

Note: This translation is an English translation of the original Notice of Convocation of the 76th Ordinary General Meeting of Shareholders in Japanese. In the event of any discrepancy, the original Japanese version shall prevail.

To Shareholders:

Ticker Code: 9364
June 8, 2015

Kamigumi Co., Ltd.
4-1-11, Hamabe-dori, Chuo-ku, Kobe

**Notice of Convocation of the 76th Ordinary General Meeting
of Shareholders of Kamigumi Co., Ltd.**

We are pleased to inform you that the 76th Ordinary General Meeting of Shareholders will be held as stated below. We would be grateful if you could attend the meeting.

If you are unable to attend the meeting, please study the attached Reference Documents for the General Meeting of Shareholders for the 76th Ordinary General Meeting of Shareholders and review the “Guide for Exercising Voting Rights” described on page 8, and then exercise your voting rights in writing or via the Internet etc. by 5:30 p.m., Thursday, June 25, 2015.

Yours faithfully,

Yoshihiro Fukai
President & Representative Director

Details

1. Date and Time: June 26, 2015, Friday, at 10:00 a.m.
2. Place: Hotel Okura Kobe,
Heian Room on 1st Floor,
2-1, Hatoba-cho, Chuo-ku, Kobe
3. Agenda:
Matters to be Reported:
Item 1. Report on the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 76th fiscal term (April 1, 2014 - March 31, 2015)
Item 2. Report of the audit of the consolidated and non-consolidated financial statements by the Independent Auditors and the Audit & Supervisory Board for the 76th fiscal term (April 1, 2014 - March 31, 2015)

Matters to be Resolved:

- Item 1. Appropriation of Surplus
- Item 2. Election of Ten (10) Directors

4. Determination for Convocation

Please refer to [Guide for Exercising Voting Rights] (page 8).

- a. When you attend the Meeting, please kindly submit the enclosed voting rights exercise form at the reception desk.
- b. If it becomes necessary to amend any item to be listed in the business report, consolidated financial statements, non-consolidated financial statements, and reference documents for the general meeting of shareholders, we will notify the amendment on the Company's website (<http://www.kamigumi.co.jp/english/ir/download.html>).
- c. Among the documents which should be submitted with this Notice of Convocation, the “Notes to Consolidated Financial Statements” and “Notes to Non-Consolidated Financial Statements” are available on the Company's website (<http://www.kamigumi.co.jp/english/ir/download.html>) in accordance with the provisions of the law and Article 17 of the Articles of Incorporation of the Company. The Attached Documents of this Notice constitute a part of the Consolidated Financial Statements or Non-Consolidated Financial Statements which have been audited by the Audit & Supervisory Board members and the Independent Auditors at creating audit reports thereof.

Reference Documents for the General Meeting of Shareholders

Matters for Resolution and Reference

Item 1. Appropriation of Surplus

Aiming to further increase its profit and shareholder value and paying attention to the business performance and change of business environment, the Company basically intends to enhance the level of internal reserve in preparation for reinforcement of its corporate structure and aggressive business expansion and to maintain steady cash dividend to shareholders.

The Company intends to use the retained earnings mainly for development of new businesses, spending on plant and equipment in growing sectors, and investment in computerization.

Accordingly, we propose to appropriate surplus as follows:

1. Items on term-end dividend

As a result of comprehensive consideration of investment, profit, and financial plans, as well as the most recent business performance, on the basis of the stable dividend policy, the Company proposes to pay a 76th fiscal term-end dividend of ¥7.0 per share.

With this term-end dividend, the full-year dividend becomes ¥12 per share including a mid-term dividend of ¥5.0, which is a ¥1.0 increase from a year earlier.

(1) Type of dividend property: money

(2) Allotment of dividend property and its total amount

¥7.0 per common share of the Company

In this case, the total dividend amount is ¥1,787,934,526.

(3) Effective date of dividends from surplus

June 29, 2015

2. Other items on appropriation of surplus

The Company intends to use the retained earnings mainly for development of new businesses, spending on plant and equipment in growing sectors, and investment in computerization.

Accordingly, the Company proposes the following.

(1) Item of increased surplus and its amount

General reserve:

¥10,000,000,000

(2) Item of decreased surplus and its amount

Retained earnings carried forward to the following term:

¥10,000,000,000

Item 2. Election of Ten (10) Directors

At the conclusion of this Ordinary General Meeting of Shareholders, the term of office of all nine (9) directors will expire.

Accordingly, shareholders are requested to approve the appointment of ten (10) directors, with one (1) external director added for reinforcement of the governance system.

The candidates for directors are as follows:

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)	Number of shares owned
1	Masami Kubo (January 1, 1943) Reappointment	Apr. 1963 Joined Kamigumi Goshi Kaisha (Presently Kamigumi Co., Ltd.) Jun. 1995 Director & General Manager of President Office & Director of Port and Harbor Transportation Div. Jun. 1997 Managing Director Jun. 1999 Senior Managing Director Jun. 2000 Representative & Senior Managing Director Jun. 2004 President & Representative Director Apr. 2012 Chairman & Representative Director Chief Executive Officer Chairman of the board (incumbent) <Significant concurrent positions outside the Company > • Aomi Cargo Distribution Center Co., Ltd. Chairman & Representative Director • World Cargo Distribution Center Co., Ltd. Chairman & Representative Director • Kobe Port International Distribution Center Co., Ltd. Chairman & Representative Director • Kobe Mega Container Terminal Co., Ltd. President & Representative Director • Nippon Koun Shinko Co., Ltd. President & Representative Director • The Japan Harbor Transportation Association Chairman • Sunnypier Health Insurance Association Head Director	107,618
2	Yoshihiro Fukai (September 14, 1954) Reappointment	Apr. 1977 Joined Kamigumi Co., Ltd. Apr. 2002 Executive Officer & General Manager of Kashima Branch In charge of Hitachinaka Branch Jun. 2003 Director & General Manager of Tokyo Branch In charge of Hitachinaka Branch Apr. 2006 Managing Director Apr. 2010 Director & Managing Executive Officer Apr. 2011 Director & Senior Managing Executive Officer Apr. 2012 President & Representative Director Chief Operating Officer (incumbent)	75,567

