



[Translation]

June 30, 2020

Company Name: Prospect Co., Ltd.

Representative: President and CEO Masaru Oka

(Security Code: 3528 TSE 2nd Section)

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Notice regarding abolishing Directors' retirement benefits system

Prospect Co., Ltd. (the "Company") has resolved to abolish the retirement benefit system for Directors at the Board of Directors' meeting held on June 30, 2020.

Note

1. Reason for abolishing the system

As part of the management reform, the Company decided to abolish the Directors' retirement benefits system, which has a seniority factor that reflects the number of years in office and position, and a factor of deferred compensation.

2. Date to abolish the system

June 30, 2020

3. Regarding abolishing the system

At the end of the Company's 119th Annual General Meeting of Shareholders held on June 30, 2020, all Directors with recorded retirement benefits retired from their posts. In addition, along with the abolishment of the Directors' retirement benefits system, the Company decided not to pay the retirement benefits to those Directors.

4. Impact on business performance

The impact of this matter on the Company's business results for the fiscal year ending March 2021 is immaterial.

End