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Securities Code: 2918
May 8, 2019

To our shareholders:

Hiroyuki Otomo, Representative Director, President
Warabeya Nichiyo Holdings Co., Ltd.
13-19, Tomihisa-cho, Shinjuku-ku, Tokyo, Japan

Notice of the 55th Annual General Meeting of Shareholders

You are cordially invited to attend the 55th Annual General Meeting of Shareholders of Warabeya Nichiyo Holdings Co., Ltd. (the “Company”), which will be held as indicated below.

If you are unable to attend the Meeting in person, you may exercise your voting rights in writing or via the internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and then exercise your voting rights by 6:00 p.m. on Wednesday, May 22, 2019 (JST).

- 1. Date and Time:** Thursday, May 23, 2019 at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)
- 2. Venue:** Royal Hall I, 3F, RIHGA Royal Hotel Tokyo
1-104-19 Totsuka-machi, Shinjuku-ku, Tokyo, Japan

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 55th fiscal year (from March 1, 2018 to February 28, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 55th fiscal year (From March 1, 2018 to February 28, 2019)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Partial Amendments to the Articles of Incorporation |
| Proposal No. 3 | Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Election of Four Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 5 | Setting of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 6 | Setting of Remuneration for Directors Who Are Audit and Supervisory Committee Members |

4. Other Decisions on the Convocation

- (1) Voting by proxy
If you are unable to attend the Meeting in person, you can have another shareholder with voting rights attend the Meeting as a proxy. However, please note that it is necessary to submit a document certifying proxy authority.
- (2) Please note if you exercise your voting rights both in writing and via the internet, your voting via the internet shall prevail.
- (3) If you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.

- If you attend the Meeting in person, please submit the enclosed voting form at the reception desk.
- Of the documents attached to this Notice, “Notes to Consolidated Financial Statement” and “Notes to Non-consolidated Financial Statements” are posted on the Company’s website (<http://www.warabeya.co.jp/>, in Japanese only) in accordance with laws and regulations, and the provision in Article 15 of the Company’s Articles of Incorporation. Therefore, they are not included in this

Notice of the Annual General Meeting of Shareholders. The Consolidated Financial Statements and the Non-consolidated Financial Statements audited by Audit & Supervisory Board Members and Financial Auditor consist of the documents included in this Notice and “Notes to Consolidated Financial Statement” and “Note to Non-consolidated Financial Statements” posted on the Company’s website.

- If any revisions are made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements, they will be posted on the Company’s website (<http://www.warabeya.co.jp/>, in Japanese only).
- Note that gifts will not be provided to shareholders who attend the general meeting of shareholders.
We appreciate your understanding in advance.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1 Appropriation of Surplus

The Warabeya Nichiyo Group (the “Group”) regards the appropriate return of profit to its shareholders as an important management policy and it has made its basic policy to implement dividends with a targeted consolidated dividend payout ratio of 25%. After considering its business performance for the fiscal year as well as giving regard to stable dividends payment etc. from the perspective of placing importance on the return of profit to shareholders, the Company proposes to pay year-end dividends for the fiscal year as follows:

Year-end dividends

1. Type of dividend property
To be paid in cash.
2. Allotment of dividend property to shareholders and their aggregate amount
¥40 per common share of the Company
Total payment: ¥704,558,720
3. Effective date of dividends of surplus
May 24, 2019

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

The Company will make the transition to a company with audit and supervisory committee in an aim to strengthen the supervisory functions of the Board of Directors, and further enhance the level of corporate governance. Accordingly, necessary amendments will be made to the Articles of Incorporation to reflect these changes, such as the addition of provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members, and the removal of provisions concerning the Audit & Supervisory Board and Audit & Supervisory Board Members.

Further, the proposed amendments will require additional changes, such as amendments to Article numbers.

