



February 10, 2017

For Immediate Release:

Company name: Fullcast Holdings Co., Ltd.  
Representative: Kazuki Sakamaki,  
President, Representative Director and CEO  
(Stock code: 4848; Stock Exchange listing:  
First Section of the Tokyo Stock Exchange)  
(ADR information: Symbol: FULCY, CUSIP: 35968P100)  
Contact: Yasuomi Tomotake,  
General Manager of the Accounting and Finance  
Department  
Telephone: +81-3-4530-4830

### **Announcement Regarding the Granting of Stock Options (Stock Acquisition Rights)**

Fullcast Holdings Co., Ltd. announced today the following with regard to the resolution passed at the meeting of the Board of Directors held on February 10, 2017 to discuss at the general meeting of shareholders for the 24th term scheduled to take place on March 24, 2017 the proposal requiring approval for the delegation to the Company's Board of Directors of approval of subscription matters and the gratis issuance of stock acquisition rights as stock options pursuant to "Article 236, Article 238, and Article 239 of the Companies Act".

#### **1. The Reason for Issuance of Stock Acquisition Rights under Particularly Favorable Conditions**

Stock acquisition rights will be issued on particularly favorable conditions in order to bolster employees' motivation and morale toward better performance and further implement management that aims to enhance corporate value. Stock acquisition rights will be issued to the employees of the Company's wholly-owned subsidiaries according to the outline below.

#### **2. Outline of Issuance of Stock Acquisition Rights**

##### **(1) Persons Receiving Allotment of Stock Acquisition Rights**

Employees of the Company's wholly-owned subsidiaries

##### **(2) Type and Number of Shares available under Stock Acquisition Rights**

The maximum number of shares available shall be 19,200 shares of the Company's ordinary shares (common stock). However, in cases where adjustments to the number of shares granted are made as prescribed below, the number shall be adjusted by multiplying the number of shares granted after adjustment by the total number of stock acquisition rights.

The type of shares for the stock acquisition rights shall be ordinary shares (common stock) and the number of

shares per one stock acquisition right (hereinafter, number of shares granted) shall be 100 shares. The number of shares granted shall be adjusted according to the following formula when the Company executes a share split (including the gratis allotment of the Company's common stock; hereinafter the same shall apply) or share consolidation after the allotment date of the stock acquisition rights (hereinafter, "allotment date"). However, such adjustments shall be made for the number of granted shares not exercised at that time, and quantities of less than one share resulting from the adjustment shall be rounded down.

Number of shares granted after adjustment = Number of shares granted before adjustment x Ratio of stock split or stock consolidation

The number of shares granted after adjustment shall apply on and after the day after the Record Date of share splits when the Company executes a share split and on and after the effective when the Company executes share consolidations. However, when a share split is executed under the condition that the proposal to increase paid-in capital or reserves due to a decline in surplus is approved at the general meeting of shareholders of the Company, and when a date prior to the end of this meeting of shareholders is set as the Record Date for the share split, the number of shares granted after adjustment shall apply retroactively to the day after the Record Date, which is on the day after the end of this meeting of shareholders.

In addition to the above, when an adjustment of the number of shares granted is required, the number of granted shares shall be adjusted within a reasonable scope.

### **(3) Total Number of Stock Acquisition Rights**

The maximum number of stock acquisition rights shall be 192.

### **(4) Payment Amount in Exchange for Stock Acquisition Rights**

The payment of cash is not required for stock acquisition rights for which subscription matters can be determined based on delegation of the general meeting of shareholders of the Company.

### **(5) Amount of Assets Required for Exercise of Stock Acquisition Rights**

The amount of assets required for exercise of each stock acquisition right shall be the amount realized by multiplying the number of shares granted by the payment amount of 1 yen per share that can be exchanged for shares with the exercise of the stock acquisition rights.

### **(6) Period for Exercise of Stock Acquisition Rights**

The period for exercising stock acquisition rights shall be 30 years from the date 4 years from the day after the allotment date.

### **(7) Conditions for the Exercise of Stock Acquisition Rights**

- i. In principle, persons who receive an allotment of stock acquisition rights (hereinafter, "stock acquisition rights holders") must be an employee of the Company's wholly-owned subsidiaries at the time of exercising these rights.
- ii. Of those stock acquisition rights allocated, only the number of exercisable stock acquisition rights determined based on the level of achievement of the operating income target for the final fiscal year of the medium-term management plan can be exercised.

**(8) Matters Relating to Increments of Capital Reserve and Additional Paid-in Capital that would Increase Stock Issuance by the Exercise of Stock Acquisition Rights**

- i. The amount of additional paid-in capital resulting from the issuance of shares due to the exercise of stock acquisition rights shall be half of the maximum of an increase in paid-in capital calculated in accordance with “Article 17(1) of Corporate Accounting Rules”, and any fractions of less than one yen resulting from such calculation shall be rounded up.
- ii. The amount of additional capital reserve resulting from the issuance of shares due to the exercise of stock acquisition rights shall be the amount resulting from the amount of the increase in paid-in capital prescribed in i. above subtracted from the maximum of an increase in paid-in capital described in i. above.

**(9) Restrictions on the Acquisition of Stock Acquisition Rights by Assignment**

The acquisition of stock acquisition rights by assignment requires approval of the Company’s Board of Directors.

