

Securities Code: 2918
May 10, 2017

To our shareholders:

Hiroyuki Otomo, Representative Director, President
Warabeya Nichiyo Holdings Co., Ltd.
5-7-10 Ogawa-higashi-cho, Kodaira-shi, Tokyo, Japan

Notice of the 53rd Annual General Meeting of Shareholders

You are cordially invited to attend the 53rd 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 24, 2017 (JST).

- 1. Date and Time:** Thursday, May 25, 2017 at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)
- 2. Venue:** Carlo Grande, 4F, Tachikawa Grand Hotel
2-14-16 Akebono-cho, Tachikawa-shi, Tokyo, Japan

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 53rd fiscal year (from March 1, 2016 to February 28, 2017), 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 53rd fiscal year (From March 1, 2016 to February 28, 2017)

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 Eight Directors |
| Proposal No. 4 | Election of Two Audit & Supervisory Board Members |
| Proposal No. 5 | Election of One Substitute Audit & Supervisory Board Member |

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).

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: ¥704,564,400
3. Effective date of dividends of surplus
May 26, 2017

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

- (1) In preparation for future business expansion, the Group has decided to relocate the head office in order to consolidate group companies as much as possible and to further improve operational efficiency. In accordance with this, an amendment will be made to Article 3 (Location of the Head Office) of the current Articles of Incorporation changing the current “Kodaira-shi, Tokyo” to “Shinjuku-ku, Tokyo.” This amendment shall take effect on the date of relocation of the head office which is to be determined by the Board of Directors meeting to be held on or before December 31, 2017 in accordance with Supplementary Provision Article 1 and this Supplementary Provision Article 1 shall be removed after the above amendment takes effect.
- (2) In order to establish a management system that can respond quickly to changes in the business environment, and in order to clarify the management responsibilities of Directors, the term of office of Directors provided for under Article 20 (Term of Office), paragraph 1 of the current Articles of Incorporation will be shortened from the current two years to one year. In accordance with this, Article 20, paragraph 2 of the current Articles of Incorporation concerning the adjustment of the term of office of Directors will be removed.
- (3) In preparation for cases in which the number of Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, and in order to secure human resources suitable to be Audit & Supervisory Board Members, a new provision will be established in Article 31 (Method of Election) of the current Articles of Incorporation to stipulate the validity of the election of substitute Audit & Supervisory Board Members to be four years and clarify the term of office in Article 32 (Term of Office), paragraph 2 of the current Articles of Incorporation when a substitute Audit & Supervisory Board Member assumes the office of Audit & Supervisory Board Member.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>(Location of the Head Office) Article 3 The head office of the Company shall be located at <u>Kodaira-shi</u>, Tokyo.</p> <p>(Term of Office) Article 20 1. 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 <u>two</u> year after the election of the Director.</p> <p>2. <u>The term of office of the Director elected by substitution or addition shall be until the terms of office of the other currently serving Directors expire.</u></p>	<p>(Location of the Head Office) Article 3 The head office of the Company shall be located at <u>Shinjuku-ku</u>, Tokyo.</p> <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 <u>one</u> year after the election of the Director.</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Method of Election)</p> <p>Article 31</p> <ol style="list-style-type: none"> 1. Audit & Supervisory Board Members shall be elected at a general meeting of shareholders. 2. 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. <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Method of Election)</p> <p>Article 31</p> <ol style="list-style-type: none"> 1. Audit & Supervisory Board Members shall be elected at a general meeting of shareholders. 2. 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. 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>(Term of Office)</p> <p>Article 32</p> <ol style="list-style-type: none"> 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. 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. <p>(Newly established)</p>	<p>(Term of Office)</p> <p>Article 32</p> <ol style="list-style-type: none"> 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. 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. <u>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>(Supplementary Provisions)</p> <p><u>Article 1</u></p> <p><u>Amendments to the Article 3 (Location of the Head Office) shall take effect on the date of relocation of the head office which is to be determined by the Board of Directors to be held on or before December 31, 2017. This article shall be removed after the effective date.</u></p>

Proposal No. 3 Election of Eight Directors

The terms of office of all 12 Directors of the Company will expire at the conclusion of this meeting. In that regard, the Company proposes the election of eight Directors, lowering the number of Directors by four to respond promptly to changes in the business environment.