2. Details of the amendments

Details of the amendments are as follows. The terms of office of all currently serving Directors will expire at the conclusion of this annual general meeting of shareholders.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>(Organs) Article 4 The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs: (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Financial Auditor</p>	<p>(Organs) Article 4 The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs: (1) Board of Directors (2) <u>Audit and Supervisory Committee</u> <Deleted> (3) Financial Auditor</p>
<p>Chapter IV Directors and Board of Directors (Number of Directors) Article 18 The Company shall have not more than <u>15</u> Directors. <Newly established></p>	<p>Chapter IV Directors, <u>Board of Directors and Audit and Supervisory Committee</u> (Number of Directors) Article 18 <u>1</u> The Company shall have not more than <u>ten</u> Directors (excluding Directors who are Audit and Supervisory Committee Members.) <u>2</u> The Company shall have not more than <u>five</u> Directors who are Audit and Supervisory Committee Members.</p>
<p>(Method of Election) Article 19 1 Directors shall be elected at a general meeting of shareholders. 2 Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. 3 Resolutions for the election of Directors shall not be conducted by cumulative voting.</p>	<p>(Method of Election) Article 19 1 Directors shall be <u>classified as Directors who are Audit and Supervisory Committee Members and other Directors, and</u> elected at a general meeting of shareholders. 2 Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. 3 Resolutions for the election of Directors shall not be conducted by cumulative voting.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Term of Office) Article 20 The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p style="text-align: center;"><Newly established></p> <p style="text-align: center;"><Newly established></p> <p style="text-align: center;"><Newly established></p>	<p>(Term of Office) Article 20</p> <p><u>1</u> The term of office of a Director <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p><u>2</u> The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director.</p> <p><u>3</u> The term of office of a Director who is an Audit and Supervisory Committee Member who is elected as the substitute for a Director who is an Audit and Supervisory Committee Member who retired from office before the expiration of the term of office shall continue until the time the term of office of the retired Director who is an Audit and Supervisory Committee Member is to expire.</p> <p><u>4</u> The provisional election of substitute Audit and Supervisory Committee Members shall remain in effect following the general meeting of shareholders in which said candidate was elected until the start of the annual general meeting of shareholders two years from the initial election.</p>
<p>(Notice of Meeting of the Board of Directors) Article 23</p> <p>1 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs.</p> <p>2 With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures.</p>	<p>(Notice of Meeting of the Board of Directors) Article 23</p> <p>1 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs.</p> <p>2 With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.</p>
<p style="text-align: center;"><Newly established></p> <p style="text-align: center;"><Newly established></p>	<p><u>(Notice of Meeting of the Audit and Supervisory Committee)</u> <u>Article 24</u></p> <p><u>1</u> <u>When convening a meeting of the Audit and Supervisory Committee, a notice shall be dispatched to each Audit and Supervisory Committee Member at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs.</u></p> <p><u>2</u> <u>With the consent of all Audit and Supervisory Committee Members, a meeting of the Audit and Supervisory Committee may be held without following the convening procedures.</u></p>
<p>Article <u>24</u> – Article <u>25</u> (Omitted)</p>	<p>Article <u>25</u> – Article <u>26</u> (Unchanged)</p>
<p style="text-align: center;"><Newly established></p>	<p><u>(Delegation to Directors)</u> <u>Article 27</u> <u>Pursuant to the provisions of Article 399-13, paragraph 6 of the Companies Act, the Company may, by resolution of the Board of Directors, delegate decisions on the execution of important business affairs (excluding matters prescribed in paragraph 5 of the same Article) to Directors.</u></p>
<p>Article <u>26</u> (Omitted)</p>	<p>Article <u>28</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p><Newly established></p>	<p><u>(Regulations of the Audit and Supervisory Committee)</u> <u>Article 29</u> <u>Matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>
