

August 10, 2016

To Whom It May Concern

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Representative: President & Representative Director Masahiko Miyata
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**Renewal of Countermeasures to Large-Scale Purchases of ASAHI INTECC CO., LTD. Shares
(Takeover Defense Measures)**

At the 37th Annual General Meeting of Shareholders of the Company held on September 26, 2013, the Company has obtained approval by its shareholders on the plan for countermeasures to large-scale acquisitions of the shares in the Company (hereinafter referred to as the “Current Plan”).

Since the effective period of the Current Plan is to expire upon conclusion of the 40th Annual General Meeting of Shareholders (hereinafter referred to as “this General Meeting of Shareholders”) scheduled to be held on 28 September, 2016, the Company has deliberated what the Current Plan should be, including whether or not to continue it, as one of the efforts addressed in order to secure and enhance not only the corporate value but also the common benefit of the shareholders of the Company, based on the changes in the social and economic circumstances, various trends and development of discussions surrounding the takeover defense measures. As a result, it was decided at the Company’s Board of Directors Meeting held on August 10, 2016 to change part of the Current Plan as a measure to prevent the decision of the Company’s financial and business policy from being controlled by an inappropriate person or entity (the countermeasures after such change has been made is hereinafter referred to as “this Plan”) in the light of the basic policy concerning the position of the person or entity that is to control the decision of the Company’s financial and business policy as provided for in Subparagraph 3 of Article 118 of the Ordinance for Enforcement of the Companies Act (hereinafter referred to as the “Basic Policy Concerning Control of the Company”), and to continue the countermeasures after the change of this Plan, on the assumption that it is approved by the shareholders at this General Meeting of Shareholders.

With regard to this Plan, consent by all Auditors has been obtained on condition that the specific execution of the Plan will be properly performed.

<Major Changes from the Current Plan>

1. An upper limit (60 days) has been set in the period of time within which additional information should be provided in the case where the Company’s Board of Directors requires such information in addition to information first provided by a large-scale purchaser of shares.
2. The contents of the countermeasures are now limited to the allotment of stock acquisition right without contribution.
3. The requirements for determining implementation of countermeasures are now listed more specifically.
4. In the case that a large-scale purchaser of shares complies with the rules and the Company’s Board of Directors determines that the implementation of countermeasures is reasonable based on the advice from the Independent Committee, the scheme has been changed so that the countermeasures may not be implemented until the matter is conferred to a shareholders meeting of the Company for confirmation and approval is obtained from the shareholders meeting.
5. On the condition that the proposal concerning partial amendments to the Articles of Incorporation is approved at this General Meeting of Shareholders, necessary changes have been made in relation to the statutory auditor system that is to be abolished along with the transition of the Company into a company with an audit and supervisory committee. Incidentally, the said changes shall take effect on the condition that the proposal concerning partial amendments to the Articles of Incorporation is approved at this General Meeting of Shareholders and the Company becomes a company with an audit and supervisory committee.

I. Basic Policy Concerning Control of the Company

As the Company is a listed company, free transactions of its shares by shareholders and investors are allowed, and it is believed that, even in the case of proposal of large-scale purchase of the Company's shares or similar action, such proposal should not be unconditionally rejected and the matter should be finally determined based on the intention of the Company's shareholders. However, in the capital market of Japan in recent years, the tendency for pushing or unreasonably enforcing through proposals of large-scale purchase of shares or similar action has become clearly visible.

With regard to the position of the person or entity that controls the decision of the Company's financial and business policy, it is considered that such person must be an individual who possesses a full understanding of various sources of the Company's corporate philosophy and corporate value and of the fiduciary relationship with stakeholders who support the Company, and secures and enhances not only the corporate value but also the common benefit of shareholders of the Company from the medium- and long-term points of view. Therefore, we believe that a person or entity that presents proposals of inappropriate large-scale purchase of shares or similar actions that are likely to damage not only the corporate value but also the common benefit of our shareholders is unsuitable as a person to control the decision of the Company's financial and business policy.

II. Initiatives that Facilitate Realization of the Basic Policy

In order to enhance not only the corporate value but also the common benefit of shareholders from the medium- and long-term points of view, the Company is implementing the following initiatives:

1. Management Philosophy

The corporate philosophy of our Company Group as a research and development-type enterprise is to make the "dreams" of all our customers come true and to broadly contribute to society by continuing to distribute our "Only One" technologies and "Number One" products based in the safety and reliability of the fields of medical and industrial equipment. In particular, as the main line of business in our Company Group's medical equipment area is the development, manufacturing and sales of products for "minimally invasive treatment" which allows for surgeries with small wound and minimal pain, we believe that the business is very significant in that it mitigates the physical, mental and economic burdens on patients and also contributes to the suppression of medical expenses. Furthermore, we would like to continue contributing to society toward the future and grow as a corporation that is highly evaluated by both society and the market.

2. Source of the Company's Strength and Corporate Value

Since its foundation in 1976, the Company has been focusing on the development, manufacture and sales of extrafine stainless wire ropes in the field of industrial equipment and has won the top market share in the this field within Japan. In 1991, the Company advanced into the field of medical equipment, and in 1992 succeeded in developing and marketing for the first time in Japan the "PTCA guide wire and guiding catheter for treatment of cardiovascular system diseases" used in the treatment of heart infarction. Furthermore, the Company succeeded in developing the PTCA guide wire which made it possible to apply treatment to the CTO area (Note 1) previously deemed to be the area of surgical operation. Currently, the Company's PTCA guide wire product controls the top market share within Japan. We believe that the main factor of our continuous growth is in the "technological strengths" that the Company has accumulated and cultivated over time.

The content of the technologies forming the core of these "technological strengths" consists of wire drawing, wire forming, torque and coating technologies, and one of the Company's strengths is in its ability to manufacture in an integrated system based on these technologies finished products from raw materials. This strength, supplied with the Company's prowess in the field of industrial equipment, allows for the speedy development and provision of products to fulfil the needs of doctors and other users.

Human resources responsible for research and development and product innovation, sales and marketing systems, or structures for feedback regarding precise needs are particularly important for the enhancement of the Company's corporate value. We believe that the effects of these structures will only be maximized when there is an organic balance of unifying power and capability in speedy decision-making in management, the corporate climate or culture, and among the stakeholders.

Note 1: CTO Area

CTO stands for Chronic Total Occlusion, meaning a state of a lesion which is completely blocked for a long period. Traditionally, such lesions have been deemed to belong to the field of surgical operation (bypass operation), but since

the Company succeeded in developing the PTCA guide wire that can be used for treating CTO as well, the PTCA treatment (minimally invasive treatment of cardiovascular system diseases) has become the leading treatment method in this field in Japan.

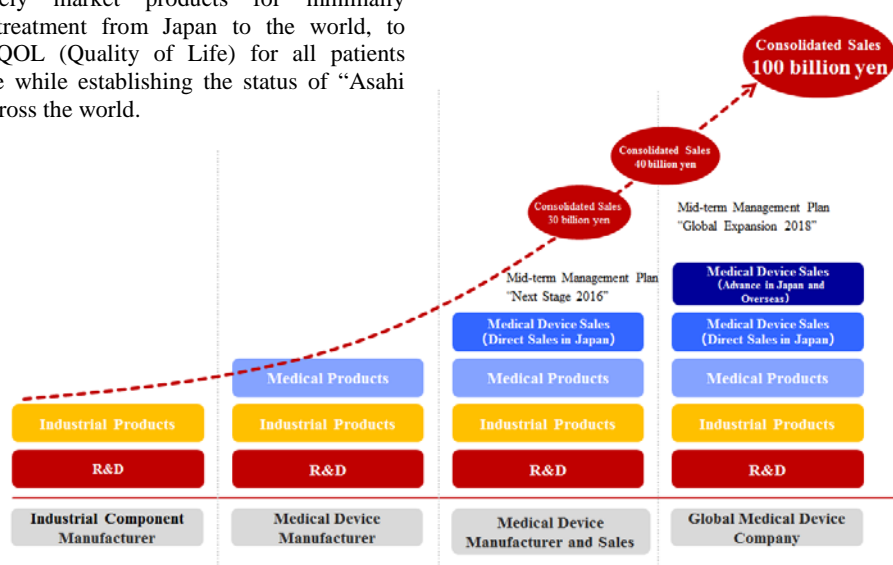
3. Management Policy for the Future and Review of Management Performance

(1) Long-term Management Vision

The Company has set a long-term management vision of “Aggressively market products for minimally invasive treatment from Japan to the world, to improve QOL (Quality of Life) of all patients worldwide concerned while establishing the status of “Asahi Brand” across the world,” and has touted a long-term target of consolidated sales of 100 billion yen.

