



## Press Release

May 26, 2014

### **KOSÉ Corporation**

President: Kazutoshi Kobayashi

Stock exchange listing: Tokyo Stock Exchange, First Section; Stock code: 4922

Contact: Hitonori Nakata, General Manager of IR Office

Tel: +81-(0) 3-3273-1511

### **Notice Regarding Partial Amendments to Articles of Incorporation**

KOSÉ Corporation, in accordance with a resolution approved by its Board of Directors on May 26, 2014, will submit the following proposal concerning “Partial Amendments to Articles of Incorporation” for approval at the Annual General Meeting of Shareholders to be held on June 27, 2014. Details are as follows.

#### **1. Purpose of Amendments to the Articles of Incorporation**

The Company plans to allow the Board of Directors to exempt directors and corporate auditors from liabilities to some extent as permitted by laws and regulations for the purpose of enabling directors and corporate auditors to fully perform their duties as expected. In addition, the Company will be allowed to sign contracts with external directors and external corporate auditors that limit their liabilities for the purpose of securing suitable personnel for these positions as well as enabling external directors and external corporate auditors to fully perform their duties as expected. To make these revisions, provisions of Article 28 (Exemption of liabilities of directors) and Article 36 (Exemption of liabilities of corporate auditors) will be newly established.

The Company has obtained a prior consent of all corporate auditors with respect to establishment of Article 28 (Exemption of liabilities of directors).

#### **2. Description of Proposed Changes**

Proposed changes are as follows.

(Revised sections are underlined.)

Current	Proposed changes
(New addition)	<p><u>(Exemption of liabilities of directors)</u></p> <p><u>Article 28</u> Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may exempt the liability of directors (including former directors) provided in Article 423, Paragraph 1 of the same act by a resolution of the Board of Directors within the limits stipulated by laws and regulations.</p> <p><u>2.</u> Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may conclude contracts with external directors limiting their liability, which is provided in Article 423, Paragraph 1 of the same act. The liability limit in such contracts shall be set at the amount as stipulated by laws and regulations.</p>



## Press Release

Current	Proposed changes
<p>Article <u>28</u> – Article <u>34</u> (Omitted)</p> <p>(New addition)</p>	<p>Article <u>29</u> – Article <u>35</u> (Unchanged)</p> <p>(Exemption of liabilities of corporate auditors)</p> <p><u>Article 36</u> Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may exempt the liability of corporate auditors (including former corporate auditors) provided in Article 423, Paragraph 1 of the same act by a resolution of the Board of Directors within the limits stipulated by laws and regulations.</p> <p><u>2.</u> Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company may conclude contracts with external corporate auditors limiting their liability, which is provided in Article 423, Paragraph 1 of the same act. The liability limit in such contracts shall be set at the amount as stipulated by laws and regulations.</p>
<p>Article <u>35</u> – Article <u>38</u> (Omitted)</p>	<p>Article <u>37</u> – Article <u>40</u> (Unchanged)</p>

### 3. Timetable

Shareholders' Meeting for amendments to Articles of Incorporation: June 27, 2014 (Friday)

Date when amendments become effective: June 27, 2014 (Friday)