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(Stock Exchange Code: 7419, Prime Market of the Tokyo Stock Exchange)
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Notice Regarding Introduction of Restricted Stock Compensation Plan

Nojima Corporation (the “Company”) hereby announces that it has resolved, at the Board of Directors meeting held today, to review its executive compensation system and introduce a restricted stock compensation plan (the “Plan”). The Plan will apply to directors and executive officers of the Company (collectively, “Eligible Officers”) as well as to directors, statutory auditors and executive officers of the Company’s subsidiaries (collectively, “Eligible Subsidiary Officers”; hereinafter, collectively referred to together with “Eligible Officers” as “Eligible Officers, etc.”). The details are described below.

1. Purpose and conditions for the introduction of the Plan

Following a review of its executive compensation system, the Company has decided to shift from its pre-existing stock option-based system to a restricted stock-based compensation plan.

The Plan is designed to provide Eligible Officers, etc., with an incentive to sustainably improve the Company’s corporate value while also furthering the sharing of value with all of our shareholders.

2. Overview of the Plan

The compensation paid to Eligible Officers under the Plan shall consist of either (1) Common stock of the Company; or (2) Monetary claims as property contributed in kind for the acquisition of the common stock of the Company. The compensation to be paid to Eligible Subsidiary Officers shall consist of monetary claims as property contributed in kind for the acquisition of the common stock of the Company. Common stock of the Company will be delivered to Eligible Officers, etc. by new issuance or disposal of treasury stock based on a resolution of the Board of Directors of the Company.

In cases where common stock of the Company is provided to Eligible Officers as compensation under the Plan without the payment of monetary claims, the issuance or disposal of said common stock itself shall serve as compensation. In such cases, the payment of monetary claims as property contributed in kind in exchange for the common stock will not be required. The amount of the Company’s common stock granted to Eligible Officers shall be calculated as an amount per share of said common stock based on its closing price on the Tokyo Stock Exchange on the business day prior to the date of the respective resolution(s) of

the Board of Directors regarding the issuance or disposal of said common stock (if there was no trading on that day, then the closing price of the most recent trading date prior to that day shall be used).

However, if monetary claims are granted as compensation under the Plan to Eligible Officers, etc. as property contributed in kind for the acquisition of the Company's common stock, Eligible Officers, etc. shall contribute all such monetary claims as property contributed in kind and receive common stock of the Company by new issuance or disposal of treasury stock based on a resolution of the Company's Compensation Committee or the Board of Directors of its subsidiaries. The amount paid per share in this case shall be determined by the Compensation Committee based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of the respective resolution(s) of the Board of Directors (if there was no trading on that day, then the closing price of the most recent trading date prior to that day shall be used) within a price range that is not particularly advantageous to Eligible Officers, etc. who subscribe for said common stock.

The specific timings and distribution of payments to each of the Eligible Officers, etc., shall be determined by the Compensation Committee.

Any issuance or disposal of the Company's common stock under the Plan (the "Stock") and the payment of monetary claims as property contributed in kind for the Stock shall be subject to the condition that a restricted stock allotment agreement is concluded between the Company and the Eligible Officers, etc. This agreement shall include the following terms: (1) Eligible Officers, etc., may not transfer, pledge, or otherwise dispose of the Stock for a certain period (the "Transfer Restriction Period"); and (2) Under specific circumstances, the Company may acquire the Stock without compensation. In order to prevent the transfer, pledge, or other forms of disposal of the Stock during the Transfer Restriction Period, the Stock shall be managed during the said Period in dedicated accounts to be opened by Eligible Officers, etc., at Nomura Securities Co., Ltd.

3.Others

Stock options (stock acquisition rights) issued to employees of the Company and its subsidiaries are granted fairly as compensation for the performance of their duties and do not constitute issuance under favorable conditions. Therefore, they are issued by resolution of the Board of Directors of the Company.