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)	Number of shares owned
3	Hideo Makita (November 26, 1950) Reappointment	Apr. 1973 Joined Kamigumi Co., Ltd. Jul. 2000 Executive Officer & General Manager of Fukuoka Branch Jun. 2003 Director & General Manager of Shibushi Branch In charge of Kagoshima Branch Jun. 2007 Managing Director Apr. 2010 Director & Managing Executive Officer Apr. 2011 Director & Senior Managing Executive Officer Jun. 2014 Representative & Senior Managing Director Senior Managing Executive Officer General Manager of Kyushu Main Branch Director of Feed & Grain Div. In charge of Rice Div. In charge of Kyushu region, Sales & Marketing HQ. Director in responsible for Safety (incumbent)	86,567
4	Kuniharu Saeki (April 18, 1947) Reappointment	Apr. 1970 Joined Kamigumi Co., Ltd. Apr. 2009 Executive Officer & General Manager of Kobe Branch Jun. 2012 Managing Executive Officer & General Manager of Kobe Branch Director of Vegetable & Fruits Div. Jun. 2013 Director & Managing Executive Officer Jun. 2014 Director & Senior Managing Executive Officer Apr. 2015 Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ. In charge of Administration Dept. (incumbent) <Significant concurrent positions outside the Company > • Kobe Port International Distribution Center Co., Ltd. President & Representative Director • Kobe Koun Shinko Co., Ltd. President & Representative Director • Hyogo Harbor Transportation Association Chairman • Kobe Port Fukurikosei Kyokai Head Director	44,916

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)	Number of shares owned
5	Norihito Tahara (November 5, 1958) Reappointment	Apr. 1982 Joined Kamigumi Co., Ltd. Apr. 2009 Executive Officer & General Manager of Nagoya Branch Jun. 2011 Director & Executive Officer General Manager of Nagoya Branch Apr. 2013 Director & Managing Executive Officer Apr. 2015 Director & Managing Executive Officer General Manager of Nagoya Main Branch General Manager of Domestic Strategy Office and in charge of Chukyo region In charge of International Distribution Div. (incumbent)	26,631
6	Toshihiro Horiuchi (June 15, 1954) Reappointment	Apr. 1977 Joined Kamigumi Co., Ltd. Apr. 2010 Executive Officer & General Manager of Management & Planning Dept. & Task force team Jun. 2012 Managing Executive Officer Manager of Administration Dept. & Manager of Secretarial Dept. & Task force team Jun. 2013 Director & Managing Executive Officer Apr. 2015 Director & Managing Executive Officer In charge of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ. (incumbent)	28,305
7	Yoichiro Ichihara (December 14, 1951) Reappointment	Apr. 1974 Joined Kamigumi Co., Ltd. Apr. 2009 Executive Officer & General Manager of Hirohata Branch Apr. 2013 Managing Executive Officer Vice Director in responsible for Metal Business In charge of Heavy Cargo & Energy Transportation Div. Jun. 2013 Director & Managing Executive Officer In charge of Metal Business, Heavy Cargo & Energy Transportation Div. Vice Director in responsible for Safety (incumbent)	28,207
8	Katsumi Murakami (January 10, 1955) Reappointment	Apr. 1977 Joined Kamigumi Co., Ltd. Apr. 2012 Executive Officer In charge of Tokyo and Yokohama Branch Jun. 2013 Director & Executive Officer In charge of East Japan and Hokkaido region, Sales & Marketing HQ. Jun. 2014 Director & Managing Executive Officer Apr. 2015 Director & Managing Executive Officer In charge of East Japan and Hokkaido region, Sales & Marketing HQ. (incumbent)	23,048

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)	Number of shares owned
9	Tatsuhiko Miyazaki (July 27, 1947) Reappointment External director candidate Independent officer	Apr. 1970 Entered Ministry of Transport (Presently Ministry of Land, Infrastructure, Transport and Tourism) Jun. 1998 Director-General, Maritime Traffic Bureau Jul. 1999 Retired from the Ministry Aug. 1999 Representative director of Japanese National Railway Settlement HQ of Japan Railway Construction Public Corporation Jul. 2001 Advisor of The Japan Cargo Tally Corporation May 2003 Chairman of The Japan Cargo Tally Corporation May 2009 Advisor of The Japan Cargo Tally Corporation (incumbent) Feb. 2011 Registered as an attorney at law (incumbent) Jun. 2013 External Director (incumbent) < Significant concurrent positions outside the Company > • The Japan Cargo Tally Corporation Advisor • Institution For Transport Policy Studies Auditor-secretary • Airport Transport Service Co., Ltd. External Audit & Supervisory Board Member	6,441
(Reasons for the relevant candidate to be candidate for external director) Tatsuhiko Miyazaki has been an external director of the Company for two years up to the time of the conclusion of this Ordinary General Meeting of Shareholders, and has been involved in transport administration for many years. He also has deep insight into legal issues as an attorney, and from this professional viewpoint, he has provided appropriate advice and suggestions on the overall business of the Company at the meetings of the Board of Directors, etc. Therefore, although he does not have experience being directly involved in corporate management, we believe he will contribute to the reinforcement and development of governance of the Company, and the Company requests his reelection as an external director. (Concerning the independence of the relevant candidate) The Company engages The Japan Cargo Tally Corporation, where Tatsuhiko Miyazaki serves as Advisor, to perform harbor cargo tally services; however, the amount of the transactions was less than 0.5% of the total amount of operating expenses of the Company in the fiscal term ended March 31, 2015, and there is nothing significant that would cause special interests to arise. The Company has no transaction relationship with Institution For Transport Policy Studies, in which Tatsuhiko Miyazaki serves as auditor-secretary, and Airport Transport Service Co., Ltd., in which he serves as an external audit & supervisory board member. Moreover, although Tatsuhiko Miyazaki has qualifications as an attorney, there is no transaction relationship, for example that of a retainer for legal affairs, between him and the Company. From the above, Tatsuhiko Miyazaki satisfies the standards for independence of the Tokyo Stock Exchange, Inc. and the Company has appointed him as an independent officer and registered this at said exchange. If he is reelected as an external director in accordance with the original agreement, the Company will continue to designate him as an independent officer.			