The candidates for Director 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	Hidetoshi Imokawa (November 28, 1948)	<p>Mar. 1972 Joined the Company</p> <p>Feb. 1983 General Manager of Product Development Dept.</p> <p>May 1989 Head of Material Headquarters</p> <p>May 1989 Director and Head of Products Headquarters</p> <p>May 1996 Managing Director and Head of Products Headquarters</p> <p>May 2003 Executive Director and Head of Capital Region Business Headquarters, supervising Quality Assurance Dept.</p> <p>May 2007 Representative Director, Vice President, supervising No. 1 Development Planning Dept., No. 2 Development Planning Dept. and Quality Assurance Dept.</p> <p>May 2009 Representative Director, President</p> <p>May 2015 Representative Director, Chairman (current position)</p> <p>Sept. 2016 Representative Director, Chairman of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director, Chairman of Warabeya Nichiyo Co., Ltd.</p>	28,420 shares
<p>[Reasons for nomination]</p> <p>Hidetoshi Imokawa has engaged in the operations including sales, production and product development in the Group. He has accumulated experience and achievements in various fields and has been involved in business management. He has served as Representative Director and President of the Company since 2009 and has served as Representative Director and Chairman 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 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	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 engaged in the operations including sales, production and management in the Group. He has accumulated experience and achievements in various fields 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 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	Hisato Oki (February 5, 1956)	<p>Apr. 1981 Joined the Company</p> <p>Dec. 1988 General Manager of Northern Kanto Business Div.</p> <p>May 1999 Director and General Manager of Northern Kanto Manufacturing Dept.</p> <p>Mar. 2002 Director, Deputy Head of Capital Region Business Headquarters and General Manager of Capital Region Manufacturing Dept.</p> <p>May 2003 Director, Head of Northern Kanto Business Headquarters and Chubu Business Headquarters</p> <p>May 2006 Managing Director and Head of Capital Region Business Headquarters</p> <p>May 2007 Managing Director and Head of General Business Headquarters, supervising Engineering Dept.</p> <p>May 2009 Executive Director, supervising Development Planning Dept. and Quality Assurance Dept. (in charge of International Business)</p> <p>Aug. 2011 Director</p> <p>Mar. 2015 Executive Director (in charge of International Business)</p> <p>May 2015 Director, Vice President, supervising Quality Assurance Dept. (in charge of International Business)</p> <p>Sept. 2016 Director, Executive Vice President, supervising Quality Assurance Dept. and in charge of International Business (current position) Director, Executive Vice President of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Executive Vice President of Warabeya Nichiyo Co., Ltd.</p>	15,460 shares
<p>[Reasons for nomination]</p> <p>Hisato Oki has engaged in the operations including sales, production, quality assurance and international business in the Group, and has accumulated experience and achievements in various fields. He has served as Vice President of the Company since 2015 and has knowledge and experience necessary for sound and appropriate management of the Group. The Company proposes his election because it is expected that he will utilize his experience to contribute 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
4	Masana Moriura (March 13, 1955)	<p>Apr. 2005 Joined Nichiyo Co., Ltd.</p> <p>May 2005 Director, Head of Administrative Management Headquarters, General Manager of General Affairs Dept., Accounting and Finance Dept. and Management Dept.</p> <p>Oct. 2005 General Manager of General Affairs Dept., Administrative Management Headquarters of the Company</p> <p>May 2006 Director and General Manager of Corporate Planning Dept.</p> <p>May 2009 Managing Director and Head of Administrative Management Headquarters</p> <p>May 2011 Managing Director and Head of Administrative Management Headquarters (in charge of International Business)</p> <p>Apr. 2014 Executive Director and Head of Administrative Management Headquarters (in charge of International Business)</p> <p>Mar. 2015 Executive Director and Head of Administrative Management Headquarters</p> <p>Sept. 2016 Director, Senior Managing Executive Officer and General Manager of Corporate Planning Dept. (current position)</p> <p>Director of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director of Warabeya Nichiyo Co., Ltd.</p>	5,300 shares
<p>[Reasons for nomination]</p> <p>Masana Moriura has engaged in the operations including corporate planning, general affairs and personnel affairs in the Group, and has accumulated experience and achievements in various fields. He has served as Executive Director of the Company since 2014 and has knowledge and experience necessary for sound and appropriate management of the Group. The Company proposes his election because it is expected that he will utilize his experience to contribute 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
5	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 (current position) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p>	4,000 shares
<p>[Reasons for nomination]</p> <p>Tsunehisa Shirai has engaged in the operations including 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 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 the further growth of the Group and the improvement of corporate value.</p>			
6	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. (current position) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.</p>	3,500 shares
<p>[Reasons for nomination]</p> <p>Naoshi Asano has engaged in the operations including 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 the further growth of the Group and the improvement of corporate value.</p>			
7	Koichi Furukawa (September 16, 1942)	<p>Apr. 1965 Joined Morinaga Milk Industry Co., Ltd.</p> <p>June 1997 Director</p> <p>June 2003 President</p> <p>June 2012 Senior Advisor</p> <p>May 2015 Outside Director of the Company (current position)</p>	1,000 shares
<p>[Reasons for nomination]</p> <p>Koichi Furukawa supervises and provides advice for the management of the Group as outside Director utilizing his deep insight and extensive experience as a corporate manager that he has cultivated through the positions as President of Morinaga Milk Industry Co., Ltd., etc. Therefore, the Company proposes his election.</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
8	* Takashi Himeda (June 15, 1955)	<p>Apr. 1979 Joined Ministry of Agriculture, Forestry and Fisheries (Livestock Industry Bureau)</p> <p>Aug. 2011 Councillor (Deputy Director-General, Food Safety and Consumer Affairs Bureau), Minister's Secretariat</p> <p>Sept. 2012 Director General of the Food Safety Commission Secretariat, Cabinet Office</p> <p>Sept. 2016 Advisor of Japan Livestock Industry Association</p> <p>Nov. 2016 General Advisor (current position)</p>	200 shares
<p>[Reasons for nomination]</p> <p>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 and hygiene at the Ministry of Agriculture, Forestry and Fisheries and the Cabinet Office, and has deep insight and extensive experience. Therefore, the Company believes that he will supervise and provide advice for the management of the Group as outside Director and proposes his election.</p>			