<p>(Remuneration, Etc.) <u>Article 27</u> Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties (<u>hereinafter referred to as the “Remuneration, Etc.”</u>) to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>(Remuneration, Etc.) <u>Article 30</u> Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors shall be determined by resolution of a general meeting of shareholders <u>according to the classification of Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>
<p>Article 28 – Article 29 (Omitted)</p>	<p>Article 31 – Article 32 (Unchanged)</p>
<p style="text-align: center;"><u>Chapter V</u> <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u> <u>(Number of Audit & Supervisory Board Members)</u> <u>Article 30</u> <u>The Company shall have not more than five Audit & Supervisory Board Members.</u></p>	<p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p>
<p>(Method of Election) <u>Article 31</u> 1 <u>Audit & Supervisory Board Members shall be elected at a general meeting of shareholders.</u> 2 <u>Resolutions on the election of an Audit & Supervisory Board Member shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present.</u> 3 <u>In preparation for cases where the number of Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, substitute Audit & Supervisory Board Members may be elected at a general meeting of shareholders.</u> 4 <u>The effective term of the resolution for election of a substitute Audit & Supervisory Board Member under the preceding paragraph shall expire at the start of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election.</u></p>	<p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Term of Office)</u> <u>Article 32</u> <u>1 The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Audit & Supervisory Board Member.</u> <u>2 The term of office of an Audit & Supervisory Board Member who is elected as the substitute for an Audit & Supervisory Board Member who retired from office before the expiration of the term of office shall continue until the time the term of office of the predecessor is to expire. Provided, however, that if the substitute Audit & Supervisory Board Member who is elected pursuant to paragraph 3 of the preceding article assumes office of Audit & Supervisory Board Member, it cannot exceed the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the substitute Audit & Supervisory Board Member.</u></p>	<p><Deleted></p> <p><Deleted></p>
<p><u>(Full-Time Audit & Supervisory Board Members)</u> <u>Article 33</u> <u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</u></p>	<p><Deleted></p>
<p><u>(Notice of Meeting of the Audit & Supervisory Board)</u> <u>Article 34</u> <u>1 When convening a meeting of the Audit & Supervisory Board, a notice shall be dispatched to each Audit & Supervisory Board Member at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs.</u> <u>2 With the consent of all Audit & Supervisory Board Members, a meeting of the Audit & Supervisory Board may be held without following the convening procedures.</u></p>	<p><Deleted></p> <p><Deleted></p>
<p><u>(Regulations of the Audit & Supervisory Board)</u> <u>Article 35</u> <u>Matters concerning the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board established by the Audit & Supervisory Board, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>	<p><Deleted></p>
<p><u>(Remuneration, Etc.)</u> <u>Article 36</u> <u>The Remuneration, Etc. to Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	<p><Deleted></p>
<p><u>(Exemption of Audit & Supervisory Board Members From Liability)</u> <u>Article 37</u> <u>The Company may enter into limited liability agreement with Audit & Supervisory Board Members should the legal requirements concerning the liability for damages be met as prescribed in Article 423, paragraph 1 of the Companies Act. However, the maximum amount of liability for damages under this agreements shall be the amount prescribed by laws and regulations.</u></p>	<p><Deleted></p>
<p>Chapter <u>VI</u> Accounts</p>	<p>Chapter <u>V</u> Accounts</p>
<p>Article <u>38</u> – Article <u>40</u> (Omitted)</p>	<p>Article <u>33</u> – Article <u>35</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p><Newly established></p>	<p><u>Supplementary Provisions</u> <u>(Transitional Measures Concerning the Exemption of Audit & Supervisory Board Members From Liability)</u> <u>Agreements to limit the liability for damages according to Article 423, paragraph 1 of the Companies Act in relation to actions taken by Audit & Supervisory Board Members (including persons who were previously Audit & Supervisory Board Members) prior to the conclusion of the 55th Annual General Meeting of Shareholders shall be set based on Article 37 of the Articles of Incorporation prior to the amendments proposed through the resolution introduced at the same annual general meeting of shareholders.</u></p>