Candidate Number	Name (Date of Birth)	Career Summary (Position and areas of responsibility at the Company, and significant concurrent positions outside the Company)	Number of shares owned
10	Toshio Tamatsukuri (November 22, 1946) New appointment External director candidate Independent officer	Jul. 1969 Entered National Police Agency Oct. 1996 Director General, Japanese Organized Crime Department, Criminal Affairs Bureau, National Police Agency Jan. 1998 Director General, Traffic Bureau, National Police Agency Jan. 2000 Retired from National Police Agency Mar. 2000 Director and Deputy Governor, New Tokyo International Airport Authority Apr. 2004 Representative Director and Vice President, Narita International Airport Corporation Jun. 2011 Chief Executive Director, Universal Traffic Management Society of Japan Apr. 2012 Chief Executive Director, UTMS Society of Japan (incumbent) < Significant concurrent positions outside the Company > • UTMS Society of Japan Chief Executive Director	—
	(Reasons for the relevant candidate to be candidate for external director) Toshio Tamatsukuri has been involved in police administration for many years. He also has tremendous knowledge about crisis management including the exclusion of anti-social forces and organizational management, and, as stated below, he has a high degree of independence from the Company. Therefore, we believe he will contribute to the reinforcement and development of governance of the Company through meetings of the Board of Directors, etc., and the Company requests his election as an external director. (Concerning the independence of the relevant candidate) The Company has no transaction relationship with the UTMS Society of Japan, to which Toshio Tamatsukuri serves as Chief Executive Director. From the above, Toshio Tamatsukuri satisfies the standards for independence of the Tokyo Stock Exchange, Inc., and the Company will appoint him as an independent officer and will register this at said exchange.		

- Notes: 1. There are no conflicts of interests between the each candidate for Directors and the Company.
2. The number of shares owned by each candidate for Director includes shares they own through Kamigumi Officers Shareholding Association.
3. The Company has concluded with Tatsuhiko Miyazaki a contract for limitation of liability for damages described in Paragraph 1 of Article 423 of the Company Act to limit the amount of liability to the minimum liability amount stipulated in Paragraph 1 of Article 425 of the Company Act, and if he is reelected according to the original agreement, the Company will renew the said contract for limitation of liability for damages. In addition, if the election of Toshio Tamatsukuri is approved, the Company will conclude with him the said contract for limitation of liability for damages.

Guide for Exercising Voting Rights

1. Exercise of Voting Rights in Writing

Please indicate your votes for or against the Items on the enclosed Voting Rights Exercise Form and return it to the Company no later than 5:30 p.m., Thursday, June 25, 2015.

2. Exercise of Voting Rights via the Internet

When you exercise your voting rights on the Internet, please carefully review the guide below. If you have any inquiries, please contact the help desk mentioned below as soon as possible.

1. Voting Right Exercise Site

- (1) Exercise of voting rights via the Internet, from a personal computer, smart-phone or a cell phone (i-mode, EZweb, Yahoo mobile)*, is only possible by accessing the website (<http://www.evotepj.com/>) designated by the Company for the purpose of exercising voting rights. (However, the website is unavailable from 2:00 a.m. through 5:00 a.m. every day).
* “i-mode,” “EZweb,” “Yahoo!” and “Yahoo! mobile” are the respective registered trademarks of NTT Docomo, Inc., KDDI Corporation, Yahoo! Inc. of the U.S., and SoftBank Mobile Corp.
- (2) Firewalls, anti-virus software, proxy servers, or other aspects of the shareholder’s Internet usage environment may prevent the use of a personal computer or a smart-phone to exercise of voting rights.
- (3) Please use the i-mode, EZweb, or Yahoo! mobile services when using a cell phone to exercise voting rights. For security-related reasons, cell phones that cannot send encrypted data (SSL transmissions) and cell phone information cannot be used to exercise voting rights.
- (4) Voting rights may be exercised until 5:30 p.m. on June 25, 2015 (Thursday), but shareholders are requested to do so as early as possible.

2. Exercising voting rights

- (1) Enter your “Login ID” and “Temporary Password,” both of which are noted on the voting form, in the appropriate spaces on the voting rights exercise site (<http://www.evotepj.com/>). Follow the instructions on your computer screen and indicate whether you are for or against each item.
- (2) To prevent unauthorized access by parties other than shareholders and the alteration of shareholder votes, shareholders voting via the Internet will be asked to change their “Temporary Password” on the voting rights exercise site.
- (3) At each convocation of the General Meeting of Shareholders, a new “Login ID” and “Temporary Password” will be provided.

3. Cost for accessing the Voting Right Exercise Site

Costs (the Internet connection fees, packet communication fees, telephone charges, etc.) for accessing the voting rights exercise site shall be borne by the shareholder.

-Inquiries regarding the Voting Right Exercise Site, etc.

Transfer Agent Department (Help Desk)

Mitsubishi UFJ Trust and Banking Corporation

Phone: 0120-173-027 (9:00 to 21:00 (Japan Time), toll free (Japan only))

3. Handling of Cases where Voting Rights have been Exercised Multiple Times

- i) If having exercised voting rights both in writing and via the Internet, the vote cast via the Internet shall be deemed valid.
- ii) If having voted multiple times via the Internet, the last vote cast shall be deemed valid. If having exercised voting rights via the Internet from a personal computer, smart-phone and a cell phone, the last vote cast shall be deemed valid.

