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**Notice Regarding Disposal of Treasury Shares for Employee Shareholding
Association Performance-based Restricted Share Incentive Plan**

At a meeting of the Board of Directors held today, the Company resolved to dispose of its own shares (the "Treasury Share Disposal" or the "Disposal") to grant restricted shares (the Company's common shares with restrictions on transfer; the "Restricted Shares") to employees of the Company through the JP Employee Shareholding Association (the "Shareholding Association") as part of the Employee Shareholding Association Performance-based Restricted Share Incentive Plan (the "Plan"). The details of which are as follows.

1. Outline of Disposal

(1) Payment date	July 31, 2025
(2) Type and number of shares to be disposed of	89,500 shares of the Company's common shares* ¹
(3) Disposal price	JPY593 per share
(4) Total disposal amount	JPY53,073,500 * ¹
(5) Disposal Method (Planned allottee)	<p>The Restricted Shares will be allocated to the Shareholding Association through a third-party allotment method, on the condition that an application for subscription is made by the Shareholding Association. The number of shares to be allotted shall be within the range of the number of shares to be disposed of as stated in (2) above, as specified by the Shareholding Association (the number of such allotment shall be the number of shares to be disposed of.)</p> <p>JP Employee Shareholding Association 89,500 shares</p> <p>Furthermore, partial applications for the number of shares to be granted will not be accepted from any of the eligible employees (as defined below).</p>
(6) Other	Regarding the Treasury Share Disposal, the Company has submitted a securities notice based on the Financial Instruments and Exchange Act.

Note

*1The number of shares to be disposed of and the total amount of the disposal are calculated assuming that 100 shares of the Company's common shares will be granted as Restricted Shares to each of the 895 employees of the Company, which is the maximum number of potential eligible participants in this system. The actual number of shares to be disposed of and the total amount of disposal will be determined based on the number of the Company's employees (hereinafter referred to as "Eligible Employees") after the completion of the promotion for non-members to join the Shareholding Association and the confirmation of consent to this system. Specifically, as stated in (5) above, the number of subscription shares specified by the Shareholding Association shall be the number of shares to be disposed of, and the amount obtained by multiplying such number by the disposal price per share shall be the total amount of disposal.

2. Purpose and Reason for Disposal

As stated in the "Notice Concerning the Introduction of the Disposal of Treasury Shares for Employee Shareholding Association Performance-based Restricted Share Incentive Plan" disclosed in Japanese on February 10, 2025, the Company has resolved to introduce the Plan in order to assist the Company's employees in building up their assets by providing them with the opportunity to acquire the Restricted Shares issued or disposed of by the Company through the Shareholding Association, as well as to instill a commitment to the Company's results by providing them with an incentive to work toward the sustainable improvement of the Company's corporate value.

The outline of this Plan is as follows.

Outline of the Plan

Under this Plan, the Company will pay Eligible Employees monetary compensation claims (hereinafter referred to as the "Monetary Compensation Claims") as a special incentive (hereinafter referred to as the "Special Incentive") for the granting of Restricted Shares, and the Eligible Employees will make extraordinary contributions of the Monetary Compensation Claims to the Shareholding Association. This Shareholding Association will consolidate the Monetary Compensation Claims temporarily contributed by the Eligible Employees and makes an in-kind contribution to the Company. As a result, the Eligible Employees will receive the Company's common shares as Restricted Shares through this Shareholding Association.

When the Company issues or disposes of its common shares under the Plan, the amount to be paid per share of such common shares will be determined by the Board of Directors within a certain range that is not particularly advantageous for the Shareholding Association (and thus the Eligible Employees) based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately prior to the date of each resolution by the Board of Directors relating to such issuance and disposal (or, if no transaction is made on that day, on the closing price of the most recent trading day prior to that date).

The Company and the Shareholding Association will enter into a restricted share allocation agreement when issuing or disposing of the Company's common shares under this system. This agreement will include: (1) prohibiting the transfer to third parties, establishment of security rights, or other disposals of the allocated shares for a certain period (hereinafter referred to as the "Transfer Restrictions"), and (2) provisions for the Company to acquire the allocated shares without compensation in the event certain conditions arise.

In addition, the payment of the Special Incentive to the Eligible Employees will be made on the condition a restricted share allocation agreement is concluded between the Company and the Shareholding Association.

In addition, until the Transfer Restrictions are lifted, Eligible Employees will be restricted from withdrawing their member interests in the Restricted Shares that they will hold in accordance with their Monetary Compensation Claims contributed to the Shareholding Association (hereinafter referred to as "Restricted Share Interests" or "RS Interests") in accordance with the Shareholding Association regulations and operating rules (hereinafter referred to as the "Shareholding Association Regulations, etc.").