■ Management Vision

Aggressively market products for minimally invasive treatment from Japan to the world, to improve QOL (Quality of Life) for all patients worldwide while establishing the status of “Asahi Brand” across the world.



(2) Mid-term Management Plan

In August, 2014, the Company formulated its Mid-term Management Plan: “Global Expansion 2018.” This plan sets the following four basic policies in order to further accelerate “globalization” in the areas of sales, development and production to thereby strengthen the presence of the Company and further enhance the Company’s corporate value. Although this plan sets the target of consolidated sales in the fiscal year ending June, 2018 at 40 billion yen, this level of sales was almost reached in the fiscal year ended June, 2016, two years ahead of schedule. With regard to a new medium-term plan that will lead to the long-term vision of consolidated sales of 100 billion yen, we are now in the process of consulting on the conditions, etc. with our business partners, and plan to publicly announce this plan at a timing in due course.

Incidentally, based on the marginal profit ratio of our products, we believe that there is a structure in which profit and capital efficiency are enhanced along with the increase in the sales, and have therefore set sales as the key performance indicator (KPI) for determining the state of management. Also, as the Company adopts a management method with emphasis on qualitative viewpoints such as the enhancement of the competitive superiority of our products and how to extend the duration of our products’ competitive superiority, we are making efforts to disclose our management policy and business strategies in as greater detail as possible on our website and via other media. We would appreciate your understanding of these points as well.

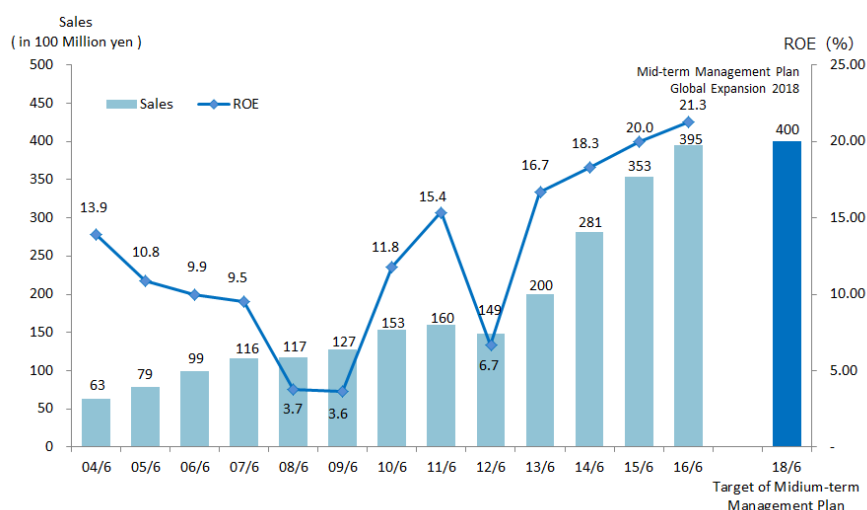
■ Basic Policy

- 1 Increase Profit Base Globally
- 2 Expand Treatment Segments and Product Portfolio
- 3 Innovate with Materials and Manufacturing Technology
- 4 Effective Group Management

(3) Trend of the Company's Performance and its Stock Price

The Company was listed on the JASDAQ Securities Exchange in July, 2004, and on the Second Section of Tokyo and Nagoya Stock Exchanges in 2005. The trend of Company sales and ROE since listing on the JASDAQ until now is as shown in the chart below. Sales have steadily increased as our products have penetrated in the market. Also, ROE has maintained a high level as a whole, except for the period between 2008 and 2009 when temporary confusion occurred in consultations on transaction conditions with major overseas business partners, and during 2012 when the Company was adversely affected by flooding in Thailand.

■ Sales and Return on Equity (ROE)

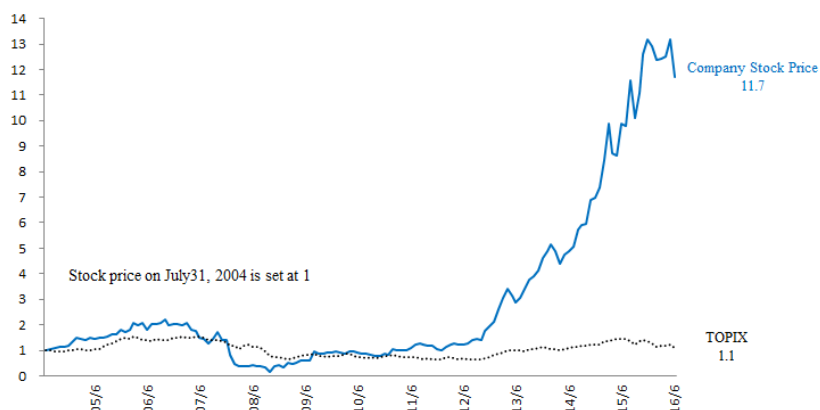


Note: During the fiscal year(s) ended June, 2008 and June, 2009, there was temporary confusion in consultations on transaction conditions with major overseas business partners.

Note: In the fiscal year ended June, 2012, flooding in Thailand temporarily halted the operation of consolidated subsidiary Asahi Intecc Thailand Co., Ltd., the main factory of the Company, and forced a decrease of production.

The following chart indicates the historical trend of the Company's stock price. The price hiked to nearly 12-fold during the period from the end of July, 2004 to the end of June, 2016, greatly surpassing the Tokyo Stock Price Index (TOPIX).

■ Company's Stock Price versus Tokyo Stock Price Index (TOPIX)
(from July 31, 2004 to June 30, 2016)



4. Initiatives to Strengthen Corporate Governance

The Company positions the strengthening of corporate governance as one of its management's important issues, and has been addressing measures for providing appropriate incentives to enhance transparency of the management and strengthening its supervising functions, as well as the enhancement of the corporate value. In 2005, we introduced a compensation system for the purpose of acquiring Company stock as a long-term performance-linked compensation method and started the stock option plan in 2009. Also, we have appointed multiple Outside Directors since 2013.

On this occasion, the Company plans to resolve the proposal at the Board of Directors Meeting to be held on August 10, 2016 to become a company with an audit and supervisory committee, and to place the proposal to amend the Articles of Incorporation on the agenda at this General Meeting of Shareholders. When the proposal to appoint Directors is approved at this General Meeting of Shareholders, 4 of the total 12 Directors of the Company will be Independent Outside Directors (composition ratio at 33.3%), and the independence of the Board of Directors will be enhanced to a greater extent.

5. Status Quo of the Company and Necessity of This Plan

The Company has formulated a definite policy as seen in the aforementioned Long-term Vision and Mid-term Management Plan, and is steadily addressing measures to achieve the targets. We would like to ask you to review the Company's performance and stock price in the past and the results of our efforts for corporate governance and understand the philosophy of the Company. The Company is engaged in the business field of minimally invasive treatment that is garnering global attention and the market size thereof is expected to expand, but in terms of corporate scale, the Company cannot be said to be large enough, and that therefore exists some concern by the Company about being purchased. More importantly, in comparison with the future image drawn by the Company, we believe that the Company's current position is still at an early stage of growth. Since the purpose of this Plan is for the Company's management to be able to concentrate on the growth strategy for the Company's main business, we are confident that this Plan will prove to be beneficial to all our shareholders.

