

## Notice Regarding Determination of Details for Stock-Based Remuneration Plan

Furusato Industries, Ltd. (the “Company”) has announced today that at the meeting of Board of Directors held on July 31, 2017, a resolution was made concerning the details for a stock-based remuneration plan (hereinafter the “Plan”) for Directors (excluding outside directors; hereinafter the same) of the Company, which was resolved to introduce at the meeting of Board of Directors held on May 8, 2017 and which was approved at the 59th Ordinary General Meeting of Shareholders to be convened on June 28, 2017 (hereinafter the “Shareholder Meeting”). The details of the Plan are as follows;

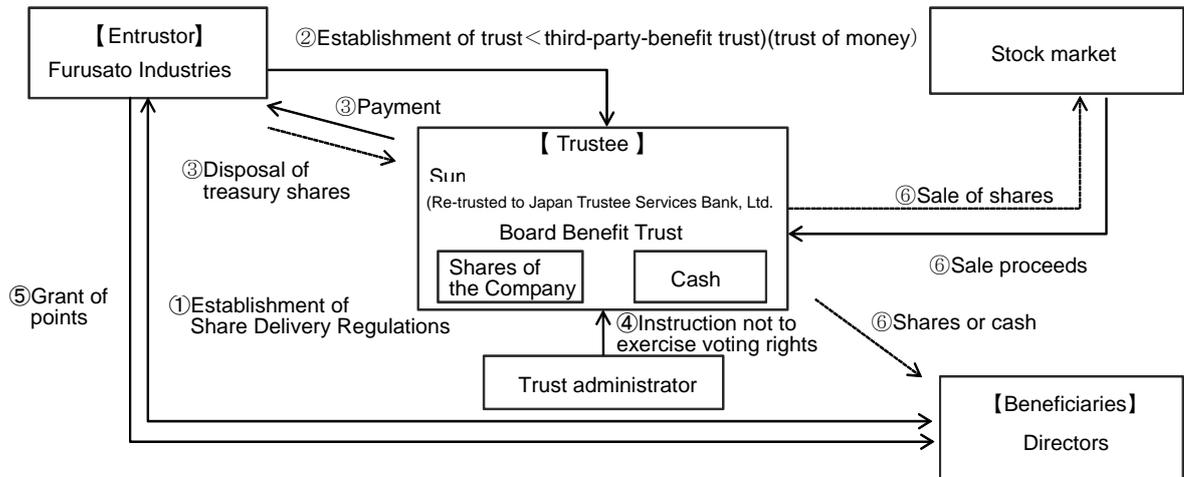
### 1. “Board Benefit Trust” to be introduced by the Company

(1) Name	Board Benefit Trust
(2) Entrustor	The Company
(3) Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trusted to Japan Trustee Services Bank, Ltd.)
(4) Beneficiaries	Directors of the Company who meet the beneficiary requirements
(5) Trust administrator	To be selected from third parties having no conflict of interests with the Company
(6) Type of trust	Money trust other than cash trusts (third-party-benefit trust)
(7) Date of execution of the Trust Agreement	August 18, 2017 (scheduled)
(8) Date on which money will be entrusted	August 18, 2017 (scheduled)
(9) Trust termination date	End of September 2020 (scheduled)

### 2. The Company’s shares to be acquired for the trust

(1) The type of shares to be acquired	Common shares
(2) The amount of funds entrusted for acquiring the shares	40,480,000 yen
(3) The number of shares to be acquired	23,200 shares
(4) The method of acquiring the shares	Disposition of the Company’s treasury stock (third-party allotment)
(5) Date on which the shares are to be acquired	August 18, 2017 (scheduled)

<Outline of the Structure of the Plan>



- ① The Company shall establish Share Delivery Regulations for Directors.
- ② The Company shall establish the Board Benefit Trust (third-party-benefit trust) for Directors as beneficiaries (hereinafter, the "Trust"). When doing so, the Company shall entrust such amount of money corresponding to the funds for the acquisition of shares to trustee (Provided that the entrusted amount should be up to the amount approved by the General Meeting of Shareholders).
- ③ The trustee shall collectively acquire (through the disposition of treasury stock) the number of the Company's shares that are expected to be delivered to the beneficiaries in future.
- ④ The Company shall appoint a trust administrator (to be limited to be a party independent of the Company or any directors and corporate auditors of the Company) who is responsible throughout the trust period for protecting the interests of the beneficiaries who are covered by the Share Delivery Regulations and supervising the trustee. Throughout the trust period, the trust administrator shall give instructions not to exercise any voting rights associated with the shares of the Company held within the Trust.
- ⑤ Pursuant to the Share Delivery Regulations, the Company shall grant points to the eligible Directors.
- ⑥ The Trustee will be deliver the Company's shares corresponding to points accumulated to directors who meet the requirements stipulated in the Share Delivery Regulations and the trust agreement for the Trust as the beneficiaries of the Trust. In certain specific cases set forth in advance in the Share Delivery Regulations and the Trust Agreement for the Trust, the Trustee shall sell some of the Company's shares to be delivered in the stock market and deliver cash.

It is intended that any of the Company's shares remaining as residual Trust assets at the time of termination of the Trust shall be retired based on the resolution of the Board of Directors after the Company acquires all such shares gratis. It is intended that any money remaining as residual Trust assets at the time of termination of the Trust shall be donated to a specified public interest promotion corporation in which the Company and the Company's

officers have no interest as stipulated in advance in the Share Delivery Regulations and the trust agreement for the Trust.

Sumitomo Mitsui Trust Bank Limited. , the trustee in the Plan, shall entrust its management of trust assets (re-trust) to Japan Trusty Services Bank, Ltd.