**(10) Reason and Conditions for Acquisition of Stock Acquisition Rights**

If the following agenda items i., ii., iii., iv., or v. are approved at the general meeting of shareholders of the Company (if resolution of the meeting of shareholders is not required, when approved by resolution of the Company’s Board of Directors or when approved by an executive officer delegated in accordance with the provisions of Article 416 [4] of the Companies Act), the Company can acquire the stock acquisition rights for gratis on the date separately prescribed by the Board of Directors.

- i. Agenda items on approval of merger agreements in which the Company is not the surviving company
- ii. Agenda items on approval of a company spin-off agreement or plan based on which the Company will become a spin-off company
- iii. Agenda items on a stock swap agreement based upon which the Company will become a wholly-owned subsidiary or a stock transfer plan
- iv. Agenda items, as details of all shares issued by the Company, for approval of changes in the Articles of Incorporation with a provision established regarding the need for the Company’s approval concerning the acquisition of the shares by assignment
- v. Agenda items, as details of the type of shares for the stock acquisition rights, for approval of changes in the Articles of Incorporation with a provision established regarding the need for the Company’s approval concerning the acquisition of the shares of the said type by assignment and the acquisition of all the said type of shares by resolution of the general meeting of shareholders of the Company with regard to the shares

**(11) Handling of Stock Acquisition Rights Upon Organization Restructurings**

When undertaking a merger (limited to instances where the company is the non- surviving company in the merger), absorption-type demergers and incorporation-type demergers (limited to instances where each company will become a spin-off company), or stock swaps or stock transfers (limited to instances where each company will become a wholly-owned subsidiary) (hereinafter, “organizational restructuring act” shall be used to collectively refer to these terms), the Company shall issue stock acquisition rights of corporations cited in (a) to (e) of Item 8, Paragraph I, Article 236 of the Companies Act to stock acquisition rights holders who own the

remaining stock acquisition rights (hereinafter, “residual stock acquisition rights”) recently prior to the effective date of the organizational restructuring act (the date the absorption-type merger takes effect for absorption-type mergers, the date the new incorporated company is established in the case of incorporation-type mergers, the date the absorption-type demerger takes effect for absorption-type demergers, the date the new incorporated company is established in the case of incorporation-type demergers, the date the share exchange takes effect for share exchanges, and the date of the establishment of the complete parent company after share transfer for share transfers; hereinafter the same shall apply). In such cases, the residual stock acquisition rights will be cancelled and the Company Subject to Restructuring shall newly issue stock acquisition rights. The issuance of stock acquisition rights of the Restructuring Company must be prescribed following each of the following items in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type demerger agreement, incorporation-type demerger agreement, share exchange agreement or share transfer plan.

**i. Number of Stock Acquisition Rights Issued by Restructuring Company**

The number of stock acquisition rights held by stock acquisition rights holders and the same number will each be issued, respectively.

**ii. Type of Shares of Restructuring Company Required for Stock Acquisition Rights**

The ordinary stock (common stock) of the Restructuring Company.

**iii. Number of Shares of Restructuring Company Required for Stock Acquisition Rights**

Determined following (2) above based on the conditions of the organizational restructuring actions.

**iv. Amount of Assets Required for Exercise of Stock Acquisition Rights**

The amount of assets required for exercise of each stock acquisition right to be issued shall be the amount realized by multiplying the exercise price after restructuring prescribed below by the number of shares of the Restructuring Company with the purpose of the said stock acquisition rights approved in accordance with iii. above. The exercise price after restructuring shall be 1 yen per share of the Restructuring Company that can be received by exercise of each stock acquisition right to be issued.

**v. Period for Exercise of Stock Acquisition Rights**

The period for exercise of the stock acquisition rights shall be from the start date of the period for which the stock acquisition rights prescribed in (6) above can be exercised or the effective date of the organizational restructuring action, whichever is later, to the final date of the period for which the stock acquisition rights prescribed in (6) above can be exercised.

**vi. Matters Relating to Increments of Capital Reserve and Additional Paid-in Capital that would Increase Stock Issuance by the Exercise of Stock Acquisition Rights**

Determined following (8) above.

**vii. Restrictions on the Acquisition of Stock Acquisition Rights by Assignment**

The acquisition of stock acquisition rights by assignment requires approval of the Board of Directors of the Restructuring Company.

**viii. Reason and Conditions for Acquisition of Stock Acquisition Rights**

Determined following (10) above.

**(12) Handling of Fractional Number of Shares for Issuance from the Issuance of Stock Acquisition Rights**

Fractional quantities of less than one share resulting from the exercise of stock acquisition rights shall be rounded down.

(Note) The above matters are conditional pursuant to approval of Agenda Item “Issuance of Stock Acquisition Rights as Stock Options” at the general meeting of shareholders for the 24th term scheduled to take place on March 24, 2017.

**(Reference)**

After the completion of the general meeting of shareholders for the 24th term scheduled to take place on March 24, 2017, the Company plans to grant the same stock acquisition rights as those stock acquisition rights above in the amount of 96,000 shares to the Company’s Directors and 105,600 shares to Directors and Corporate Auditors of the Company’s wholly-owned subsidiaries. This means that in the future a total of 220,800 new shares may be issued. In such a scenario, the dilution rate versus the total number of shares issued would be 0.57%.