Furthermore, the Company believes that the necessity of this Plan is extremely high at the current stage, but does not believe that permanent continuation of this Plan is necessary.

III. Content of This Plan (Initiatives to prevent the decision of the Company's financial and business policy from being controlled by an unsuitable person or entity in the light of the Basic Policy concerning the control of the Company)

1. Purpose of this Plan

This Plan has been introduced as a measure to prevent the decision of the Company's financial and business policy from being controlled by an unsuitable person or entity in the light of the Basic Policy concerning the control of the Company.

In the case that a large-scale purchase of the Company's shares or similar action is performed, if the purpose of such purchase or similar action will contribute not only to the Company's corporate value but also to securing or enhancing the common benefit of our shareholders, the Company does not consider such purchaser as an unsuitable person or entity to control the decision of the Company's financial and business

policy. Also, a judgment on whether or not to accept a proposal of purchase with transfer of control should be finally determined based on the intention of the Company's shareholders.

However, among cases of such large-scale purchases or similar actions, there are a number of cases which do not contribute to the targeted company's corporate value nor to the common benefit of its shareholders, such as those where, judging from the purpose thereof, the purchase is likely to cause apparent damage on not only the company's corporate value but also the common benefit of its shareholders, where in which the shareholders are likely to be forced to sell their shares, all for which reasonably necessary and sufficient information and time are not given to the Board of Directors and shareholders to examine the contents of the large-scale purchase of shares or similar action, or for the Board of Directors to present an alternative proposal.

On the other hand, as of June 30, 2016, about 23.3% of the outstanding shares are held by the Company's officers and persons related thereto. However, the ratio is continuously on a decrease (it was about 37.6% as of December 31, 2004 shortly after the listing on the JASDAQ Securities Exchange on July 1, 2004), and as the Company's shareholders widely range between domestic and overseas institutional investors and individuals, domestic corporations, etc., the liquidity of the stock is in a situation of further increases. Under these circumstances, we believe that there is possibility that certain acts of large-scale purchase of shares that do not contribute to neither the Company's corporate value nor the common benefit of shareholders will be performed.

Therefore, the Company's Board of Directors, believing that for the purpose of allowing all shareholders to arrive at an appropriate judgement, the securing of necessary information and time as well as carrying out of negotiations with the purchaser in accordance with reasonable rules that correspond to not only corporate value, but the common benefit of shareholders, established certain rules concerning the obtainment of information and securing the time for examination at the time of a large-scale purchase covering the following content (hereinafter referred to as the "Large-scale Purchase Rules"), and has made changes in part of the Current Plan, including those to the policy of countermeasures as a takeover defensive measure in cases where an act of large-scale purchase of shares is performed by an unsuitable person or entity in the light of our basic policy concerning control of the Company, and has decided, on the condition that it is approved by all shareholders at this General Meeting of Shareholders, to continue this Plan. For the outline of this Plan, please refer to the Attachment 2.

Moreover, the situation of major shareholders of the Company as of June 30, 2016 is indicated in Attachment 1: "Status of the Company's Shares," and the Company has not received any proposal concerning an act of large-scale purchase of the Company's shares, etc. at the present moment.

2. Purchase of Company Shares Covered by This Plan

Purchase of Company Shares Covered by This Plan shall be acts of purchasing the Company's shares, etc. (Note 4) for the purpose of making the ratio of voting rights (Note 3) held by a specific shareholder group (Note 2) 20% or more, or acts of purchasing the Company's shares which subsequently make the ratio of voting rights held by a specific shareholder group 20% or more (in either case, except for purchases which have been approved by the Company's Board of Directors in advance, and regardless of whether the method of purchase is a market transaction or takeover bid or otherwise. Hereinafter, such act shall be referred to as an "Act of Large-scale Purchase," and a person who performs such act of purchase shall be referred to as a "Large-scale Purchaser.")

Note 2: Specific shareholder group shall mean:

- (i) Holders of Company shares, etc. (meaning the Share Certificates, etc. as defined in Paragraph 1 in Article 27-23 of the Financial Instruments and Exchange Act) (including those who are included in the Holders under Paragraph 3 in Article 27-23 of the same Act; the same applies hereinafter) and their joint holders (meaning the Joint Holders as defined in Paragraph 5 in Article 27-23 of the same Act, including those who are deemed Joint Holders under Paragraph 6 in Article 27-23 of the same Act; the same shall apply hereinafter) or
- (ii) persons who perform an act of purchase, etc. (meaning Purchase, etc. as defined in Paragraph 1 in Article 27-2 of the same Act, including acts of purchase which are done at the Financial Instruments Exchange Markets) of Company shares, etc. (meaning the Share Certificates, etc. as defined in Paragraph 1 in Article 27-2 of the same Act) and the persons in special relationship with them (meaning the Persons in Special Relationship as defined in Paragraph 7 in Article 27-2 of the same Act).

Note 3: Ratio of voting rights shall mean:

- (i) In the case that the specific shareholder group falls under (i) of Note 2, the ratio of shares, etc. held by such holder (the ratio shall mean the Holding Ratio of Share Certificates, etc. as defined in Paragraph 4 in Article 27-23 of the

Financial Instruments Exchange Act. In this case, the number of shares (meaning the Number of Share Certificates, etc. held as defined in the same Paragraph; the same shall apply hereunder) held by shareholder's Joint Holder shall be added) or

(ii) in the case that the specific shareholder group falls under (ii) of Note 2, the total of ratios of shares, etc. held by such Large-scale Purchaser and by such Persons in Special Relationship (the ratio shall mean the Holding Ratio of Share Certificates, etc. as defined in Paragraph 8 in Article 27-2 of the same Act)

In calculating each ratio of voting rights, to determine the Total Voting Rights (meaning the same as defined in Paragraph 8 in Article 27-2 of the same Act) and the Total Number of Issued Shares (meaning the same as defined in Paragraph 4 in Article 27-23 of the same Acts), it shall be possible to refer to either the Annual Securities Report or Quarterly Securities Report that has been submitted most recently.

Note 4: Shares, etc. shall mean:

The Share Certificates, etc. as defined in Paragraph 1 in Article 27-2 of the Financial Instruments Exchange Act or in Paragraph 1 in Article 27-23 of the same Act.

3. Establishment of Independent Committee

As to whether or not the Large-scale Purchase Rules are complied with, or even if the Large-scale Purchase Rules are complied with, whether or not certain countermeasures be taken because such Act of Large-scale Purchase is determined to significantly damage not only the Company's corporate value but also the common benefit of shareholders, the Company's Board of Directors will make the final determination, but, in order to properly operate this Plan, to prevent any arbitrary determination from being made by the Company's Board of Directors, and to assure the reasonableness and fairness of the determination, the Company has established the Independent Committee as an organization independent from the Company's Board of Directors (For the outline of the Independent Committee, please refer to the Attachment 3). The Independent Committee shall consist of three or more members who shall be appointed by the Company's Board of Directors from among the Outside Directors and outside experts (Note 5) who are independent from the management executing the Company business so that fair and neutral determination can be made. The three persons listed in Attachment 4 are planned to be appointed as members of the Independent Committee at the time when this Plan is continued.

Prior to implementing any countermeasures, the Company's Board of Directors shall consult the Independent Committee about whether or not to implement such countermeasures, and the Independent Committee shall in turn advise the Company's Board of Directors about whether or not the Company is in a situation where the Company can implement the countermeasures after having carefully evaluated and examined the Act of Large-scale Purchase from the viewpoint of not only the Company's corporate value but also the common benefit of our shareholders. The Company's Board of Directors shall make decisions on the implementation of the countermeasures after having deeply considering the Independent Committee's advice. As for the content of the Independent Committee's advice, the outline thereof shall be publicized appropriately.

Furthermore, in order to assure that the determination by the Independent Committee can be made so as to contribute not only to the Company's corporate value but also to the common benefit of shareholders, the Independent Committee shall be able to obtain advice from independent outside specialists at the cost of the Company.

