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Securities Code: 2918
May 9, 2018

To our shareholders:

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

Notice of the 54th Annual General Meeting of Shareholders

You are cordially invited to attend the 54th 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 23, 2018 (JST).

1. Date and Time: Thursday, May 24, 2018 at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)

2. Venue: Royal Hall, 3F, RIHGA Royal Hotel Tokyo
1-104-19 Totsuka-machi, Shinjuku-ku, Tokyo, Japan
(The venue has changed from the previous year.)

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 54th fiscal year (from March 1, 2017 to February 28, 2018), 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 54th fiscal year (From March 1, 2017 to February 28, 2018)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Six Directors

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).

- We will not be handing out gifts to shareholders who attend the General Meeting of Shareholders from this year. 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: ¥704,560,320
3. Effective date of dividends of surplus
May 25, 2018

Proposal No. 2 Election of Six Directors

The terms of office of all currently serving Directors will expire at the conclusion of this annual general meeting of shareholders. Therefore, the Company proposes the election of six Directors.

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	Hiroyuki Otomo (January 30, 1962)	Jan. 1988 Joined Nichiyo Co., Ltd. May 1991 Director and Assistant General Manager of Gourmet Business Dept. of the Company Mar. 1992 Director and General Manager in charge of Delicatessen, Sales Dept. May 1998 Managing Director May 2003 Managing Director and Head of Administrative Management Headquarters Oct. 2005 Director Representative Director, President of Nichiyo Co., Ltd. May 2009 Managing Director and Head of General Business Headquarters of the Company Aug. 2011 Executive Director and Head of General Business Headquarters Mar. 2012 Executive Director and Head of Production Headquarters Apr. 2014 Representative Director, Vice President and Head of Production Headquarters May 2015 Representative Director, President (current position) Sept. 2016 Representative Director, President of Warabeya Nichiyo Co., Ltd. (current position) (Significant concurrent positions outside the Company) Representative Director, President of Warabeya Nichiyo Co., Ltd.	520,800 shares
[Reasons for nomination] 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.			

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	Tsunehisa Shirai (March 16, 1964)	Dec. 1987	Joined the Company	4,400 shares
		Oct. 2004	General Manager of Products Dept., Capital Region Business Headquarters	
		May 2006	Director and Deputy Head of Capital Region Business Headquarters	
		May 2007	Director and Head of Capital Region Business Headquarters, General Business Headquarters	
		Mar. 2010	Director and Deputy Head of General Business Headquarters	
		Mar. 2012	Managing Director and Head of Products Headquarters	
		Dec. 2015	Managing Director and Head of Capital Region Business Headquarters	
		Sept. 2016	Director, Managing Executive Officer (current position) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd. (current position)	
		(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.		
	[Reasons for nomination] 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 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.			
3	Naoshi Asano (August 7, 1962)	Jan. 2004	Joined the Company	3,600 shares
		May 2007	General Manager of Accounting and Finance Dept., Administrative Management Headquarters	
		May 2009	Director and General Manager of Accounting and Finance Dept., Administrative Management Headquarters	
		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)	
		(Significant concurrent positions outside the Company) Director, Managing Executive Officer of Warabeya Nichiyo Co., Ltd.		
	[Reasons for nomination] 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.			

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	* Hideo Tsuji (January 21, 1964)	Feb. 1997 Joined Nichiyo Carry Co., Ltd. (currently Bestrans Co., Ltd.)	1,700 shares
		May 2003 Director, Head of Sales Headquarters and General Manager of Business Promotion Dept. May 2006 Managing Director May 2011 Representative Director, President of Warabeya Hokkaido Co., Ltd. Mar. 2013 Representative Director, President of Warabeya Tokai Co., Ltd. May 2016 Representative Director, President of Warabeya Kansai Co., Ltd. (currently Warabeya Nichiyo Co., Ltd.) Sept. 2016 Director, Executive Officer and Head of Western Japan Business Headquarters June 2017 Director, Executive Officer and General Manager of International Business Dept., supervising Quality Assurance Dept. (current position) (Significant concurrent positions outside the Company) Director, Executive Officer of Warabeya Nichiyo Co., Ltd.	
[Reasons for nomination] Hideo Tsuji has been involved in sales, production, quality assurance, international business in the Group, and has accumulated experience and achievements in various fields. 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.			
5	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] 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.	
6	Takashi Himeda (June 15, 1955)	Apr. 1979 Joined Ministry of Agriculture, Forestry and Fisheries (Livestock Industry Bureau) 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	200 shares
		[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 and hygiene at the Ministry of Agriculture, Forestry and Fisheries and the Cabinet Office, and has deep insight and extensive experience. He actually supervises and provides advice for the management of the Group as outside Director. Therefore, the Company proposes his election.	

- (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. At the conclusion of this annual general meeting of shareholders, Koichi Furukawa's tenure as outside Director of the Company will have been three years. At the conclusion of this annual general meeting of shareholders, Takashi Himeda's tenure as outside Director of the Company will have been one year.
 5. 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 reelected, the Company plans to renew the aforementioned agreement with them.
 6. The Company has submitted notification to the Tokyo Stock Exchange that Koichi Furukawa and Takashi Himeda have been appointed as independent officers as provided for by the aforementioned exchange. If they are reelected, the Company plans for their appointment as independent officers to continue.