members) performance-based share compensation in a separate framework from that of Directors (excluding Directors who are Auditor Committee members) who are requested to be approved in Agenda Item 6. Furthermore, we would like to entrust the Board of Directors with the details of this system as listed in the following framework of 2.

Currently there are seven (7) Directors (of which 2 are External Directors), and if Agenda items 2 and 3 are approved as drafted, the number of Directors (excluding Directors and External Directors who are Auditor Committee members) will become six (6).

Furthermore, this Agenda item shall only take effect when the changes to the articles of incorporation of Agenda item 2 take effect.

2. Amounts and content of compensation in this system

(1) Overview of this system

ES-CON JAPAN, Ltd. contributes funds (the upper limit of which is as listed in (2) below) to a trust, the capital investment of which acquire shares of ES-CON JAPAN, Ltd. The performance-based share compensation system then issues Directors (excludes Directors who are Auditor Committee Members and External Directors) shares of ES-CON JAPAN, Ltd. through this trust based on their performance. The level of achievement is determined based on an achievement rate for projected operating profit on a consolidated basis at the beginning of each business year as disclosed in an earnings briefing. As a general rule, ES-CON JAPAN, Ltd. Directors (excludes Directors who are Auditor Committee Members and External Directors) receive issue of these shards at the time of retirement from the position of Director.

(2) Maximum funds ES-CON JAPAN, Ltd. contributes

The five business years from the fiscal year closing the last day of December 2015 to the fiscal year closing on the last day of December 2019 (hereafter, “the first applicable term,” and each business year term starting after the first applicable term and after the same period elapses

shall each be called “applicable terms”) ES-CON JAPAN, Ltd. shall contribute funds up to a maximum of 240 million yen to establish a trust (hereafter, “this trust”) that names a Director who meets certain conditions as recipient of profits.

Furthermore, ES-CON JAPAN, Ltd. shall contribute additional funds up to a maximum 240 million yen for each applicable period after the first applicable term elapses for the period this system is in effect. However, if there are ES-CON JAPAN, Ltd. shares (excludes ES-CON JAPAN, Ltd. shares not issued to a Director for the equivalent number of points granted him or her) and funds (hereafter, referred all together as “remaining shares”) that remain in the trust property on the last day of a target period immediately before an eligible period that ES-CON JAPAN, Ltd. is to make such additional contributions, remaining shares shall eligible Directors according this system during the next target period, or be allotted to capital to acquire shares for the purpose of benefitting eligible Directors. The maximum additional amount that ES-CON JAPAN, Ltd. can contribute during such eligible period is an amount that deducts the amount of remaining shares from 240 million yen.

(3) Use of voting rights in this trust

Voting rights related to ES-CON JAPAN, Ltd. shares within this trust are not used.

(4) Dividends of ES-CON JAPAN, Ltd. shares within this trust

Dividend related to ES-CON JAPAN, Ltd. shares shall be received within this trust and allotted to acquiring shares of ES-CON JAPAN, Ltd. and to pay trust compensation and other associated fees. Furthermore, in the event that this trust is dissolved, dividends remaining in this trust shall be prorated and allotted to benefit ES-CON JAPAN, Ltd. Directors (excludes Directors who are Auditor Committee Members and External Directors) eligible for this system who hold office at the time based on the points each accumulates, or shall be donated to a public service corporation.

(5) Dissolution of this trust

This trust shall be dissolved if ES-CON JAPAN, Ltd. shares are delisted or regulations to pay Directors in shares are abolished.

ES-CON JAPAN, Ltd. will acquire all shares of the assets remaining in this trust at the dissolution of this trust (excludes shares scheduled to be issued to those with the possibility of meeting requirements to receive profit and who hold office at the time of dissolution) at no cost and shall extinguish them based on a resolution of the Board of Directors or donate them to a public corporation. Fund assets remaining in this trust at its dissolution shall be prorated and allotted to benefit ES-CON JAPAN, Ltd. Directors (excludes Directors who are Auditor Committee Members and External Directors) eligible for this system who hold office at the time based on accumulated points, or shall be donated to a public service corporation.