Note 5: Outside experts shall mean:

Corporate managers with abundant experience in management, persons who have thorough knowledge of investment banking, attorneys, certified public accountants, men of learning and experience who mainly study the Companies Act or similar, and persons equivalent thereto.

4. Outline of the Large-scale Purchase Rules

(1) Prior submission of a written statement of intention from Large-scale Purchaser to the Company

In the case that a Large-scale Purchaser intends to perform an Act of Large-scale Purchase, the Large-scale Purchaser should first submit a written statement of intention in Japanese containing its pledge to follow the Large-scale Purchase Rules and the contents, etc. as listed below to the Representative Director of the Company prior to performing the Act of Large-scale Purchase or submitting a written statement of intention for the Act of Large-scale Purchase. Upon receiving a written statement of intention from a Large-scale Purchaser, the Company will promptly and appropriately make public the matter and contents of the document.

- (1) Name, address and name of representative of the Large-scale Purchaser
- (2) Law governing its incorporation
- (3) Contact address in Japan
- (4) Outline, etc. of the proposed Act of Large-scale Purchase

(2) Provision of necessary information from the Large-scale Purchaser

Within 10 business days counted from the day following the date of receiving the written statement of intention as set forth in (1) above, the Company will issue to the Large-scale Purchaser a list of information to be provided to the Company's Board of Directors that is necessary and sufficient for our shareholders to determine the matter and for the Board of Directors to form an opinion as such (hereinafter referred to as the "Necessary Information"). The Large-scale Purchaser should submit the Necessary Information written in Japanese in accordance with descriptions in the said list to the Company's Board of Directors. General items of the Necessary Information are as specified below. Specific contents of the information may be different depending on the attribution of the Large-scale Purchaser and contents of the Act of Large-scale Purchase, but should be limited, in all cases, within the scope necessary and sufficient for our shareholders to determine the matter and for the Company's Board of Directors to form an opinion as such.

- (1) Details of the Large-scale Purchaser and its Group (including Joint Holders, Persons in Special Relationship and partners (in case of a fund) and other members) (including names, contents of business, history or development, capital composition, financial contents, etc.)
- (2) Purpose, method and contents of the Act of Large-scale Purchase (including value and type of consideration for the Act of Large-scale Purchase, timing for the Act of Large-scale Purchase, structure of related transactions, legality of the method of the Act of Large-scale Purchase, feasibility of the Act of Large-scale Purchase, etc.)
- (3) Basis for calculating the purchasing price for the Act of Large-scale Purchase (including the facts as a precondition for calculation, method of calculation, numerical information used in calculation, and the contents of synergies that are expected to arise from a series of transactions pertaining to the Act of Large-scale Purchase)
- (4) Source of funds to support the purchasing fund for the Act of Large-scale Purchase (including specific name of the provider (including substantial provider) of the fund, procuring method, and contents of related transaction).
- (5) Candidate anticipated for officer after the completion of the Act of Large-scale Purchase (including information on his/her experiences, etc. in business similar to the Company's and the Company Group's business), management policy, business plan, financial plan, capital policy, dividend policy, etc. for the Company and the Company Group.
- (6) Whether there will be any changes after the completion of the Act of Large-scale Purchase with regard to the relationship between the Company's customers, business partners, employees, and other interested parties pertaining to the Company and the Company / Company Group, and contents of such changes, if any.

The Company's Board of Directors may set a deadline for a Large-scale Purchaser to provide information, but in case the Large-scale Purchaser requests for an extension of such deadline based on rational reason, the Board of Directors may extend the deadline. Also, in case the initially provided information is found to be insufficient as a result of minute examination thereof, the Company's Board of Directors may repeatedly request the Large-scale Purchaser to provide additional information until all of the Necessary Information has been provided by appropriately setting a reasonable deadline (however, the upper limit of such deadline shall be 60 days following the date on which the Necessary Information was initially received).

When the Company's Board of Directors determines that the Large-scale Purchaser has completed to provide the Necessary Information, the Board of Directors shall send a notice to the Large-scale Purchaser and at the same time publicly announce the fact.

Also, in the case where, despite the fact that the Company's Board of Directors requested that the Large-scale Purchaser provide information in addition to the Necessary Information, the Large-scale Purchaser makes a rational explanation that the Large-scale Purchaser has difficulty in providing part of such additional information, and even if the Company's Board of Directors has not obtained all of the Necessary Information, the Board of Directors may terminate negotiation, etc. with the Large-scale Purchaser in relation to the provision of information and commence the evaluation and examination, etc. by the Company's Board of Directors as set forth in (3) below.

The Necessary Information provided to the Company's Board of Directors shall be submitted to the Independent Committee, and, if it is considered necessary for the purpose of facilitating our shareholders'

determination, all or part of the Necessary Information shall be made public at the time judged appropriate by the Company's Board of Directors.

(3) Evaluation, Examination, etc. by the Company's Board of Directors

The Company's Board of Directors will set a period for the evaluation, examination, negotiation, opinion formation, and alternative formulation regarding the Act of Large-scale Purchase (hereinafter referred to as the "Board of Directors Evaluation Period") which shall be, depending on the difficulty level of evaluation, etc., 60 days at maximum counted from the day following the date on which the Large-scale Purchaser has completed the provision of the Necessary Information to the Company's Board of Directors, in case of an Act of Large-scale Purchase targeting all of the Company's shares by means of takeover bid with compensation in Japanese yen only; or 90 days at maximum counted as above in case of other Act of Large-scale Purchase. During the Board of Directors Evaluation Period, the Company's Board of Directors will fully evaluate and examine the Necessary Information provided, obtaining advice from independent outside specialists, etc. as necessary, and after having given full consideration to the Independent Committee's advice, carefully compile and make public an opinion as the Company's Board of Directors.

In addition, the Company's Board of Directors may negotiate with the Large-scale Purchaser for the improvement of conditions related to the Act of Large-scale Purchase as necessary, and may present an alternative as the Company's Board of Directors to our shareholders.

5. Policy of Responding When an Act of Large-scale Purchase is Performed

(1) In cases where the Large-scale Purchaser did not comply with the Large-scale Purchase Rules:

In cases where the Large-scale Purchaser did not comply with the Large-scale Purchase Rules, the Company's Board of Directors may, regardless of specific method of purchase, take the countermeasures for the purpose of protecting not only the Company's corporate value but also the common benefit of our shareholders as set forth in Attachment 5, to confront such Act of Large-scale Purchase.

In determining the implementation of countermeasures, the Company's Board of Directors shall determine whether or not the countermeasures should be implemented, giving full consideration to advice from the Independent Committee and after fully examining the necessity, appropriateness, etc. of the countermeasures.

Further, in determining whether or not the Purchaser complied with the Large-scale Purchase Rules, the Company's Board of Directors shall fully take into consideration the situations on the side of the Large-scale Purchaser within a reasonable scope, and at least, shall not determine that the Purchaser does not comply with the Large-scale Purchase Rules only because part of the Necessary Information has not been submitted.

(2) In the case that the Large-scale Purchaser complied with the Large-scale Purchase Rules:

In the case that the Large-scale Purchaser complied with the Large-scale Purchase Rules, the Company's Board of Directors will not take any countermeasures against such Act of Large-scale Purchase in principle, even if they would rather oppose such Act of Large-scale Purchase, but shall only try to persuade our shareholders by expressing its opposing opinion and presenting an alternative for such Act of Large-scale Purchase. With regard to whether or not the Company accepts the purchase proposal by the Large-scale Purchaser, our shareholders will make a determination after having considered such purchase proposal and the opinions, alternative, etc. for the purchase proposal presented by the Company.

