[Translation]

This document has been translated from the Japanese original for the convenience of non-Japanese shareholders. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

Securities code: 3106
June 4, 2015

To our shareholders:

Haruya Fujita
President
KURABO INDUSTRIES LTD.
7-1, Honmachi, Kurashiki, Okayama
(Osaka Head Office: 4-31, 2-chome, Kyutaro-machi, Chuo-ku, Osaka)

NOTICE OF THE 207th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 207th Ordinary General Meeting of Shareholders of KURABO INDUSTRIES LTD. (the "Company"), which will be held as indicated below.

If you are unable to attend the meeting in person, we ask you to please review the attached Reference Documents for the Ordinary General Meeting of Shareholders and exercise your voting rights by postal mail by 6:00 p.m., Thursday, June 25, 2015 (Japan Standard Time). Please indicate your approval or disapproval of the proposals on the enclosed voting form.

Meeting Details

1. Date and Time: Friday, June 26, 2015 at 10:00 a.m. (Japan Standard Time)

2. Venue: KURASHIKI IVY SQUARE
7-2, Honmachi, Kurashiki, Okayama

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 207th fiscal year (from April 1, 2014 to March 31, 2015) and Reports of Audit on the Consolidated Financial Statements by Accounting Auditor and the Board of Auditors
2. Non-Consolidated Financial Statements for the 207th fiscal year (from April 1, 2014 to March 31, 2015)

Items to be resolved:

Proposal 1: Appropriation of Surplus for the 207th Fiscal Year
Proposal 2: Election of One (1) Director
Proposal 3: Election of Two (2) Auditors
Proposal 4: Election of One (1) Substitute Auditor

4. Other matters concerning the Meeting:

(1) If you do not indicate your approval or disapproval of the proposals in your vote, the Company will assume that you have voted in favor of the proposals.

(2) In the event that you exercise your voting rights diversely, you are required to send notice providing the details and reasons in writing. Please note that you must ensure the notice arrives three days prior to the day of the Ordinary General Meeting of Shareholders.

* For those attending, please present the enclosed voting form at the reception desk on arrival at the meeting.
* If circumstances are generated whereby revisions should be made to the content of the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements and the Reference Documents of the Ordinary General Meeting of Shareholders such notification shall be published on the Company's website (http://www.kurabo.co.jp).

Reference Documents for the Ordinary General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Appropriation of Surplus for the 207th Fiscal Year

The Company regards the return of profits to its shareholders as one of its key priorities, and continuous and stable distribution of dividend is basic policy. In order to determine a specific amount of the dividend, the Company takes into account comprehensively profit conditions, corporate strength and dividend payout ratio, etc. from medium to long term perspective.
In consideration of the severe business environment during the fiscal year under review, the year-end dividend for the 207th fiscal year is proposed as follows:

Matters concerning year-end dividend

i) Type of dividend property:
CASH

ii) Allocation of dividend assets to be paid to shareholders and total dividend amount:
¥5.00 per share of common stock of the Company
Total amount: ¥1,153,294,230

iii) Effective date of dividends from surplus:
June 29, 2015

Proposal 2: Election of One (1) Director

As the term of office of one (1) Director, Mr. Akihiro Inoue is to expire at the conclusion of this Ordinary General Meeting of Shareholders, the Company proposes to elect one (1) Director.
The candidate is as follows.

Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions		Number of the Company's shares held
Akihiro Inoue (August 11, 1948)	Apr. 1971	Joined the Company	146,000
	Jun. 2001	Director of the Company	
	Jun. 2003	Managing Director of the Company	
	Jun. 2006	Representative Director, Senior Managing Director of the Company	
	Jun. 2007	Representative Director, President of the Company	
	Jun. 2014	Representative Director, Chairman of the Company	

Note: There are no special conflicts of interests between the Company and the candidate.

Reasons for not Appointing Outside Directors

The Company had energetically looked for suitable candidates for Outside Directors of the Company, and the Company found a person, and had received private consent to assume the position from the candidate. The Company had prepared the Proposal for the election of Outside Director for the 207th Ordinary General Meeting of Shareholders, which will be held at June 26, 2015. However, the candidate suddenly declined the offer due to inevitable reasons at the beginning of May this year, and the Company had to accept the candidate's cancelation. Although, the Company was unable to find another candidate before the deadline for the Ordinary General Meeting of Shareholders. As a result, the Company does not propose the election of Outside Director for this Ordinary General Meeting of Shareholders.

The Company continuously looks for suitable candidates for Outside Directors of the Company.

Proposal 3: Election of Two (2) Auditors

The terms of office of two (2) Auditors, Mr. Kazuaki Tsuda and Mr. Jiro Miya will expire and one (1) Auditor, Mr. Mutsuharu Ueda will resign at the conclusion of this Ordinary General Meeting of Shareholders. The Company proposes to elect two (2) Auditors.

The candidates for Auditors are as follows.

Prior to this proposal, the Company has already obtained the consent of the Board of Auditors.