Proposal No. 3 Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. Accordingly, the terms of office of all currently serving Directors (six Directors) will expire at the conclusion of this annual general meeting of shareholders. Therefore, the Company proposes the election of four Directors (excluding Directors who are Audit and Supervisory Committee Members).

This proposal, however, can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Hiroyuki Otomo (January 30, 1962)	<p>Jan. 1988 Joined Nichiyo Co., Ltd.</p> <p>May 1991 Director and Assistant General Manager of Gourmet Business Dept. of the Company</p> <p>Mar. 1992 Director and General Manager in charge of Delicatessen, Sales Dept.</p> <p>May 1998 Managing Director</p> <p>May 2003 Managing Director and Head of Administrative Management Headquarters</p> <p>Oct. 2005 Director Representative Director, President of Nichiyo Co., Ltd.</p> <p>May 2009 Managing Director and Head of General Business Headquarters of the Company</p> <p>Aug. 2011 Executive Director and Head of General Business Headquarters</p> <p>Mar. 2012 Executive Director and Head of Production Headquarters</p> <p>Apr. 2014 Representative Director, Vice President and Head of Production Headquarters</p> <p>May 2015 Representative Director, President (current position)</p> <p>Sept. 2016 Representative Director, President of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director, President of Warabeya Nichiyo Co., Ltd.</p>	520,800 shares
<p>[Reasons for nomination]</p> <p>Hiroyuki Otomo has accumulated experience and achievements in various fields including sales, production and management in the Group, and has been involved in business management. He has served as Representative Director and President of the Company since 2015 and has abundant experience in business and corporate management of the Company. The Company proposes his election because it is expected that he will utilize his experience to contribute to the further growth of the Group and the improvement of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Hideo Tsuji (January 21, 1964)	<p>Feb. 1997 Joined Nichiyo Carry Co., Ltd. (currently Bestrans Co., Ltd.)</p> <p>May 2003 Director, Head of Sales Headquarters and General Manager of Business Promotion Dept.</p> <p>May 2006 Managing Director</p> <p>May 2011 Representative Director, President of Warabeya Hokkaido Co., Ltd.</p> <p>Mar. 2013 Representative Director, President of Warabeya Tokai Co., Ltd.</p> <p>May 2016 Representative Director, President of Warabeya Kansai Co., Ltd. (currently Warabeya Nichiyo Co., Ltd.)</p> <p>Sept. 2016 Director, Executive Officer and Head of Western Japan Business Headquarters</p> <p>June 2017 Director, Executive Officer and General Manager of International Business Dept., supervising Quality Assurance Dept.</p> <p>May 2018 Director, Managing Executive Officer, in charge of international business and supervising Corporate Planning Dept. and Quality Assurance Dept.</p> <p>Mar. 2019 Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p> <p>Director, Senior Managing Executive Officer, in charge of international business and supervising Corporate Planning Dept. and Quality Assurance Dept. (current position)</p> <p>Director, Senior Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director, Senior Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p>	2,000 shares
<p>[Reasons for nomination]</p> <p>Hideo Tsuji has been involved in sales, production, quality assurance, international business in the Group, and has accumulated experience and achievements in various fields. He has served as Director and Managing Executive Officer of the Company since 2018, and as Director and Senior Managing Executive Officer since 2019, and has knowledge and experience necessary for the sound and appropriate management of the Group. The Company proposes his election because it is expected that he will utilize his experience to contribute to the further growth of the Group and the improvement of corporate value.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Tsunehisa Shirai (March 16, 1964)	<p>Dec. 1987 Joined the Company</p> <p>Oct. 2004 General Manager of Products Dept., Capital Region Business Headquarters</p> <p>May 2006 Director and Deputy Head of Capital Region Business Headquarters</p> <p>May 2007 Director and Head of Capital Region Business Headquarters, General Business Headquarters</p> <p>Mar. 2010 Director and Deputy Head of General Business Headquarters</p> <p>Mar. 2012 Managing Director and Head of Products Headquarters</p> <p>Dec. 2015 Managing Director and Head of Capital Region Business Headquarters</p> <p>Sept. 2016 Director, Managing Executive Officer Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>May 2018 Director, Managing Executive Officer in charge of Domestic Food Products Business (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p>	5,000 shares
<p>[Reasons for nomination]</p> <p>Tsunehisa Shirai has been involved in sales, production and product development in the Group, and has accumulated experience and achievements in various fields. He has served as Managing Director of the Company since 2012, and Director and Managing Executive Officer since 2016, and has knowledge and experience necessary for the sound and appropriate management of the Group. The Company proposes his election because it is expected that he will utilize his experience to contribute to the further growth of the Group and the improvement of corporate value.</p>			
4	Naoshi Asano (August 7, 1962)	<p>Jan. 2004 Joined the Company</p> <p>May 2007 General Manager of Accounting and Finance Dept., Administrative Management Headquarters</p> <p>May 2009 Director and General Manager of Accounting and Finance Dept., Administrative Management Headquarters</p> <p>Sept. 2016 Director, Managing Executive Officer, supervising Group Administration Dept. and Financial Planning Dept. Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>Mar. 2019 Director, Managing Executive Officer, supervising General Affairs Dept., Human Resources Dept. and Financial Planning Dept. (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p>	3,600 shares
<p>[Reasons for nomination]</p> <p>Naoshi Asano has been involved in accounting, finance, and general affairs in the Group, and has accumulated experience and achievements in various fields. He has served as Director and Managing Executive Officer of the Company since 2016 and has knowledge and experience necessary for the sound and appropriate management of the Group. The Company proposes his election because it is expected that he will utilize his experience to contribute to the further growth of the Group and the improvement of corporate value.</p>			

(Note) There is no special interest between any of the candidates and the Company.