However, even if the Large-scale Purchase Rules are complied with, in the case where such Act of Large-scale Purchase falls under, for instance, any of the following Items (1) to (6), and the Independent Committee and the Company's Board of Directors determine that it will significantly impair not only the Company's corporate value but also the common benefit of our shareholders as it is likely to cause irreparable damage to the Company or otherwise, and that the implementation of countermeasures is appropriate, our shareholders will be requested to make the final determination on whether or not the countermeasures should be implemented:

- (1) In the case that the Purchaser is determined to be a person who, despite having no intention to truly participate in the management of the Company, acquires or intends to acquire the Company's shares for the exclusive purpose of raising the share price and forces the Company and related parties to take over the shares at a high price (so-called greenmailer);
- (2) In the case that the Purchaser is determined to be a person who acquires or intends to acquire the Company's shares for the purpose of implementing so-called scorched-earth management by temporarily controlling the Company's management and forcing the Company's intellectual property, know-how, corporate secret, confidential information, major business partners and customers that are necessary to manage the Company business to be transferred to such Large-scale Purchaser or its

group companies, etc., or otherwise;

- (3) In the case that the Purchaser is determined to be a person who acquires or intends to acquire the Company's shares for the purpose of, once having taken control over the Company management, appropriating the Company's asset to funds for mortgage or repayment for liabilities of such Large-scale Purchaser or its group companies, etc.;
- (4) In the case that the Purchaser is determined to be a person who acquires or intends to acquire the Company's shares for the purpose of temporally controlling the Company management to force the Company to dispose of its estate and/or securities and other high-value assets, etc., and with such disposal credit forces payment of temporarily high dividends, or of selling the shares at the highest price by capturing an opportunity of sudden rise in the share price due to such temporarily high dividends;
- (5) In the case that the method of purchasing the Company's shares in the Act of Large-scale Purchase is determined to be likely to restrict the opportunities or freedom of judgment by our shareholders, and to virtually force the shareholders to sell the Company's shares, as seen in so-called coercive two-tier purchases (referring to the purchase by takeover bid, etc. in which the purchase of all the shares is not induced in the first stage of purchase, and the purchasing conditions in the second stage are set unfavorably or not stated clearly) or similar; or
- (6) In the case that the acquisition of control of the Company by the Large-scale Purchaser is reasonably determined to be likely to lead to (a) embrittlement of the Company's technical and research/development structure ^{(*)1}, (b) implementation of sales and marketing while disregarding the market and user needs ^{(*)2}, and likely to damage the Company's corporate value or hinder the maintenance and enhancement of the corporate value.

*1: The Company has highly advanced and extremely unique material processing technologies comprising four major core techniques, of which, the most important is torque technique. The performance of catheter products directly leads to success or failure of operations, and the unique torque technique retained by the Company has enabled the Company to develop a wire that can transmit the delicate feeling of a doctor's hand to the other end of the wire, which is one of the factors of the wide use of the Company's products in highly difficult treatment of lesions. In addition to these techniques, the Company is capable of developing and manufacturing products possessing the Company's unique materials and functions by establishing an integrated production system which is a strength of the Company and having an industrial equipment division in addition to the medical equipment division, which becomes a big factor in our ability to differentiate ourselves from competitors in the aspects of cost and technology in the medical equipment field. If an acquirer did not understand such technical synergy and attempted to separate the two business fields for reason of excessively pursuing short-term capital efficiency, it would possibly impair the superiority of the Company. Also, ultimately, the Company's technical know-how belongs to the technicians, etc. in the research and development and other divisions. If the long-term treatment of technicians, etc. or their varied motivation (sympathy with the management philosophy or managerial goals, balance and operation of the research and development organization or teams, sharing of social objective of contributing to human life with stable supply of products, etc.) were impaired, it might result in disperse of technicians, or significant deterioration of development performance.

*2: The Company succeeded in developing products which made it possible to treat the CTO (Chronic Total Occlusion) which was previously impossible by any means other than surgical operation, and contributed to greatly enhance the success rate of catheter treatment of heart diseases. Currently, the Company's products are demonstrating great strength in the CTO area, and there exist certain areas for which treatment is impossible without the Company's products. Under the circumstances, if the supply of the Company's products were impeded due to the circumstances of marketing strategy or otherwise, it might result in difficulty in the supply of catheter products which facilitate treatment of difficult lesioned parts mainly in the CTO area. Also, it is assumed that we may lose the trust of doctors and other users by implementing certain selfish sales/marketing activities without thorough consideration of the needs of the market, doctors and other users.

(3) Shareholders Meeting for Confirmation

As specified in 5. (2) above, in case the Company's Board of Directors determines that implementation of countermeasures is appropriate, the Board shall promptly convene a shareholders meeting to confirm the intention of the Company's shareholders regarding the Board of Director's determination (hereinafter referred to as the "Shareholders Meeting for Confirmation"), and request the shareholders to deliver the final

judgment on whether or not to implement countermeasures. At that time, the Company will promptly disclose information that it will convene the Shareholders Meeting for Confirmation and other facts which the Board of Directors determines to be appropriate.

(4) Contents of Countermeasures

The contents of the countermeasures to be implemented by the Company's Board of Directors shall be allotment of stock acquisition rights (hereinafter referred to as the "Stock Acquisition Rights") without contribution. The outline of the allotment of the Stock Acquisition Rights without contribution shall be as specified in Attachment 5, but when the allotment of the Stock Acquisition Rights without contribution is implemented, certain terms may be set in consideration of its effects as countermeasures, such as making it a condition for exercising the Stock Acquisition Rights that the shareholder does not belong to a specific shareholder group having voting rights exceeding a certain ratio, and the Company shall acquire the Stock Acquisition Rights in exchange for the Company's shares, etc.

(5) Suspension of Implementation of the Countermeasures, etc.

In 5. (1) or 5. (2) above, in the case where, after the Company's Board of Directors has once determined to take a specific countermeasure, it is determined that the implementation of the same is not appropriate for such reason as that the Large-scale Purchaser withdraws or makes changes in the Act of Large-scale Purchase or else, the Company's Board of Directors may suspend the implementation of such countermeasure after giving full consideration to the Independent Committee's advice. For instance, in case the Company's Board of Directors determines that the implementation of such countermeasure is not appropriate after the shareholders to be allotted with the Stock Acquisition Rights have been definitely decided for reason that the Large-scale Purchaser withdraws or makes changes in the Act of Large-scale Purchase or else, the allotment of the Stock Acquisition Rights without contribution may be suspended until the day before the date on which the allotment of the Stock Acquisition Rights without contribution takes effect, or after the allotment of the Stock Acquisition Rights without contribution has been done, the Company may suspend the implementation of the countermeasure until the day before the date of commencement of the exercising period by the Company's acquisition of the Stock Acquisition Rights without contribution (where our shareholders lose the Stock Acquisition Rights by the Company's acquisition of the same without contribution).

In the event that the suspension of the implementation of such countermeasure is decided, the fact will be disclosed at an appropriate time and in an appropriate manner in accordance with applicable laws and the listing rules of the financial instruments exchanges with which the Company is listed.

6. Effects that This Plan Will Have on Shareholders and Investors

(1) Effects that the Large-scale Purchase Rules will have on the shareholders and investors

The purpose of the Large-scale Purchase Rules in this Plan is to provide all of the Company's shareholders with information necessary to determine whether or not to accept the Act of Large-scale Purchase and on the opinion of the Board of Director which is actually bearing the Company's management, and to secure an opportunity for the shareholders to be presented with an alternative. We believe that, with these Rules, our shareholders will be able to make an appropriate determination on whether or not to accept an Act of Large-scale Purchase while being provided with sufficient information, which will lead to the protection of not only the Company's corporate value but also the common benefit of our shareholders. Therefore, we believe that setting the Large-scale Purchase Rules will prove to be a prerequisite for our shareholders in making an appropriate determination and thereby contribute to the benefit of all our investors and shareholders.

Further, since the Company's response to an Act of Large-scale Purchase will be different depending on whether the Large-scale Purchase complies with the Large-scale Purchase Rules or not, as stated in the section 5 above, our shareholders and investors are requested to pay attention to the attitudes of the Large-scale Purchaser.