4. Electronic voting platform

Nominee shareholders such as custody and trust banks, including standing proxies, who have applied for utilization of an electronic voting platform (TSE Platform) operated by ICJ Inc. in advance, can use the platform as one of electromagnetic means to exercise voting rights for the 76th Ordinary General Meeting of Shareholders.

Business Report

(From April 1, 2014 to March 31, 2015)

1. Current Status of the Group

(1) Business Situation for the Current Fiscal Term

i) Progress and Results of Business

Regarding the global economy during the fiscal term under review, the economy in the United States has been recovering steadily, and in Europe and Asia the economy has also been picking up. Although in Japan the economy has shown a recovery trend through the economic measures of the government and the enforcement of the monetary easing policy of Bank of Japan, with the effect of the rise in raw materials price due to the weak yen, the slump in individual consumption, etc., the outlook for the future remained uncertain.

In the distribution services industry, both export and import cargos remained sluggish at a low level amid a shift of production bases to overseas despite the weak yen trend, and the business environment has consistently faced a severe state.

Under these circumstances, the Group newly established local subsidiaries in Indonesia and Myanmar as strengthening measures for its overseas sales structure, and has aimed to enhance the distribution network including trilateral transportation in collaboration with existing business bases. In addition, domestically, the Group has strongly pushed ahead with “Kamigumi Design Distribution” both domestically and globally by steadily promoting efforts to expand service networks and develop new clients through further reinforcement of the facility infrastructure, such as establishment of distribution facilities in Hokkaido and Toyohashi. The Group has also worked hard to deal with deep cuts in costs so as to strengthen the Company’s constitution.

As a result, the Group recorded ¥242,861 million in net sales, a 2.1% year-on-year increase, in the fiscal term under review due to the increase in the volume of container cargo, etc. in the Domestic Distribution Business and that of plant cargo, etc. in the International Distribution Business. In addition, the overall cost of sales was ¥204,615 million, a 1.9% year-on-year increase, due to the increase of outsourcing costs with the growth of net sales. Meanwhile, operating income amounted to ¥22,364 million, up 2.0% year on year, and recurring income amounted to ¥23,640 million, up 1.6% year on year. Due to the lack of project applicable to tax breaks for investment leading to the increase in the corporate tax, etc., net income decreased 2.0% to ¥14,962 million from a year earlier.

The following provides an overview of our businesses by segment.

(Domestic Distribution Business)

In the Domestic Distribution Business, due to the increase in the volume of container cargo, feed and grain, etc., net sales for this segment increased 2.9% year on year to ¥202,834 million and segment profit increased 3.0% to ¥20,155 million.

(International Distribution Business)

In the International Distribution Business, due to the increase in the volume of plant cargo for trilateral transportation despite the decrease in the volume of precision products, net sales for this segment increased 1.5% year on year to ¥32,325 million and segment profit increased 1.3% to ¥1,363 million.

(Other Businesses)

In Other Businesses, due to the significant decrease in the volume of heavy cargo, net sales for this segment decreased 11.1% year on year to ¥19,371 million, and segment profit decreased 16.3% to ¥841 million due to the impact of severe competition respect to orders.

Segment	Net sales	Operating income
Domestic Distribution Business	¥202,834 million	¥20,155 million
International Distribution Business	¥32,325 million	¥1,363 million
Other Businesses	¥19,371 million	¥841 million
Elimination of Inter-Segment Transactions	(¥11,670 million)	¥3 million
Total	¥242,861 million	¥22,364 million

ii) Capital Investment and Fund Raising

Capital investment for the fiscal term under review, which totaled ¥9,535 million, consisted primarily of the construction of distribution facilities such as Toyohashi No. 2 Vehicle Preparation Center and Harumi No. 2 Silo, and renting-out apartment houses in Osaka and Nagoya (Sunny Place Shin-Umeda and Sunny Place Nagoya Port), the acquisition of Yatsushiro outer harbor industrial land, and purchases of vehicles and cargo handling machines, etc. All capital investment was covered by funds on hand.

(2) Issues to be Faced

While business is expected to be on a continuous recovery track with the government's economic stimulus measures, uncertainty still remains about the future of the economic environment, regarding, for example, the soaring cost of imported raw materials due to the weak yen and concerns about slowdown of exports due to the shift of production bases to overseas. Accordingly, the outlook for the future will continue to be unclear.

In the distribution services industry, while competition over cargo orders is intensifying in Japan, in the global markets, distribution companies which have developed into overseas markets have increased and even the competition among such companies has become globalized.

Under these circumstances, domestically, the Group will strive to expand the domestic branch network and deal with a variety of customer needs appropriately by enhancing new distribution facilities such as the "Kamigumi Kobe Airport Island No. 2 Logistics Center" which is currently under construction.

In addition, globally, in order to meet the distribution demands of customers, we will endeavor to further expand our network, develop demand for transportation services and work to create cargo custom and increase pickup of cargo by considering the establishment of business bases where we have not yet developed our business, and capturing local logistics demand through utilization of assets. Through the promotion of "Kamigumi Design Distribution" by strengthening global logistics, we will strive to attain continuous growth and enhance corporate value.

(3) Assets and Profit and Loss

Item	73 rd Fiscal Term (Ended March 2012)	74 th Fiscal Term (Ended March 2013)	75 th Fiscal Term (Ended March 2014)	76 th Fiscal Term (Consolidated fiscal term under review) (Ended March 2015)
Net Sales (¥ mil.)	234,000	232,276	237,871	242,861
Recurring Income (¥ mil.)	24,562	22,662	23,260	23,640
Net Income (¥ mil.)	13,094	13,249	15,268	14,962
Net Income per Share (¥)	50.79	51.39	59.22	58.15
Total Assets (¥ mil.)	317,370	326,741	339,838	353,865
Total Net Assets (¥ mil.)	261,092	274,239	286,339	297,969
Total Net Assets per Share (¥)	1,012.46	1,063.46	1,110.40	1,166.39

(4) Principal Subsidiaries (As of March 31, 2015)