No.	Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held
1	Jiro Miya (April 5, 1957)	Oct. 1981 Joined Daiwa, Co., Ltd. May 1987 Director of Daiwa, Co., Ltd. May 1989 Managing Director of Daiwa, Co., Ltd. May 1993 Senior Managing Director of Daiwa, Co., Ltd. May 1997 Representative Director, Vice President of Daiwa, Co., Ltd. May 1999 Representative Director, President of Daiwa, Co., Ltd. (to present) Jun. 2011 Auditor of the Company (to present) [Important concurrent positions] Representative Director, President of Daiwa, Co., Ltd.	0
2	* Teppei Mogi (October 17, 1958)	Apr. 1983 Joined ITOCHU Corporation Mar. 1986 Resigned ITOCHU Corporation Apr. 1989 Registered as an attorney at law (Osaka Bar Association) Joined Oh-Ebashi Law Firm Jul. 1992 Service at Brussels Office of Cleary, Gottlieb, Steen & Hamilton LLP Jan. 1993 Service at Rotterdam Office of De Brauw Blackstone Westbroek Apr. 1994 Partner of Oh-Ebashi Law Firm (to present) Aug. 2002 Partner of Oh-Ebashi LPC & Partners (to present) Apr. 2004 Professor of Kwansei Gakuin University Law School Jun. 2009 Outside Director of Shionogi & Co., Ltd. (to present) Apr. 2010 Part-time lecturer of Kwansei Gakuin University Law School (to present) Aug. 2014 Outside Auditor of NIITAKA Co., Ltd. (to present) [Important concurrent positions] Outside Director of Shionogi & Co., Ltd. Outside Auditor of NIITAKA Co., Ltd.	0

Notes:
1. There are no special conflicts of interests between the Company and the candidates.
2. The mark "*" signifies a newly appointed candidate for Auditor.
3. Matters concerning Outside Auditor
   A. Mr. Jiro Miya and Mr. Teppei Mogi are candidates for Outside Auditor of the Company. Both candidates meet the requirements of our internal regulation of "Criteria for Independence of Outside Directors and Auditors" and of an Independent Auditor pursuant to Article 436, paragraph 2 of the Securities Listing Regulation of the Tokyo Stock Exchange. If the re-election of Mr. Jiro Miya is approved, he will continuously assume the Independent Auditor. If the election of Mr. Teppei Mogi is approved, the Company will nominate him as an Independent Auditor, and the Company reports to the said Exchange.
   Our regulation of "Criteria for Independence of Outside Directors and Auditors" is posted on the Company's website (http://www.kurabo.co.jp/finance/governance.html). (Japanese Only)
   B. Reasons for appointing Mr. Jiro Miya as a candidate for Outside Auditor
   Mr. Jiro Miya has been engaged in the management for many years, the Company judged that his objective and independent perspective as Outside Auditor will audit Directors' duties properly.

C. Reasons for appointing Mr. Teppei Mogi as a candidate for Outside Auditor
Mr. Teppei Mogi has been engaged in the corporate legal affairs for many years as a lawyer, the Company judged that his fair and impartial perspective as Outside Auditor will audit Directors' duties properly.

D. The number of years Mr. Jiro Miya has served as Outside Auditor:
4 years

4. Liability limitation agreement with Outside Auditors
The Company has entered into an agreement with Mr. Jiro Miya to limit his liability for damages as prescribed in Article 423, paragraph 1 of the Companies Act pursuant to Article 427, paragraph 1 of the same law, and the maximum amount of liability for damages based on this agreement shall be the amount prescribed in laws and regulations. In the event that his re-election is approved, the Company plans to continue the said agreement. Also, the proposal of Mr. Teppei Mogi's election is approved, the Company will enter into the same liability limitation agreement with him.

Proposal 4: Election of One (1) Substitute Auditor

To provide for a case in which the number of Auditor falls short of the number stipulated by laws and regulations, the Company proposes to elect one (1) Substitute Auditor.
The candidate for Substitute Auditor is as follows.
Prior to this proposal, the Company has already obtained the consent of the Board of Auditors.

Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions		Number of the Company's shares held
Tetsuya Yamao (September 22, 1951)	Apr. 1984	Registered as an attorney at law (Osaka Bar Association) Joined Hanshin Law Office	0
	Apr. 1991	Established Tokiwa Sogo Law Office	
	Apr. 2004	Established Yamao Law Office (to present)	

Notes:
1. There are no special conflicts of interests between the Company and the candidate.
2. Mr. Tetsuya Yamao is a candidate for Substitute Outside Auditor of the Company.
   He meets the requirements of our internal regulation of "Criteria for Independence of Outside Directors and Auditors" and of an Independent Auditor pursuant to Article 436, paragraph 2 of the Securities Listing Regulation of the Tokyo Stock Exchange. Once the proposal of election is approved, the Company nominates him as an Independent Auditor, and reports to the said Exchange. Our regulation of "Criteria for Independence of Outside Directors and Auditors" is posted on the Company's website (http://www.kurabo.co.jp/finance/governance.html). (Japanese Only)
3. Mr. Tetsuya Yamao has been engaged in the corporate legal affairs for many years as a lawyer, the Company judged that his fair and impartial perspective as Outside Auditor will audit Directors' duties properly.
4. The Company will enter into an agreement with Mr. Tetsuya Yamao to limit his liability for damages as prescribed in Article 423, paragraph 1 of the Companies Act pursuant to Article 427, paragraph 1 of the same law, and the maximum amount of liability for damages based on this agreement shall be the amount prescribed in laws and regulations.