(2) Effects on the Shareholders and Investors at the Time of Implementing Countermeasures

In case the Company's Board of Directors has decided to implement the specific countermeasure as set forth in Section 5 above for the purpose of protecting not only the Company's corporate value but also the common benefit of our shareholders, the Company's Board of Directors will disclose such decision at an appropriate time and in an appropriate manner in accordance with applicable laws and the listing rules of the financial instrument exchanges with which the Company is listed. In implementing countermeasures, we do not assume any event that our shareholders other than the Large-scale Purchaser, etc. incur any extraordinary

loss in the aspect of legal right or economy. In the case that the allotment of the Stock Acquisition Rights without contribution is to be conducted as a countermeasure, the shareholders who are listed in the latest shareholder registry on the base date which is decided and publicly announced separately by the Board of Directors (hereinafter referred to as "Allotted Shareholders") shall be allotted with the Stock Acquisition Rights in accordance with the number of shares they hold as of the base date, without due consideration. Afterward, in the case that the Company takes the procedure of acquiring the Stock Acquisition Rights subject to Call, all the Allotted Shareholders other than the Large-scale Purchaser, etc. will incur no extraordinary disadvantage to receive the Company's shares as consideration for acquiring the Stock Acquisition Rights.

Furthermore, in the event that the Company suspends the allotment of the Stock Acquisition Right or acquires the Stock Acquisition Rights once issued without contribution in accordance with the decision by the Company's Board of Directors following the advice of the Independent Committee (where our shareholders lose the Stock Acquisition Rights due to the Company's acquisition of the same without contribution), our shareholders and investors who deal in the Company's shares on the assumption that dilution of the value of the Company shares will occur after the shareholders who are to be allotted with the Stock Acquisition Rights without contribution have been definitely decided (on or after the ex-dividend date) may possibly incur unexpected damage due to fluctuation of the share price.

In the event that the Large-scale Purchaser does not comply with the Large-scale Purchase Rules or, if such Purchaser complies with such Rules, such Act of Large-scale Purchase is determined to significantly impair not only the Company's corporate value but also the common benefit of the shareholders, then, as a result, the Large-scale Purchase may possibly incur certain disadvantage in the aspect of its legal rights or economy due to the countermeasures taken by the Company. This Plan is disclosed in order to call attention in advance so that the Large-scale Purchaser will not violate the Large-scale Purchase Rules.

(3) Necessary Procedures to Be Taken by Our Shareholders When Countermeasures are Implemented

In the case that the allotment of the Stock Acquisition Rights without contribution is conducted as a countermeasure, the Allotted Shareholders will be allotted with the Stock Acquisition Rights without need to apply for the subscription, and, in case the Company takes the procedure of acquiring the Stock Acquisition Rights subject to Call, the Allotted Shareholders will receive the Company's shares as consideration for the Company's acquisition of the Stock Acquisition Rights, without payment of money equivalent to the value of exercising the Stock Acquisition Rights, and therefore, they will not be required to take any procedure of application or payment, etc. in relation to the Stock Acquisition Rights.

As for the details of these procedures, the Company will disclose it when the Company is to actually implement the allotment of the Stock Acquisition Rights without contribution, at an appropriate timing and in an appropriate manner in accordance with the applicable laws and the listing rules of the financial instruments exchanges with which the Company is listed.

7. Commencement of Application, Effective Period, Continuation and Abolition of This Plan

This Plan shall take effect by and on the date of resolution thereof at this General Meeting of Shareholders and shall remain effective from the time of conclusion of this General Meeting of Shareholders to the time of conclusion of the 43rd Annual General Meeting of Shareholders scheduled to be held during September, 2019.

Also, after this Plan has been approved to be continued at this General Meeting of Shareholders and has become effective, in the case that where:

- (1) A resolution to abolish this Plan is made at a General Meeting of Shareholders of the Company, or
- (2) A resolution to abolish this Plan is made by the Board of Directors formed by Directors appointed at a General Meeting of Shareholders of the Company; this Plan shall be abolished at the said timing.

In addition, during the effective period of this Plan, the Company's Board of Directors will review this Plan from time to time from the viewpoint of enhancing not only the corporate value but also the common benefit of the shareholders, and may make changes in this Plan after having obtained approval by a General Meeting of Shareholders of the Company.

Thus, in the case that a decision is made on the continuation, change or abolishment, etc. of this Plan at the Company's Board of Directors, the contents of such decision will be promptly disclosed.

Furthermore, even during the effective period of this Plan, in the case that there arises newly establishment, revision, or abolishment of any laws related to this Plan or rules of financial instrument exchanges, etc. that is deemed appropriate to be reflected on this Plan, or correction of this Plan is appropriate for the reason of any mistaken or missing characters found in its text, etc. and unless such correction, etc. will cause any disadvantage to our shareholders, the Company's Board of Directors may

correct or revise this Plan after having obtained approval from the Independent Committee as necessary.

IV. Rationality of This Plan (in relation to its being in line with the Basic Policy Concerning Control of the Company, conforming to not only the Company's corporate value but also the common benefit of its shareholders, and not aiming to maintain the status of the Company's officers as such)

(1) That this Plan meets the requirements concerning the Guideline on Takeover Defense Measures

This Plan satisfies the three principles (namely, Securing or enhancing the corporate value and common benefit of shareholders; Prior disclosure and intension of shareholders; and Securing the necessity and appropriateness) as set forth in the "Guideline on Takeover Defense Measures to Secure or Increase Company Share Price and Stockholder Joint Interest" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

Also, this Plan is based on the contents of the "What the takeover defense measures should be in consideration of the recent changes in the environment surrounding various areas" which was announced on June 30, 2008 by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry.

(2) That This Plan Has Been Introduced for the Purpose of Common Benefit of Shareholders

As set forth in III.-1. "Purpose of this Plan" above, this Plan has been introduced for the purpose that, when an Act of Large-scale Purchase of the Company is performed, our shareholders will be able to determine whether or not to accept such Act of Large-scale Purchase, or that the Company's Board of Directors will be able to secure information and time necessary to present an alternative and negotiate with the Large-scale Purchaser, and thereby the Company will secure not only the Company's corporate value but also the common benefit of our shareholders.

(3) That This Plan Focuses on the Intention of Shareholders

This Plan is subject to the approval of our shareholders at this General Meeting of Shareholders, and therefore, it is scheduled to ask opinions on this Plan of our shareholders at this General Meeting of Shareholders, and the opinions shall be reflected on this Plan.

Also, even before the expiration of effective period of this Plan after it started to be continued, in case a resolution to abolish this Plan is made at a General Meeting of Shareholders of the Company, this Plan shall be abolished at that moment, and thus this Plan shall fully rely on rational opinions of our shareholders.

(4) That This Plan is Not a Dead-hand Takeover Defense Measure or Slow-Hand Takeover Defense Measure

As set forth in III.-7. "Commencement of application, effective period, continuation and abolition of this Plan" above, this Plan may be abolished by the Company's Board of Directors formed by Directors who are appointed at a General Meeting of Shareholders of the Company. Therefore, this Plan is not a dead-hand takeover defense measure (a takeover defense measure the implementation of which cannot be obstructed even if a majority of the members of the Board of Directors are replaced). Also, since the Company plans to become to a company with an audit and supervisory committee on condition that the proposal concerning a partial amendment to the Articles of Incorporation is approved and passed at this General Meeting of Shareholders, in the event the Company has become a company with an audit and supervisory committee, the Company is to make the term of office for Directors (except for audit and supervisory committee members) one year, and the term of office for a Director who is an audit or supervisory committee member two years in accordance with the rules on directors' terms of office pertaining to companies with an audit and supervisory committee of the Companies Act, without adopting the staggered terms system, by introducing this Plan, no effects as a slow-hand takeover defense measure (a takeover defense measure the implementation of which is difficult to be obstructed because all the members of the Board of Directors cannot be replaced at one time) will arise.

