



February 21, 2019

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## **Notice on Continuance of and Partial Amendments to the “Share Benefit Trust for Officers” Performance-Linked Share Compensation Plan for Directors**

Roland DG Corporation (hereinafter, the “Company”) hereby announces that it has resolved at the meeting of the Board of Directors held on February 14, 2019 to submit a proposal (hereinafter, the “Proposal”) regarding the continuation and partial revision of the management stock ownership plan, a performance-linked share compensation plan (hereinafter, the “Plan,” whereas the trust established based on the trust agreement signed with Resona Bank, Limited in regard to the Plan (hereinafter, the “Trust Agreement”) is hereinafter referred to as the “Trust”) for Directors of the Company (hereinafter, “Directors”) to the 38th Ordinary General Meeting of Shareholders scheduled for March 20, 2019 (hereinafter, the “General Meeting of Shareholders”) as follows.

### **1. Continuation of the Plan**

The Board of Directors has resolved, on the condition that approval is obtained from shareholders, to partially revise and continue the Plan, which has been implemented for the purpose of increasing awareness of the importance of contributing to further enhancing performance over the medium to long term and the Company’s corporate value by providing a link between the compensation of Directors and the performance and share value of the Company and sharing not only merits of increasing share price but also risk of decreasing share price between Directors and shareholders, and to submit a proposal regarding the continuation and partial revision of the Plan to the General Meeting of Shareholders.

(For more information on the previous content of the Plan, please refer to the “Notice on Introduction of Management Stock Ownership Plan” released on May 14, 2014.)

### **2. Partial Revision of the Plan**

In continuing the Plan, the previous content of the Plan will be partially revised.

(1) The Company’s shares and cash in the trust assets upon continuance of the “Share Benefit Trust for Officers” currently being introduced will be used on a continued basis for the Plan. In addition, additional contributions may be made to the Trust for the continuous implementation of the Plan.

Any Company shares (excluding Company shares that are equivalent to the points awarded to the Directors of the Company (excluding Outside Directors), executive officers of the Company (limited to those who have entered into an engagement agreement with the Company) and certain officers of the companies within the Company’s group (“Directors, etc.”), the delivery of which to Directors, etc. that has not been completed) and cash (“Remaining Shares, etc.”) remaining within the trust assets on the date immediately before commencement of the target period for making additional contributions, will be used as funds for delivery under the Plan during the target period for making such additional contributions.

The upper limit of cash available in the target period during which the Company makes additional contributions will be 252 million yen, less the amount of the Remaining Shares, etc. (with shares to be converted to cash at a rate equivalent to the market price as of the date immediately before commencement of the target period for making such additional contributions). Any decision by the Company to make additional contributions will be disclosed in a timely and appropriate manner.

\*Funds for expenses pertaining to the operation of the Plan, such as trust expenses and trust remuneration, etc.

in relation to the Trust will not be included in the upper limit of the additional contribution funds of 525 million yen referred to above, and additional contributions may be made for any necessary funds.

(2) Persons Applicable to the Plan

The Plan applies solely to the Directors of the Company (excluding Outside Directors). Executive officers of the Company (limited to those who have entered into an engagement agreement with the Company) and certain officers of the companies within the Company's group will be excluded from the post-continuance Plan.

3. Outline of the Amended Plan

(1) Outline of the Plan

Under the Plan, the Company's shares (in the event that the Company's shares cannot be delivered or in certain other event, the amount of money obtained through disposition of such shares, excluding expenses, hereinafter collectively referred to as the "Company's shares, etc.") will be delivered to Directors who have retired or otherwise, based on the Share Delivery Rules established in advance by the Company.

(2) Persons to whom the Plan is Applicable

The Plan applies to Directors of the Company (excluding Outside Directors).

(3) Target Period

The target period will be five fiscal years from the fiscal year beginning on January 1, 2019.

The Company will refer the continuance of the Plan to the General Meeting of Shareholders after the passage of the five fiscal years.

(4) Trust Period

The trust period will end on the date on which the Trust is terminated after the continuance of the Plan. (No date has been fixed for the termination of the Trust, and the Trust will accordingly continue for as long as the Plan is in place).

(5) Upper Limit of Funds Contributed by the Company

Subject to approval for the continuance of the Plan at the Meeting, the Company may make additional contributions of up to 252 million yen to the Trust for acquisition of the Company's shares to effect delivery to Directors under the Plan with respect to the target period referred to in (3) above.

