



April 18, 2017

Fujimi Incorporated
Representative: Keishi Seki, President
Listings: Tokyo and Nagoya Stock Exchanges
(Stock code: 5384)
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Notice of Introduction of Performance-Based Stock Benefit Plan

This is to notify you that Fujimi Incorporated (hereafter referred to as “the Company”) has resolved, at the board meeting today, resolved to introduce a new performance-based stock benefit plan entitled the Stock Benefit Trust (J-ESOP) (hereinafter referred to as “the plan”) for the Company’s employees as below. Furthermore, the board resolved today to introduce the Board Benefit Trust (hereinafter referred to as “BBT”), which is a new performance-based stock compensation plan for the Company’s directors and to discuss the agenda concerning the BBT at the 65th General Shareholders’ Meeting to be held on June 23, 2017. Please refer to the Notice of Introduction of New Performance-Based Stock Compensation Plan dated today for details on the BBT.

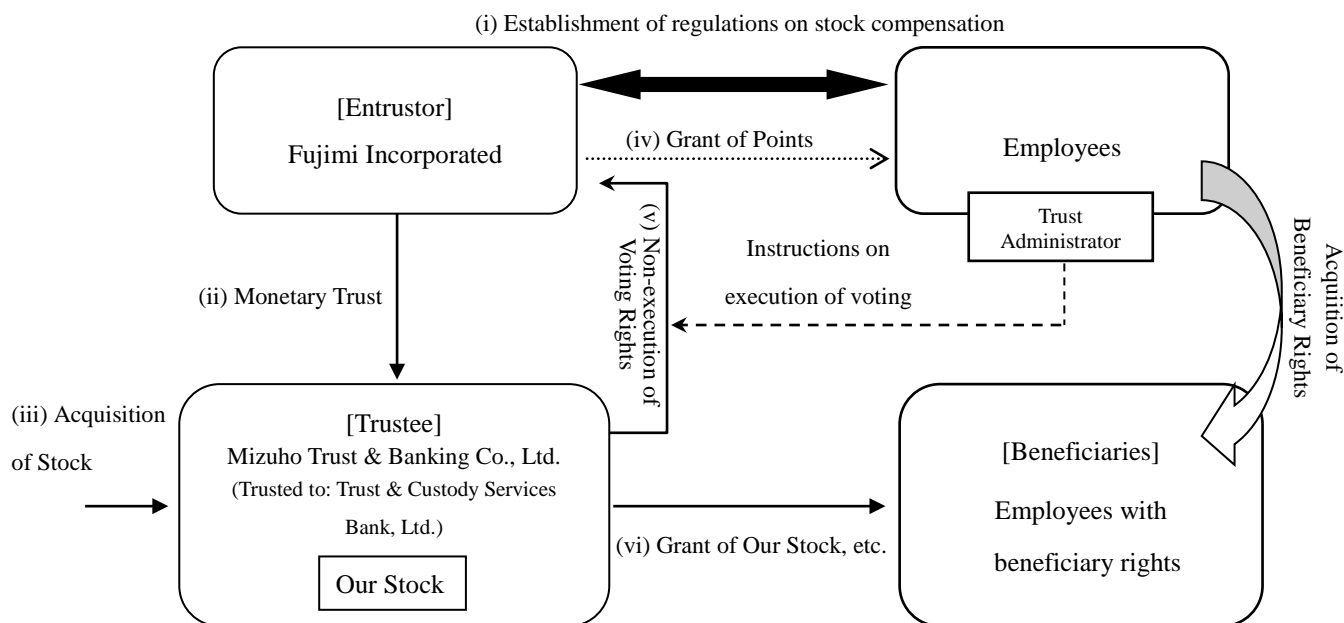
1. Background of Introduction

The Company had been reviewing the Japanese Employee Stock Ownership Plan (ESOP), the adoption of which is spreading as an incentive plan for employees, from the perspective of developing employees’ sense of belonging and motivation towards higher stock prices and hereby decided to introduce the plan, which is an incentive plan that grants company stocks to employees to reflect its value in their compensation.

2. Outline of the Plan

The plan is a mechanism to grant stocks to the Company’s employees who have met certain requirements based on the regulations on stock compensations that the Company has prescribed. The Company will give points to employees according to their position and level of achievements in terms of performance. Upon their acquisition of beneficiary rights based on certain conditions provided in the regulations on stock compensations, the Company will deliver the Company’s stocks corresponding to the abovementioned points granted. The stocks to be granted to employees, including those for the future, are to be acquired using funds established as a trust beforehand and separately managed as trust assets. It is anticipated that the introduction of the plan will raise the Company’s employees’ interest in improving the Company share price, as well as the Company performance, and will lead to their taking on their tasks with even higher motivation. As for the size and timing of establishment of the trust to be set up under this plan, we will announce the details separately as soon as they are decided.

< Plan Flow >



- (i) The Company will formulate the regulations on stock compensations at the time of the introduction of this plan.
- (ii) The Company will, based on the regulations on stock compensations and for the purpose of acquiring stocks to be delivered to employees in the future, entrust money to Mizuho Trust and Banking (re-entrusted to Trust and Custody Services Bank) (hereinafter referred to as “trust bank”) (Third-Party Beneficiary Trust).
- (iii) The Company trust bank will acquire our stocks with the entrusted money.
- (iv) The Company will give points to employees based on the regulations on stock compensations.
- (v) The trust bank will execute voting rights according to the instructions of the trust administrator.
- (vi) Employees will receive The Company’s stocks, the number of which will be corresponding to the points accumulated, from the trust bank upon acquiring beneficiary rights.