(5) That This Plan Focuses on Determinations by Highly Independent Persons Outside the Company

As set forth in III.-5 "Policy of responding when an Act of Large-scale Purchase is performed" above, a decision to implement the countermeasures in this Plan shall be made after the Company has consulted the Independent Committee formed by members who are independent from the Company's management which executes the business while giving thorough consideration to the Independent Committee's advice, and also, procedures to secure the transparent operation of this Plan are established so that it will contribute not only to the Company's corporate value but also to the common benefit of shareholders.

End

(Attachment 1)

Status of the Company's shares (as of June 30, 2016)

- | | | |
|-----|---|---|
| (1) | Total Number of Authorized Shares | 200,000,000 |
| (2) | Total Number of Shares Issued and Outstanding | 64,148,800 (including 911,800 treasury stock) |
| (3) | Number of Shareholders | 4,903 |
| (4) | Major Shareholders (Top 10) | |

Name or Appellation	No. of Shares held (shares)	Ratio of Shares held (%)
ICSP Limited Liability Company	5,098,000	8.06
Japan Trustee Services Bank, Ltd. (trust account)	4,907,400	7.76
MMK Co., Ltd.	3,092,000	4.88
The Master Trust Bank of Japan, Ltd. (trust account)	2,639,800	4.17
HI-LEX Corporation	2,400,000	3.79
Masahiko Miyata	1,690,300	2.67
Hogy Medical Co., Ltd.	1,583,200	2.50
Kenji Miyata	1,580,000	2.49
BBH FOR MATTHEWS JAPAN FUND	1,578,300	2.49
The Nomura Trust and Banking Co., Ltd. (investment trust account)	1,332,500	2.10

(Note) Ratio of Shares held is calculated after deducting treasury stock (911,800 shares) from the total number of shares issued and outstanding.

(5) Shareholders by Category

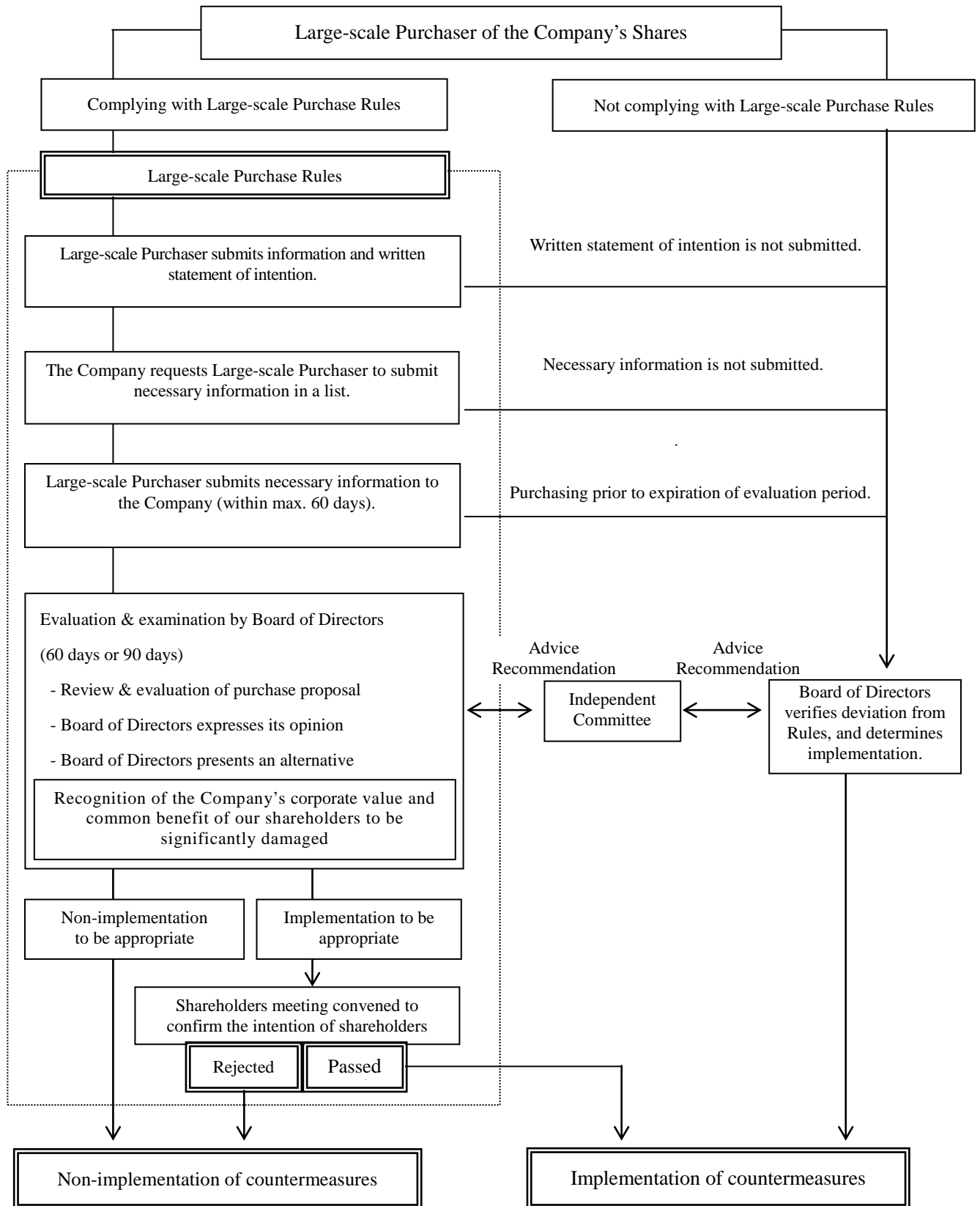
Category	Status of Shares (Number of shares forming one unit: 100 shares)								Status of shares less than one unit (shares)
	Government and Local Government	Financial Institutions	Securities Companies	Business Corporations	Foreigners		Individuals, etc.	Total	
					Non-individuals	Individuals			
No. of shareholders (units)	-	46	36	46	302	5	4,308	4,743	-
No. of shares held (units)	-	160,468	5,365	171,292	216,796	6	87,493	641,420	6,800
Ratio of shares held (%)	-	25.01	0.84	26.71	33.80	0.00	13.64	100.00	-

(Note) 1. The 911,800 treasury stock is included in "Individuals, etc." (9,118 units) and "Status of Shares less than one unit" (90 shares).

2. Number of shareholders less than one unit is 160.

(Attachment 2)

Outline of Take-over Defense Measures Flow Chart in the Case That a Large-scale Purchase is Commenced



(Note) This chart is made by illustrating typical flow of procedures for the purpose of contributing to understanding of this Plan, and does not indicate all procedures. For details, please refer to the text hereof.

(Attachment 3)

Outline of Independent Committee

1. Members

The Independent Committee shall be formed by three or more members independent from the management executing the Company business (hereinafter referred to as the “Committee Members”) who shall be appointed from among persons who fall under either (1) the Company’s Outside Director, or (2) outside experts (attorneys, certified public accountants, men of learning and experience, persons who have full knowledge of investment banking, or persons who have experiences as a director or executive officer of another company) by the Company’s Board of Directors. The term of office for the Committee Members shall be until the time when the 43rd Annual General Meeting of Shareholders scheduled to be held in September, 2019 is concluded or the time when this Plan is abolished, whichever comes earlier. Also, when a Committee Member who is an Outside Director has become a non-Outside Director, his/her term of office as a Committee Member shall at the same time terminate.

2. Requirements for Resolution

In principle, a resolution of the Independent Committee shall be adopted by a majority of all the Committee Members at a meeting where all the Committee Members are present.

However, if all the Committee Members cannot attend a meeting, such resolution shall be adopted by a majority of the Committee Members present at a meeting where a majority of all the Committee Members are present.

In the case that a resolution of the Independent Committee cannot be adopted due to tie vote, the Independent Committee shall report the fact to the Board of Directors.