However, any Remaining Shares, etc. remaining in the trust assets on the date immediately before commencement of the target period for making such additional contributions will be used as funds for delivery under the Plan during the target period when such additional contributions will be made, and the upper limit of the funds available for the target period during which the Company makes such additional contributions will be 252 million yen, less the amount of the Remaining Shares, etc. (which shares will be converted to cash at a rate equivalent to the market price as of the date immediately before the commencement of the target period for making such additional contributions). Any decision by the Company to make additional contributions will be disclosed in a timely and appropriate manner.

For your reference, if the Company's shares are acquired using the upper limit of the 252 million yen that the Company may contribute toward the consideration payable for acquiring the Company's shares for the target period referred to in (3) above at the closing price of 2,119 yen as of January 31, 2019, the number of shares to be acquired will be 118,924 shares, representing 0.94% of the Company's total issued shares.

\*Funds for expenses pertaining to the operation of the Plan, such as trust expenses and trust remuneration, etc. in relation to the Trust will be excluded from the upper limit of the 252 million yen referred to above, and additional contributions may be made for any necessary funds.

(6) Method of Acquisition of the Company's Shares

Trustee acquires the Company's shares through the transaction in the market within the scope of the funds referred to in (5) above.

(7) Method of calculating the Number of Company's Shares to be Delivered to Directors

Directors are awarded certain points on the last day of each fiscal year (the "Record Date") during the target period referred to in (3) above, and their awards will be based on the position held by the Directors on the Record Date and the degree of their achievements, as measured against the performance-linked goals for the most recent fiscal year.

In delivering the Company's shares, etc. referred to in (8) below, one point shall be converted to one share in the

Company. The Company's shares will be delivered in block of 100 shares and fractions under 100 shares shall be discarded.

(8) Delivery of the Company's Shares, etc. to Directors

When Directors will no longer be officers or employees of the Company or the companies within the Company's group following their resignation or retirement and/or if certain other events take place, such Directors will be able to receive the Company's shares based on the cumulative total of points awarded through the relevant procedures for fixing the beneficiaries; provided, however, that in the event that the Company's shares cannot be delivered or in certain other event, Directors will receive the amount of money obtained through disposition of such shares, excluding expenses.

\*The "event that the Company's shares cannot be delivered" means an event that the Director is not a resident in Japan and has no Japanese nationality. In addition, in the event of the Director's death during his/her term, the heir of such Director shall receive from the Trust the amount of money obtained through disposition of the Company's shares, based on the cumulative total of points awarded to the relevant Director until his or her death, excluding expenses.

(9) Voting Right attached to the Company's Shares

Voting Rights attached to the Company's shares that constitute trust assets in the Trust will not be exercised to ensure neutrality in management.

(10) Treatment of Dividends

Dividends distributed in respect of Company's shares that constitute trust assets in the Trust shall be received by the Trustee and used for payment toward the consideration payable for acquiring the Company's shares, trust expenses and trust remuneration.

(11) Treatments upon Termination of Trust

Trust assets that remain after termination of the Trust, delivery of the Company's shares or cash, and payment of trust expenses and trust remuneration to the Trustee, shall belong to the Company, which is the holder of the vested rights.

(Reference) <Outline of the Trust>

(1) Name of trust: Management stock ownership plan

(2) Type of trust: Money held in trust outside of a money trust

(3) Trustor: The Company

(4) Trustee: Resona Bank, Limited

Resona Bank, Limited will enter into a specified comprehensive trust agreement with Japan Trustee Services Bank, Ltd., and the trust shall be re-entrusted to Japan Trustee Services Bank, Ltd.

(5) Beneficiaries: Parties from among the Directors, or those designated in the Stock Benefit Regulations as the beneficiaries of the Directors in the event of their death, who have undergone the procedure to be established as a beneficiary in accordance with the trust agreement. (There will be no beneficiaries at the time of trust establishment.)