Company's Name	Capital	Percentage of Investment by the Company	Principal Business
	Million yen	%	
Kamigumi Land Transport Co., Ltd.	150	100.00	Road Transportation
Kamigumi Marine Transport Co., Ltd.	200	95.00	Marine Transportation
Kamigumi Air Service Co., Ltd.	100	100.00	Air Freight Forwarding
Izumi Sangyo Co., Ltd.	20	100.00	Freight Forwarding
Kamix Corp.	164	100.00	Selling and Leasing
Oita Koun Co., Ltd.	40	100.00	General harbor transportation
Iwagawa Jozo Co., Ltd.	10	100.00 (100.00)	Manufacturer and wholesaler of alcoholic beverages
	Million HK\$		
Kamigumi (Hong Kong) Co., Ltd.	55	100.00	Freight Forwarding

- Notes: 1. A parenthetic figure for Percentage of Investment by the Company is an indirect ownership percentage (inclusive).
2. Capital unit of Kamigumi (Hong Kong) Co., Ltd. is 1 million HK\$.
3. Kamigumi (Hong Kong) Co., Ltd. carried out a capital increase on January 26, 2015, and its capital increased accordingly.

(5) Principal Business (As of March 31, 2015)

Segment	Principal Business
Domestic Distribution Business	General Harbor Transportation, Warehousing, Road Transportation, Warehouse and Factory Cargo Handling
International Distribution Business	International Transportation
Other Businesses	Heavy Cargo Transportation and installation, Real-estate leasing, Selling, Manufacture and sale of alcoholic liquors, Production and sales of agricultural products, Solar Power Generation, etc.

(6) Principal Offices (As of March 31, 2015)

i) Domestic Principal Offices

Kamigumi Co., Ltd.	Registered Head Office	4-1-11, Hamabe-dori, Chuo-ku, Kobe	
	Tokyo Head Office	3-7-11, Shibaura, Minato-ku, Tokyo	
	Main Branch	Nagoya Main Branch (Nagoya), Kyushu Main Branch (Fukuoka)	
	Divisions/Departments etc.	Overseas Business Strategy Headquarters (Kobe) Sales & Marketing HQ (Tokyo) International Distribution Division (Tokyo) Port & Harbor Transportation Division (Kobe) Heavy Cargo & Energy Transportation Division (Kobe) Rice Division (Tokyo) Vegetable & Fruits Division (Kobe) Feed & Grain Division (Fukuoka) Sunny Place Real Estate (Kobe)	
	Branches	Tokyo, Kashima, Yokohama, Niigata, Tomakomai, Hamaoka, Toyokawa, Tokai, Nagoya, Tsuruga, Osaka, Kobe, Hirohata, Tamashima, Fukuyama, Minooki, Tokuyama, Sakaiminato, Moji, Yahata, Fukuoka, Oita, Yatsushiro, Kagoshima, Shibushi	
Subsidiaries	Kamigumi Land Transport Co., Ltd. (Kobe) Kamigumi Marine Transport Co., Ltd. (Kobe) Kamigumi Air Service Co., Ltd. (Tokyo) Izumi Sangyo Co., Ltd. (Osaka) Kamix Corp. (Kobe) Oita Koun Co., Ltd. (Oita Prefecture) Iwagawa Jozo Co., Ltd. (Kagoshima Prefecture) Kamitsu Unyu Co., Ltd. (Hyogo Prefecture) Maruko Marine Transport Co., Ltd. (Osaka) Sunny Marine Transport Co., Ltd. (Nagoya) Joho Kogyo Co., Ltd. (Oita Prefecture) Kobe Iryou Sokushin LLP (Kobe)		Affiliates Japan Port Industry Co., Ltd. (Kobe) Kamitsu Koun Co., Ltd. (Kobe) CHUO KOUN CO., LTD. (Kobe) Kobe Mega Container Terminal Co., Ltd. (Kobe) Tokachi Grain Terminal Co., Ltd. (Hokkaido) West-Japan Coastal Feeder G.K. (Kobe) Kobe Port International Distribution Center Co., Ltd. (Kobe) PIT Co., Ltd. (Kobe) Sunny Place Farm Company Inc. (Oita Prefecture) MCKG Port Holding Co., Ltd. (Tokyo) Mizuho Shoji Co., Ltd.(Osaka)

ii) Overseas Principal Offices

Kamigumi Co., Ltd.	Main Branch	Global Management Office (Hong Kong)
	Representative offices	Beijing Office (China) Wuxi Office (China) Dubai Branch (United Arab Emirates, UAE) Yangon Office (Myanmar)
Subsidiaries	Kamigumi (Hong Kong) Co., Ltd. (Hong Kong) Kamigumi Singapore PTE. LTD. (Singapore) Kamigumi International Forwarding (Shanghai) Co., Ltd. (China) Kamigumi International Forwarding (Shenzhen) Co., Ltd. (China) Kamigumi (Taiwan) Co., Ltd. (Taiwan) KAMIGUMI (VIETNAM) CO., LTD. (Vietnam) PT.KAMIGUMI INDONESIA (Indonesia) KAMIGUMI-EFR LOGISTICS (MYANMAR) CO., LTD. (Myanmar) PT.KAMIGUMI LOGISTICS INDONESIA (Indonesia)	
Affiliates	EASTERN SEA LAEM CHABANG TERMINAL CO., LTD. (Thailand) KAMIGUMI (MALAYSIA) SDN. BHD. (Malaysia) THAI LOGISTICS SERVICE CO., LTD. (Thailand) SHANGHAI KAMIGUMI LOGISTIC SERVICE CO., LTD. (China) TOYOTSU KAMIGUMI LOGISTICS (CHANGSHU) CO., LTD. (China) THILAWA GLOBAL LOGISTICS CO., LTD. (Myanmar)	

(7) Employees (As of March 31, 2015)

i) Employees of the Group

Segment	Number of Employees	Increase or decrease from the end of the 75 th fiscal term
Domestic Distribution Business	3,495	Decrease by 45
International Distribution Business	324	Decrease by 25
Other Businesses	255	–
Administration Operations	124	Increase by 6
Total	4,198	Decrease by 64

Note: The number of employees is the number of persons at work (which excludes the number of persons seconded from the Group to outside and includes the number of persons seconded from outside to the Group).

ii) Employees of Kamigumi Co., Ltd.