3. Authority and Responsibility Concerning Matters to be Resolved, etc.

In the case that the Board of Directors consults the Independent Committee with regard to any of the matters described in the Items below, the Independent Committee shall have the authority and responsibility to examine the matter and decide its opinion, and give recommendation or advice to the Board of Directors describing the contents of the decision and reasons therefor. Each Member of the Independent Committee shall have the duty to fulfill their such responsibility with due care of a prudent manager, and is required to decide his/her opinion from the viewpoint of whether or not the decision will contribute to the Company’s corporate value and the common benefit of shareholders, and may not aim to exclusively obtain his/her own or the Directors advantage. The Independent Committee must make an effort to collect necessary and sufficient information to secure appropriate judgment in deciding its opinion, and to that end, may obtain advices from independent outside professionals at the Company’s expense.

- (1) Validity of the Act of Large-scale Purchase in the light of the Large-scale Purchase Rules
- (2) Information to be provided by Large-scale Purchaser to the Board of Directors
- (3) Sufficient information provided by the Large-scale Purchaser as the Necessary Information
- (4) Consideration on the alternative for the Act of Large-scale Purchase to be presented by the Company
- (5) Issuance of Stock Acquisition Rights (including the allotment without contribution) or non-issuance of the same
- (6) Maintaining, reviewing and/or abolishing the Large-scale Purchase Rules
- (7) Necessity of the implementation of the countermeasure
- (8) Other matters on which the Board of Directors has decided to consult the Independent Committee with regard to the matters which the Board of Directors should determine in relation to the Large-scale Purchase Rules, Stock Acquisition Rights and Act of Large-scale Purchase.

End

(Attachment 4)

Names and Career Summary of Independent Committee Members

The Independent Committee after the renewal of this Plan is planned to be formed by the following three persons:

[Name] **Toshiharu Obayashi**

[Career Summary]

Date of birth:	November 11, 1941
April 1960	Joined Nagoya Training Center of Tax Agency Training Institute
December 1985	Qualified as a tax accountant
July 1993	Deputy District Director of Kariya Tax Office
July 1994	Director, Third Information and Examination Division, First Taxation Department of Nagoya Regional Taxation Bureau
July 1996	Director, Property Taxation Division, First Taxation Department of Nagoya Regional Taxation Bureau
July 1998	District Director of Fuji Tax Office
July 1999	District Director of Atsuta Tax Office
September 2000	Opened Toshiharu Obayashi Tax Accountant Office
September 2008	Auditor of the Company (current position)

[Name] **Kiyomichi Ito**

[Career Summary]

Date of birth:	February 7, 1950
April 1974	Joined Toyota Motor Sales Co., Ltd.
August 1985	Section Chief of System Planning Section, Section Head of Engineering Section, Overseas Planning Department of TOYOTA MOTOR CORPORATION
January 1994	Secretary seconded to Toyota Motor Manufacturing Canada, Inc.
January 1999	Chief of Marine Business Division of TOYOTA MOTOR CORPORATION
July 2000	Chief of Americas Sales Department of TOYOTA MOTOR CORPORATION
July 2002	President of Toyota Kirloskar Auto Parts Pvt. Ltd.
March 2008	Professor of School of Management of Chukyo University
September 2013	Director of the Company (current position)
April 2015	Visiting Professor of School of World Englishes of Chukyo University (current position)

[Name] **Akinori Shibasaki**

[Career Summary]

Date of birth:	January 20, 1945
February 1980	President and Representative Director of CHU-O RITTAIZU Co., Ltd. (current position)
August 1988	President and Representative Director of TPS Co., Ltd.
December 2005	Chairman of the Board of MMC Computer Research Co., Ltd.
October 2008	Chairman of the Board of BYNAS Co., Ltd.
March 2010	Executive Senior Adviser of BYNAS Co., Ltd. (current position)
August 2010	Chairman of the Board of Torindo Co., Ltd. (current position)
July 2011	Chairman and Director of PMC Co., Ltd. (current position)
March 2013	Director and Senior Adviser of MCOR Co., Ltd. (current position)

End

(Attachment 5)

Outline of the Allotment of Stock Acquisition Rights without Contribution

1. Shareholders Eligible for Allotment of Stock Acquisition Rights without Contribution and Issuing Conditions

Stock Acquisition Rights shall be allotted to the shareholders who are listed on the latest shareholder registry on the base date designated by the Board of Directors without requiring them to newly pay for contribution, at a proportion of one Stock Acquisition Right to one ordinary share of the Company owned by the shareholder (excluding ordinary shares owned by the Company).

2. Type and Number of Shares that Become the Objective of the Stock Acquisition Rights

The type of shares to be the objective of the Stock Acquisition Rights shall be the Company's ordinary shares, and the upper limit of the total number of shares to be the objective of the Stock Acquisition Rights shall be the total number of authorized shares less the total number of issued ordinary shares (excluding ordinary shares owned by the Company) as of the base date designated by the Board of Directors. The number of shares to be the objective of every one Stock Acquisition Right shall be separately decided by the Board of Directors. However, in case the Company is to effect the stock split or stock merger, necessary adjustments shall be made.

3. Total Number of Stock Acquisition Rights to be Issued

The total number of Stock Acquisition Rights to be issued shall be separately decided by the Board of Directors. The Board of Directors may implement the allotment of Stock Acquisition Rights at multiple timings.

4. Value of the Property to be Invested (amount to be paid for contribution) at Each Occurrence of Exercising Stock Acquisition Rights

The value of the property to be invested (amount to be paid for contribution) at each time of exercising Stock Acquisition Rights shall an amount of one yen or more that shall be decided by the Company's Board of Directors.

5. Restriction of Assignment of Stock Acquisition Rights

Any acquisition of Stock Acquisition Rights by an assignment requires the approval by the Company's Board of Directors.

6. Conditions for Exercising the Stock Acquisition Rights

As conditions for exercising the Stock Acquisition Rights, it shall be provided that the shareholder shall not belong to a Specific Shareholder Group which holds 20% or more of the total voting rights (except for those who have been approved by the Company's Board of Directors in advance), etc. The details shall be separately provided for by the Board of Directors.

7. Period of Exercising Stock Acquisition Rights, etc.

The date on which the allotment of Stock Acquisition Rights takes effect, period for exercising Stock Acquisition Rights, provisions on the acquisition of Stock Acquisition Rights and other necessary matters shall be separately provided for by the Board of Directors. As for the provisions on the acquisition, a provision may be set forth that the Company may acquire the Stock Acquisition Rights owned by persons other than those who are not allowed to exercise the Stock Acquisition Rights due to the conditions for exercising the same as specified in the Item 6 above, and may issue such number of the Company's ordinary shares as designated by the Board of Directors for every one Stock Acquisition Right.

End

Proposal 9: Presentation of a Reward to the Founder

Mr. Naohiko Miyata, the founder and Chairperson & CEO of the Company, will retire from Director at the conclusion of this Annual General Meeting of Shareholders.

In 1976, Mr. Miyata founded the Company as an engineer, to be a manufacturer of ultra-fine stainless steel wire ropes. Since then, he contributed to sustainable business growth and the establishment of a strong profit base by expanding its business to the medical device field through the utilization of unique stainless technology cultivated in the industrial device field, and has consistently been implementing management that increases corporate value.

Mr. Naohiko Miyata has delegated authority of management to the next generation over the past few years by appointing Mr. Masahiko Miyata to the position of President & CEO in 2009. Today, the management has completely transitioned to the new structure centered on Mr. Masahiko Miyata, President & CEO. Since the development of the new management structure is on the right track, the Company vows to further strengthen the current management structure at the Chairperson's retirement from the front line of management at the conclusion of this Annual General Meeting of Shareholders.

To reward Mr. Naohiko Miyata, who has been responsible for the management of the Company for over 40 years since the foundation, the Company proposes the presentation of a reward of ¥300 million to the founder for his achievements and contribution during his term of office.

We request that the timing and method of the presentation, and other related matters be left to the discretion of the Board of the Directors.

The career summary of the retiring Director who is the subject of the presentation of the reward for services is as follows.

Name	Career summary
Naohiko Miyata	July 1976 Founded the Company, President & CEO September 2009 Chairperson & CEO (to the present)