In this Treasury Share Disposal, based on this Plan, the allotted Shareholding Association will contribute all of the Special Incentive funds provided by the Eligible Employees as in-kind contribution property, resulting in the disposal of the Company's common shares (hereinafter referred to as "Allocated Shares") to the Shareholding Association. In this Treasury Share Disposal, the outline of the restricted share allotment agreement (hereinafter referred to as the "Allotment Agreement") to be concluded between the Company and the Shareholding Association is as described in "3. Outline of the Allotment Agreement" below. The number of shares to be disposed of in this Treasury Share Disposal will be determined at a later date as stated in Note 1 above. However, if all 895 employees of the Company, which is the maximum number of eligible participants in this system, join the Shareholding Association and agree to the Plan, we anticipate disposing of 89,500 shares. Assuming the number of shares disposed of, the scale of the dilution of shares in the Treasury Share Disposal is 0.06% (rounded to the third decimal place: the same applies to the calculation of percentages.) of the total number of issued shares as of March 31, 2025 of 150,215,510 outstanding shares. As of March 31, 2025, this is 0.07% of the total number of voting rights of 1,246,676.

Furthermore, this Treasury Share Disposal will be implemented on the condition that the Allotment Agreement is concluded between the Company and the Shareholding Association during the application period.

3. Outline of the Allotment Agreement

(1) Transfer Restriction Period

The Eligible Employees shall not transfer, establish security interests, make gifts during their lifetime, or otherwise dispose of the Allocated Shares during the period from the payment date to the day they lose their status as employees of the company who are eligible for membership in this shareholding association (hereinafter referred to as the "Transfer Restriction Period").

(2) Conditions for Lifting Transfer Restrictions

If, during the Transfer Restriction Period, the Eligible Employee retires or withdraws from the Company under circumstances that qualify as grounds for lifting the Transfer Restrictions, as separately defined by the Company, the Transfer Restrictions shall be lifted on the day following the date of retirement or withdrawal. In this case, the Company shall notify the Shareholding Association of the fact that the Transfer Restrictions will be lifted and the number of Allocated Shares for which the Transfer Restrictions will be lifted.

(3) Acquisition without Consideration by the Company

In the event that the Eligible Employee resigns or withdraws during the Transfer Restriction Period, and

does not meet the conditions for lifting the Transfer Restrictions as separately determined by the Company, the Company shall acquire, without compensation, any Allocated Shares for which the Transfer Restrictions have not been lifted, effective immediately after that point in time.

(4) Management of Shares

The Allocated Shares shall be managed in a dedicated account opened at a securities company designated by this Shareholding Association during the Transfer Restriction Period, to prevent transfer, establishment of security interests, the making of gifts during their lifetime, or other disposals during this period. In addition, the Shareholding Association shall register and manage the restricted share interest held by the Eligible Employee separately from any other member interest held by the Eligible Employee.

(5) Treatment in Organizational Restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement occurs in which the Company becomes the dissolving entity, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other matters related to organizational restructuring are approved at the Company's general shareholders' meeting (or at the Company's Board of Directors' meeting if such organizational restructuring does not require approval at the Company's general shareholders' meeting, or at the shareholders' meeting of the company becoming the parent company in a share delivery), the Transfer Restrictions on the Allocated Shares shall be lifted immediately before the close of business on the business day preceding the effective date of such organizational restructuring.

4. Basis for Calculating the Disposal Amount and its Specific Details

The Treasury Share Disposal to the Shareholding Association, that being the designated allottee, is carried out by the Eligible Employees contributing to the Shareholding Association using the Special Incentive payment provided to them for the purpose of granting Restricted Shares as the contributed property. In order to eliminate arbitrariness in the disposal amount, the disposal amount has been set at JPY593, which is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on May 27, 2025 (the business day before the date of the Board of Directors' resolution). This is the market price of the shares immediately prior to the date of the board resolution, and we believe it is reasonable and does not constitute a particularly favorable price.

Furthermore, the deviation rate (rounded to the third decimal place) of this disposal price from the average closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market is as follows.

Period	Closing price average (Rounded down to the nearest yen)	Deviation Rate
1 month (April 28, 2025 - May 27, 2025)	JPY607	-2.31%
3 months (February 28, 2025 - May 27, 2025)	JPY599	-1.00%
6 months (November 28, 2024 - May 27, 2025)	JPY622	-4.66%

The four auditors (three of whom are outside auditors) who attended the Board of Directors' meeting held today expressed the opinion that, in light of the fact that the Treasury Share Disposal is aimed at the

introduction of the Plan and that the disposal price is the closing price of the Company's common shares on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution, the process by which the Company determined that the disposal price was not particularly favorable to the allottee was reasonable, and that such determination was appropriate.

5. Matters Concerning Procedures Under the Corporate Code of Conduct

This Treasury Share Disposal does not require obtaining an opinion from an independent third party or conducting procedures to confirm shareholder intent as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, because 1. the dilution rate is less than 25%, and 2. it does not involve a change in controlling shareholders.