

***August 8, 2013***

To all parties concerned:

Company	Fujitec Co., Ltd. (Stock Code 6406)
Representative	Takakazu Uchiyama President and CEO
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### **Notice Concerning Introduction of “ESOP Trust Supporting Employee Shareholding Association”**

Fujitec Co., Ltd. (the “Company”) hereby announces that it has resolved at a meeting of its Board of Directors held on August 8, 2013, to introduce an employee incentive plan called "ESOP Trust Supporting Employee Shareholding Association" (hereinafter referred to as “ESOP Trust”), with the aim of raising corporate value over the medium and long terms. More details are given below.

(Please note that this English translation is only for reference purpose. When there are any discrepancies between Japanese version and English translation version, the original Japanese version always prevails.)

#### **1. Reason for Introduction of ESOP Trust**

The company decided to introduce ESOP Trust for the purpose of providing incentives to improve its performance with employees, and increasing their awareness about its share price and performance, and thus boosting medium- and long-term corporate value.

#### **2. Outline of ESOP Trust**

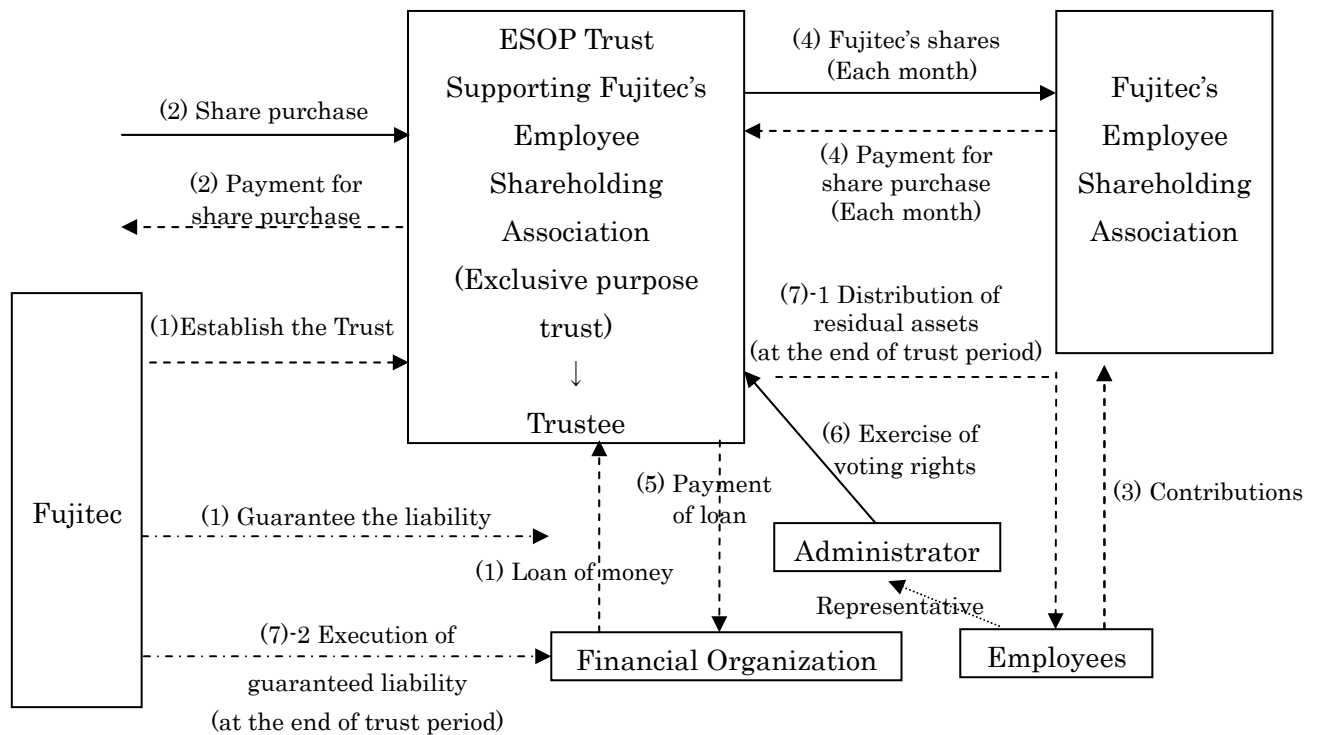
ESOP Trust is a scheme which aims to encourage employees’ shareholdings, and is designed to comply with laws and regulations in Japan, where the framework of Fujitec’s Employee Shareholding Association (hereinafter referred to as “the Association”) is incorporated with a trust scheme, based on the Employee Stock Ownership Plan (ESOP) system in the United States.

Specifically, the Company will establish a trust, beneficiaries of which shall be employees who belong to the Association and meet certain requirements. The trust will, within a time period to be fixed in advance, purchase a certain number of the Company shares, the Association is expected to purchase over a certain period of time. Subsequently, the trust will sell those shares to the Association each month at a certain fixed date. In the event that, at the end of the trust period, there

is some profit generated by rise in share prices, the profit will be distributed to each beneficiary employee according to his or her contribution ratio. In the event that a loss incurred due to decline in share price leaves the trust fund with a debt, the Company will pay all such debts to the bank(s), based on the guarantee provision of the loan agreement with liability limitation covenant, and there will be no additional financial burden to be imposed on employees.

At the time of introduction of this scheme, the ESOP Trust will purchase a certain number of shares in advance, the Association is expected to purchase during the trust period. You will be kept informed of any further details concerning the ESOP Trust, including trust period, term, and purchase price of shares, etc, as soon as they are fixed.

### 3. Framework of ESOP Trust



(1) The Company establishes, through a financial organization, the ESOP Trust to support the Association. The ESOP Trust takes a necessary loan from the financial organization for the purpose of purchasing shares of the Company. (The Company guarantees the loan of the ESOP Trust from the financial organization.)

(2) By using the loan, the ESOP Trust purchases shares of the Company.

(3) Employees of the Company make payment of contributions to the Association each month.

(4) The Association purchases shares of the Company each month from the ESOP trust over a certain period of time.

(5) The ESOP Trust pays off the loan to the financial organization by using the funds it obtains from sales of shares to the Association.

(6) The administrator exercises voting rights on behalf of the ESOP trust.

(7)-1 At the end of the trust period, if there are residual assets in the ESOP Trust, after full payment of the loan due to rise in share price, the assets will be distributed to beneficiaries (employees) according to the predetermined procedures.

(7)-2 At the end of the trust period, if there is a lack of funding to repay the loan due to decline in share price, the Company executes guaranteed liability to the financial organization.