Number of Employees	Increase or decrease over the Previous Term	Average Age (years)	Average Length of Service (years)
3,743	Decrease by 39	37.4	13.8

Note: The number of employees is the number of persons at work (which excludes the number of persons seconded from the Company to outside and includes the number of persons seconded from outside to the Company).

2. Current Status of the Company

(1) Shares Outstanding (As of March 31, 2015)

i) Total number of shares authorized to be issued	499,550,000
ii) Number of shares issued	274,345,675
iii) Number of shareholders	6,662
iv) Major shareholders (the top 10)	

Shareholders' Name	Number of Shares	Ratio of Shareholding
	Thousand shares	%
Japan Trustee Services Bank Ltd. (Trust Account)	16,479	6.45
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,874	5.82
Kamigumi Customers and Subcontractors Shareholding Association	12,783	5.00
Northern Trust Co. (AVFC) Re Silchester International Investors International Value Equity Trust	8,502	3.32
National Mutual Insurance Federation of Agricultural Cooperatives	7,344	2.87
Aioi Nissay Dowa Insurance Co., Ltd.	6,737	2.63
Kamigumi Employees Shareholding Association	6,116	2.39
State Street Bank West Client - Treaty 505234	5,863	2.29
Northern Trust Co. (AVFC) Re U.S. Tax Exempted Pension Funds	5,689	2.22
The Murao Educational Foundation	4,912	1.92

Notes: 1. Number of shares less than one thousand is rounded down to the nearest thousand.

2. While holding 18,926 thousand shares of treasury stocks, the Company is not included in the above-mentioned major shareholders. The ratio of shareholding is calculated by deducting treasury stocks and rounding down a number to two (2) decimal places.

(2) Situation of Corporate Officers

i) Situation of Directors and Audit & Supervisory Board Members (As of March 31, 2015)

Name	Title	Areas of responsibility at the Company and significant concurrent positions outside the Company
Masami Kubo	Chairman & Representative Director	Chief Executive Officer Chairman of the board Aomi Cargo Distribution Center Co., Ltd. Chairman & Representative Director World Cargo Distribution Center Co., Ltd. Chairman & Representative Director Kobe Port International Distribution Center Co., Ltd. Chairman & Representative Director Kobe Mega Container Terminal Co., Ltd. President & Representative Director Nippon Koun Shinko Co., Ltd. President & Representative Director The Japan Harbor Transportation Association Chairman Sunnypier Health Insurance Association Head Director
Yoshihiro Fukai	President & Representative Director	Chief Operating Officer
Hideo Makita	Representative & Senior Managing Director	Senior Managing Executive Officer General Manager of Kyushu Main Branch Director of Feed & Grain Div. In charge of Rice Div. In charge of Kyushu region, Sales & Marketing HQ. Director in responsible for Safety
Kuniharu Saeki	Director	Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region and Port & Harbor Transportation, Sales & Marketing HQ. Kobe Port International Distribution Center Co., Ltd. President & Representative Director Kobe Koun Shinko Co., Ltd. President & Representative Director Hyogo Harbor Transportation Association Chairman Kobe Port Fukurikosei Kyokai Head Director
Norihito Tahara	Director	Managing Executive Officer General Manager of Nagoya Main Branch General Manager of Domestic Strategy Office and in charge of Chukyo region
Toshihiro Horiuchi	Director	Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept. In charge of Overseas Business Strategy HQ. General Manager of Task Force team
Yoichiro Ichihara	Director	Managing Executive Officer In charge of Metal Business, Heavy Cargo & Energy Transportation Div. Vice Director in responsible for Safety

Name	Title	Areas of responsibility at the Company and significant concurrent positions outside the Company
Katsumi Murakami	Director	Managing Executive Officer In charge of International Distribution Div. In charge of East Japan and Hokkaido region, Sales & Marketing HQ.
Tatsuhiko Miyazaki	Director	Attorney at law The Japan Cargo Tally Corporation Advisor Institution For Transport Policy Studies Auditor-secretary Airport Transport Service Co., Ltd. External Audit & Supervisory Board Member
Masahide Komae	Standing Audit & Supervisory Board Member (Full-time)	–
Tetsuo Itakura	Audit & Supervisory Board Member (Full-time)	–
Katsumasa Muneyoshi	Audit & Supervisory Board Member	Certified Tax Accountant H&M Co., Ltd. Audit & Supervisory Board Member
Takumi Nakao	Audit & Supervisory Board Member	Attorney at law Mitsuboshi Co., Ltd. External Audit & Supervisory Board Member
Hirokazu Hayashi	Audit & Supervisory Board Member	The Distribution Systems Research Institute Chairman

- Notes: 1. Director Tatsuhiko Miyazaki is the external director. The Company has designated him an independent officer in accordance with the regulations of Tokyo Stock Exchange, Inc. and registered therein.
2. Audit & Supervisory Board Members Katsumasa Muneyoshi, Takumi Nakao and Hirokazu Hayashi are the external audit & supervisory board members. The Company has designated those three (3) audit & supervisory board members the independent officers in accordance with the regulations of Tokyo Stock Exchange, Inc. and registered therein.
3. Audit & Supervisory Board Member Masahide Komae has worked for the finance department of the Company over the years and has considerable insight in the areas of finance and accounting.
4. Audit & Supervisory Board Member Katsumasa Muneyoshi is Certified Tax Accountant and has considerable insight in the areas of tax and accounting.