Proposal No. 4 Election of Four Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. Therefore, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members.

This proposal, however, can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

The candidates for Director who are Audit and Supervisory Committee Members are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Mikio Imura (December 20, 1956)	Apr. 2007 Joined the Company May 2011 General Manager of Corporate Strategy Dept. May 2013 Full-Time Audit & Supervisory Board Member of the Company (current position) Audit & Supervisory Board Member of Warabeya Kansai Co., Ltd. (currently Warabeya Nichiyo Co., Ltd.) (current position) (Significant concurrent positions outside the Company) Audit & Supervisory Board Member of Warabeya Nichiyo Co., Ltd.	1,300 shares
		[Reasons for nomination] Mikio Imura has experience in the corporate planning department of the Company as well as experience in financial institutions, and has conducted audits for the overall management of the Group as an Audit & Supervisory Board Member. Based on this abundant knowledge and experience, the Company believes that he is capable of appropriately fulfilling his duties as a Director who is Audit and Supervisory Committee Member, and proposes his election.	
2	Koichi Furukawa (September 16, 1942)	Apr. 1965 Joined Morinaga Milk Industry Co., Ltd. June 1997 Director June 2003 President June 2012 Senior Advisor May 2015 Outside Director of the Company (current position)	1,000 shares
		[Reasons for nomination] Following his tenure serving as President of Morinaga Milk Industry Co., Ltd., etc., Koichi Furukawa has supervised and provided advice for the management of the Group as outside Director. Based on this abundant knowledge and experience, the Company believes that he is capable of appropriately fulfilling his duties as a Director who is Audit and Supervisory Committee Member, and proposes his election.	

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned	
3	Takashi Himeda (June 15, 1955)	Apr. 1979	Joined Ministry of Agriculture, Forestry and Fisheries (Livestock Industry Bureau)	300 shares
		Aug. 2011	Councillor (Deputy Director-General, Food Safety and Consumer Affairs Bureau), Minister's Secretariat	
		Sept. 2012	Director General of the Food Safety Commission Secretariat, Cabinet Office	
		Sept. 2016	Advisor of Japan Livestock Industry Association	
		Nov. 2016	General Advisor	
		May 2017	Outside Director of the Company (current position)	
		June 2017	Vice Chairman of Japan Livestock Industry Association (current position)	
		(Significant concurrent positions outside the Company) Vice Chairman of Japan Livestock Industry Association		
	[Reasons for nomination] Takashi Himeda has never been directly involved in the management of a company. However, he played a leading role in the fields of administration of livestock and food safety at the Ministry of Agriculture, Forestry and Fisheries and the Cabinet Office, and has since supervised and provided advice for the management of the Group as outside Director. Based on this abundant knowledge and experience, the Company believes that he is capable of appropriately fulfilling his duties as a Director who is Audit and Supervisory Committee Member, and proposes his election.			
4	Masato Tanimura (June 26, 1967)	Apr. 1994	Registered as an attorney at law (Daini Tokyo Bar Association)	4,800 shares
		Apr. 1994	Joined MINAMI AOYAMA LAW OFFICES	
		May 2005	Outside Audit & Supervisory Board Member of the Company (current position)	
		Aug. 2012	Established SHIKI-NO-KAZE LAW GROUP (current present)	
	[Reasons for nomination] Masato Tanimura has never been directly involved in the management of a company. However, he has extensive expertise and experience in legal affairs accumulated over many years as an attorney at law. Further, he has conducted audits for the management of the Group as an outside Audit & Supervisory Board Member. Based on this abundant knowledge and experience, the Company believes that he is capable of appropriately fulfilling his duties as a Director who is Audit and Supervisory Committee Member, and proposes his election.			