- (Notes)
1. There is no special interest between any of the candidates for Director and the Company.
 2. New candidate for Director is indicated by an asterisk (*).
 3. Koichi Furukawa and Takashi Himeda are candidates for outside Director.
 4. Koichi Furukawa is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been 2 years.
 5. The Company has entered into a limited liability agreement with Koichi Furukawa, 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 he is reelected, the Company plans to renew the aforementioned agreement with him.
 6. If Takashi Himeda is elected and assumes office with this proposal, the Company plans to enter into an agreement with him to limit his liability for damages under 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.
 7. The Company has submitted notification to the Tokyo Stock Exchange that Koichi Furukawa has been appointed as an independent officer as provided for by the aforementioned exchange. If he is reelected, the Company plans for his appointment as an independent officer to continue.
 8. The Company plans to submit notification to the Tokyo Stock Exchange concerning the appointment of Takashi Himeda as an independent officer as provided for by the aforementioned exchange if he is elected and assumes office with this proposal.

Proposal No. 4 Election of Two Audit & Supervisory Board Members

At the conclusion of this meeting, the term of office of Audit & Supervisory Board Member Mikio Imura will expire, and Audit & Supervisory Board Member Teruyuki Asahi will resign. Therefore, the Company proposes the election of two Audit & Supervisory Board Members.

In addition, the Company proposes the election of the candidate for Audit & Supervisory Board Member Yoichi Sakata as the substitute of Audit & Supervisory Board Member Teruyuki Asahi. As provided for in the Company's Articles of Incorporation, his term of office will be until the conclusion of the 55th Annual General Meeting of Shareholders planned to be held in May 2019, the expiration date of Teruyuki Asahi's term of office.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position 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 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.	600 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 audit for the overall management of the Group based on his abundant knowledge and experience. Therefore, the Company proposes his election.			
2	* Yoichi Sakata (October 6, 1955)	Feb. 2008 Joined Nichiyo Co., Ltd. May 2008 Director, Head of Administrative Management Headquarters, General Manager of General Affairs Dept. and Accounting and Finance Dept. May 2010 Managing Director, Head of Administrative Management Headquarters and General Manager of Accounting and Finance Dept. Apr. 2011 General Manager of General Affairs Dept., Administrative Management Headquarters of the Company May 2011 Director and General Manager of General Affairs Dept., Administrative Management Headquarters Sept. 2016 Director, Executive Officer and General Manager of the Group Administration Dept. (current position) Director, Executive Officer of Warabeya Nichiyo Co., Ltd. Mar. 2017 Director (current position) (Significant concurrent positions outside the Company) Director of Warabeya Nichiyo Co., Ltd.	3,600 shares
[Reasons for nomination] Yoichi Sakata has experience as Director in charge of administration departments including general affairs and human resources of the Group, as well as experience in financial institutions, and has abundant knowledge and experience of corporate management. Therefore, the Company believes that he will appropriately fulfill his duties as an Audit & Supervisory Board Member and proposes his election.			

- (Notes)
1. There is no special interest between the candidates for Audit & Supervisory Board Member and the Company.
 2. New candidate for Audit & Supervisory Board Member is indicated by an asterisk (*).
 3. The Company has entered into a limited liability agreement with Mikio Imura, 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 he is reelected, the Company plans to renew the aforementioned agreement with him.

4. If Yoichi Sakata is elected and assumes office with this proposal, the Company plans to enter into an agreement with him to limit his liability for damages under 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.

Proposal No. 5 Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary, position in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
Shio Harada (May 3, 1974)	Apr. 2000 Registered as an attorney at law (Daini Tokyo Bar Association) Joined MINORI SOGO LAW OFFICES Aug. 2012 Established SHIKI-NO-KAZE LAW GROUP (current present) Apr. 2016 Specially Appointed Professor, Law School of Rikkyo University (current position)	0 shares
[Reasons for nomination] Shio Harada has never been directly involved in the management of a company. However, the Company believes that she will appropriately fulfill her duties as an outside Audit & Supervisory Board Member based on her expertise and experience in legal affairs accumulated over many years as an attorney at law. Therefore, the Company proposes her election.		

- (Notes)
1. There is no special interest between the candidates for substitute Audit & Supervisory Board Member and the Company.
 2. Shio Harada is a candidate for substitute outside Audit & Supervisory Board Member.
 3. If Shio Harada assumes office of outside Audit & Supervisory Board Member, the Company plans to enter into an agreement with her to limit her liability for damages under 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.
 4. If Shio Harada assumes office of outside Audit & Supervisory Board Member, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning her appointment as an independent officer as provided for by the aforementioned exchange.