ii) Directors who retired during the fiscal term under review

Name	Position at the Company upon retirement	Areas of responsibility at the Company and significant concurrent positions outside the Company upon retirement	Date of retirement
Koji Mukai	Representative & Vice President	Executive Senior Vice-President Executive Officer Director of Sales & Marketing HQ. Director in responsible for Safety	June 27, 2014
Toshio Hirase	Director	Senior Managing Executive Officer Director of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ. In charge of strategy for development of International Port Logistics General Manager of Task Force team	November 30, 2014

Notes: 1. Representative & Vice President Koji Mukai retired from office due to expiration of his term of office.
2. Director Toshio Hirase retired from office due to resignation.

iii) Change of title and charge of directors during the fiscal term under review

Name	New title	Former title	Date of change
Hideo Makita	Representative & Senior Managing Director Senior Managing Executive Officer General Manager of Kyushu Main Branch Director of Feed and Grain Div. In charge of Rice Div. In charge of Kyushu region, Sales & Marketing HQ. Director in responsible for Safety	Director & Senior Managing Executive Officer General Manager of Kyushu Main Branch Director of Feed and Grain Div. In charge of Rice Div. Vice Director of Sales & Marketing HQ. In charge of Kyushu region	June 27, 2014
Toshio Hirase	Director & Senior Managing Executive Officer Director of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ. In charge of strategy for development of International Port Logistics General Manager of Task Force team	Director & Managing Executive Officer Director of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ. In charge of strategy for development of International Port Logistics	June 27, 2014
Kuniharu Saeki	Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ.	Director & Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ.	June 27, 2014
	Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region and Port & Harbor Transportation, Sales & Marketing HQ.	Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ.	December 1, 2014
Toshihiro Horiuchi	Director & Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept.	Director & Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept. & Task Force team	June 27, 2014
	Director & Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept. In charge of Overseas Business Strategy HQ. General Manager of Task Force team	Director & Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept.	December 1, 2014
Katsumi Murakami	Director & Managing Executive Officer In charge of International Distribution Div. In charge of East Japan and Hokkaido region, Sales & Marketing HQ.	Director & Executive Officer In charge of East Japan and Hokkaido region, Sales & Marketing HQ.	June 27, 2014

Notes: Important changes in concurrent positions outside the Company during fiscal term under review

- Chairman & Representative Director Masami Kubo took office as Head Director of Sunnypier Health Insurance Association on October 3, 2014.

2. Director & Senior Managing Executive Officer Kuniharu Saeki retired from office as Head Director of Sunnypier Health Insurance Association on October 2, 2014.

iv) Change of title and charge of directors after the fiscal term under review

Name	New title	Former title	Date of change
Kuniharu Saeki	Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ. In charge of Administration Dept.	Director & Senior Managing Executive Officer Director of Vegetable & Fruits Div. In charge of West Japan region and Port & Harbor Transportation, Sales & Marketing HQ.	April 1, 2015
Norihito Tahara	Director & Managing Executive Officer General Manager of Nagoya Main Branch General Manager of Domestic Strategy Office and in charge of Chukyo region In charge of International Distribution Div.	Director & Managing Executive Officer General Manager of Nagoya Main Branch General Manager of Domestic Strategy Office and in charge of Chukyo region	April 1, 2015
Toshihiro Horiuchi	Director & Managing Executive Officer In charge of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ.	Director & Managing Executive Officer In charge of Administration Dept. General Manager of Secretarial Dept. In charge of Overseas Business Strategy HQ. General Manager of Task Force team	April 1, 2015
Katsumi Murakami	Director & Managing Executive Officer In charge of East Japan and Hokkaido region, Sales & Marketing HQ.	Director & Managing Executive Officer In charge of International Distribution Div. In charge of East Japan and Hokkaido region, Sales & Marketing HQ.	April 1, 2015

(Reference) Situation of Executive Officers (As of April 1, 2015)

Name	Title	Positions of responsibility
*Yoshihiro Fukai	President	Chief Operating Officer
*Hideo Makita	Senior Managing Executive Officer	General Manager of Kyushu Main Branch Director of Feed and Grain Div., in charge of Rice Div. In charge of Kyushu region, Sales & Marketing HQ. Director in responsible for Safety
*Kuniharu Saeki	Senior Managing Executive Officer	Director of Vegetable & Fruits Div. In charge of West Japan region, Sales & Marketing HQ. In charge of Administration Dept.
*Norihito Tahara	Managing Executive Officer	General Manager of Nagoya Main Branch General Manager of Domestic Strategy Office and in charge of Chukyo region In charge of International Distribution Div.
*Toshihiro Horiuchi	Managing Executive Officer	In charge of Overseas Business Strategy HQ. In charge of Port & Harbor Transportation, Sales & Marketing HQ.
*Yoichiro Ichihara	Managing Executive Officer	In charge of Metal Business, Heavy Cargo & Energy Transportation Div. Vice Director in responsible for Safety
*Katsumi Murakami	Managing Executive Officer	In charge of East Japan and Hokkaido region, Sales & Marketing HQ.
Hironobu Inoue	Managing Executive Officer	General Manager of Shibushi Branch
Yasuo Kobayashi	Managing Executive Officer	Director of International Distribution Div. and General Manager of Hanshin Div.
Kozo Yoshida	Executive Officer	President & Representative Director of Kamigumi Land Transport Co., Ltd.
Koichi Hiramatsu	Executive Officer	General Manager of Fukuyama Branch
Yukihiro Nagata	Executive Officer	General Manager of Nagoya Branch
Kazuhiro Yasuda	Executive Officer	General Manager of Hirohata Branch In charge of Tokai and Oita Branches
Keigo Akita	Executive Officer	General Manager of Corporate Management Div. and General Manager of Personnel Affairs Dept.
Kazuhisa Shino	Executive Officer	General Manager of Tokuyama Branch In charge of Tamashima, Minooki and Sakaiminato Branches
Kazuya Maeda	Executive Officer	Vice Director of International Distribution Div. and General Manager of Keihin Div.
Yasuhiro Kishino	Executive Officer	Director of Financial Div. General Manager of Financial Management Dept. and Securities Finance Dept.
Kazuhiro Nakanishi	Executive Officer	Director of Heavy Cargo & Energy Transportation Div. In charge of Hamaoka and Tsuruga Branches
Yoshio Kiyohara	Executive Officer	General Manager of Sunny Place Real Estate
Makoto Yokomizo	Executive Officer	Director of Overseas Business Strategy HQ.
Masayuki Gomi	Executive Officer	General Manager of Fukuoka Branch
Mitsuhiko Hase	Executive Officer	Director of Port and Harbor Transportation Div.