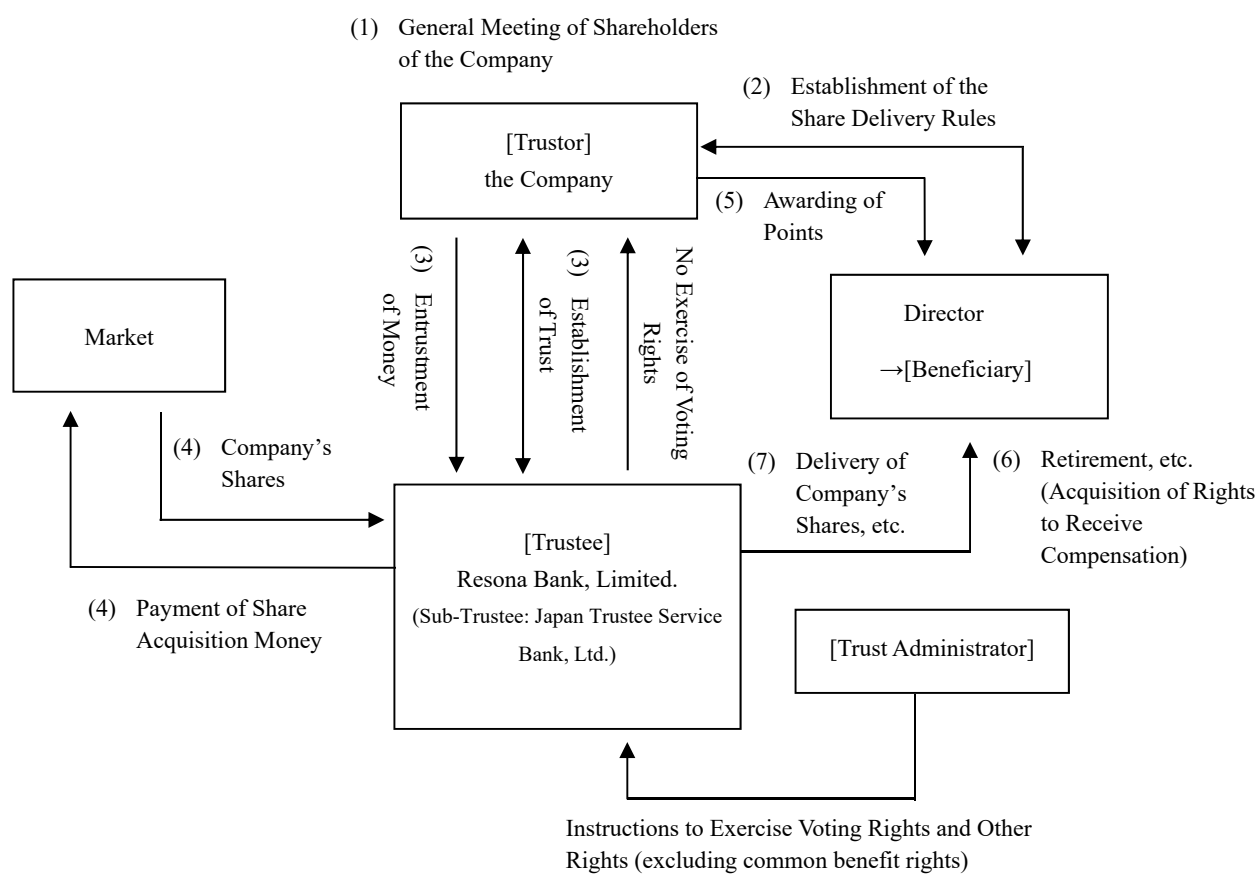
(6) Trust administrator: Third party without vested interest in the Company (lawyer)

(7) Trust agreement date: November 25, 2014

(8) Term of trust: From November 25, 2014 until termination of the trust

(No termination date will be set as the Trust shall continue for as long as the Plan continues.)

<Structure Diagram>



- (1) The Company obtains a resolution approving continuance of and partial amendments to the Plan at the Meeting.
- (2) Upon effecting the continuance of and partial amendments to the Plan, the Company will amend its Share Delivery Rules, and establish standards, etc. for awarding points and delivery of shares to Directors (The Company plans to amend the standards that have already been established via a resolution by the Board of Directors).
- (3) The Company will make additional contributions within the scope approved at the Meeting for the continuous implementation of the Plan.
- (4) The Trustee will acquire the Company's shares through transactions on the market using entrusted money.
- (5) The Company will award points to Directors based on the Share Delivery Plan.
- (6) Directors will be entitled to receive the Company's shares by retirement or otherwise, and will become beneficiaries.
- (7) The Trustee will deliver the Company's shares or cash to beneficiaries.
- (8) Trust assets that remain after termination of the Trust, delivery of the Company's shares or cash, and payment of trust expenses and trust remuneration to beneficiaries, will belong to the Company, which is the holder of the vested rights.