- (Notes)
- There is no special interest between any of the candidates and the Company.
 - Koichi Furukawa, Takashi Himeda and Masato Tanimura are candidates for outside Director who are Audit and Supervisory Committee Members.
 - At the conclusion of this annual general meeting of shareholders, Koichi Furukawa's tenure as outside Director of the Company will have been four years. At the conclusion of this annual general meeting of shareholders, Takashi Himeda's tenure as outside Director of the Company will have been two years.
 - The Company has entered into a limited liability agreement with Koichi Furukawa and Takashi Himeda, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act and Article 29 of the Company's Articles of Incorporation. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations, and if they are elected, the Company plans to renew the aforementioned agreement with them.
 - The Company has entered into a limited liability agreement with Mikio Imura and Masato Tanimura, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act and Article 37 of the Company's Articles of Incorporation. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations, and if they are elected, the Company plans to conclude limited liability agreement with them based on the provisions of the Articles of Incorporation (Exemption from Liability for Directors).
 - The Company has submitted notification to the Tokyo Stock Exchange that Koichi Furukawa, Takashi Himeda and Masato Tanimura have been appointed as independent officers as provided for by the aforementioned exchange. If they are elected, the Company plans for their appointment as independent officers to continue.

Proposal No. 5 Setting of Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

While resolutions were passed on the remuneration for Directors of the Company as a fixed remuneration amount of ¥400 million or less per year at the 43rd Annual General Meeting of Shareholders held on May 24, 2007, and for the introduction of a performance-based remuneration system at the 51st Annual General Meeting of Shareholders held on May 28, 2015, subject to the approval and adoption of Proposal No. 2: “Partial Amendments to the Articles of Incorporation,” the Company shall transition to a company with audit and supervisory committee.

Accordingly, the Company proposes the abolishment of provisions concerning Director remuneration currently in effect, and for the introduction of Director (excluding Directors who are Audit and Supervisory Committee Members) remuneration as follows. Please note that, said Director (excluding Directors who are Audit and Supervisory Committee Members) remuneration does not include employee wages for Directors who concurrently serve as employees of the Company.

This proposal, however, can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.

1. Fixed remuneration

In consideration of various economic conditions and other circumstances, the Company proposes that fixed remuneration be set at ¥300 million per year or less. Upon approval of Proposal No. 2: “Partial Amendments to the Articles of Incorporation” and Proposal No. 3: “Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” as proposed, four Directors (excluding Directors who are Audit and Supervisory Committee Members) will be subject to this proposal.

2. Performance-based remuneration

In addition to the above mentioned fixed remuneration, the Company proposes that the Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) shall be paid a performance-based remuneration as outlined in the table below based on the profit attributable to owners of parent. This proposal is made based on a concept that the setting of remuneration tied to business performance is appropriate as a form of Director remuneration, while linking performance to remuneration also enhances Director (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) motivation and drive to improve business performance.

Upon approval of Proposal No. 2: “Partial Amendments to the Articles of Incorporation” and Proposal No. 3: “Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” as proposed, four Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) will be subject to this proposal.

The Company also asks that the distribution of such be entrusted to the Board of Directors.

Standard for profit attributable to owners of parent	Remuneration amount
¥1,000 million or less	¥0
More than ¥1,000 million – ¥2,000 million or less	¥60 million
More than ¥2,000 million – ¥3,500 million or less	¥90 million
More than ¥3,500 million – ¥5,000 million or less	¥120 million
More than ¥5,000 million	¥150 million

With regard to the calculation method used for performance-based remuneration, the use of consolidated performance as a measure of business performance is due to this metric being considered an appropriate means of evaluating the role Directors of the Company fulfill in improving the performance of the entire Group, included consolidated subsidiaries of the Company.

Proposal No. 6 Setting of Remuneration for Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee.

Accordingly, the Company proposes the setting of remuneration for Directors who are Audit and Supervisory Committee Members to ¥80 million or less in consideration for the duties and responsibilities of Directors who are Audit and Supervisory Committee Members.

Upon approval of Proposal No. 2: “Partial Amendments to the Articles of Incorporation” and Proposal No. 4: “Election of Four Directors Who Are Audit and Supervisory Committee Members)” as proposed, there will be four Directors who are Audit and Supervisory Committee Members.

This proposal, however, can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” takes effect.