Note: Executive Officers with “*” concurrently serve as Director.

v) Total amount of compensation, etc. paid to directors and audit & supervisory board members

Title	Number	Total compensation
Director	11	¥264 million
Audit & Supervisory Board Member	5	¥39 million
Total (external officer)	16 (4)	¥303 million (¥20 million)

Note: The total amount of compensation paid to directors does not include the salaries as employee of the directors who also serve as employees. The total amount of compensation paid to directors includes the salaries paid to two (2) directors who retired during the fiscal term under review.

vi) Items on external officers

1) Status of concurrent position at other companies, etc. by external officers

Title	Name	Companies, etc. where concurrent position is performed	Details of concurrent position
Director	Tatsuhiko Miyazaki	The Japan Cargo Tally Corporation Institution For Transport Policy Studies Airport Transport Service Co., Ltd.	Advisor Auditor-secretary External Audit & Supervisory Board Member
Audit & Supervisory Board Member	Katsumasa Muneyoshi	H&M Co., Ltd.	Audit & Supervisory Board Member
Audit & Supervisory Board Member	Takumi Nakao	Mitsuboshi Co., Ltd.	External Audit & Supervisory Board Member
Audit & Supervisory Board Member	Hirokazu Hayashi	The Distribution Systems Research Institute	Chairman

Note: There is no trading and other important relationship between the Company and other companies where concurrent positions are performed.

2) Principal activities during the fiscal term under review

- Attendance to meetings of the Board of Directors and Audit & Supervisory Board

Title	Name	Meeting of the Board of Directors		Meeting of the Audit & Supervisory Board	
		Number of attendances	Percentage of attendance	Number of attendances	Percentage of attendance
Director	Tatsuhiko Miyazaki	16/16	100%	–	–
Audit & Supervisory Board Member	Katsumasa Muneyoshi	16/16	100%	12/12	100%
Audit & Supervisory Board Member	Takumi Nakao	16/16	100%	12/12	100%
Audit & Supervisory Board Member	Hirokazu Hayashi	16/16	100%	12/12	100%

Note: In addition to the number of meetings of the Board of Directors held above, there are three (3) resolutions in writing which deemed that the meeting of the Board of Directors was held, in accordance with the provisions of Article 370 of the Company Act and Article 35 of the Articles of Incorporation of the Company.

- Statement at meetings of the Board of Directors and Audit & Supervisory Board

Director Tatsuhiko Miyazaki

He expressed his opinions from a professional point of view through his long experience in transport administration as an attorney at law, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors.

Audit & Supervisory Board Member Katsumasa Muneyoshi

He expressed his opinions from a professional point of view through his long experience in tax affairs administration as a Certified Tax Accountant, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. He also made necessary statements mainly from a professional point of view through

his long experience in the tax affairs administration from time to time at the meetings of the Audit & Supervisory Board.

Audit & Supervisory Board Member Takumi Nakao

He expressed his opinions from a professional point of view through his long experience in prosecutorial administration as an attorney at law, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. He also made necessary statements mainly from a professional point of view through his long experience in the prosecution administration from time to time at the meetings of the Audit & Supervisory Board.

Audit & Supervisory Board Member Hirokazu Hayashi

He expressed his opinions from a professional point of view gained from his long experience in economic administration and his experience gained from corporate management, and gave advice and advanced proposals to secure lawfulness and appropriateness of decision making at the meetings of the Board of Directors. He also made necessary statements mainly from a professional point of view through his long experience in the economic administration from time to time at the meetings of the Audit & Supervisory Board.

3) Outline of contracts for limitation of liability

The external director and external audit & supervisory board member of the Company concluded a contract with the Company for limitation of liability for damages described in Paragraph 1 of Article 423 of the Company Act pursuant to the provisions of Paragraph 1 of Article 427 of the Act. The maximum liability for damages of the external director and external audit & supervisory board member under the contract is the amount of the minimum liability stipulated in Paragraph 1 of Article 425 of the Company Act as set forth in Paragraph 2 of Article 29 of the Articles of Incorporation.

(3) Independent Auditors

i) Name: Shinyo Audit Corporation

ii) Amount of compensation, etc.

Item	Amount of compensation, etc.
Amount of compensation, etc. to be paid to independent auditors for the fiscal term under review	¥33 million
Total amount of money and other property interests to be paid by the Company and its subsidiaries to independent auditors	¥33 million

Notes: 1. In the audit agreement between the Company and independent auditors, the amount of audit compensation, etc. for audit under the Company Act is not clearly distinguished and cannot be substantially distinguished from the one under the Financial Instruments and Exchange Law. Therefore, the total amount is described as the amount of compensation, etc. for the fiscal term under review.

2. Among principal subsidiaries, subsidiaries located in foreign countries have received audits by certified public accountants or an audit firm other than the independent auditors of the Company.

iii) Policy on how to determine dismissal or nonreappointment of independent auditors

The Audit & Supervisory Board will, when judging that it is necessary because, for example, there is an impediment to implementation of duties of independent auditors, determine the agenda related to dismissal or nonreappointment of independent auditors which is to be submitted to a general meeting of shareholders.

The Audit & Supervisory Board will, when acknowledging that an independent auditor falls under any of the items of Paragraph 1 of Article 340 of the Company Act, dismiss the independent auditor by the unanimous consent of all audit & supervisory board members. In this case, the audit & supervisory board member chosen by the Audit & Supervisory Board will declare the dismissal of the independent auditor and the reason for the dismissal at the first general meeting of shareholders convoked after the dismissal.

Note: In accordance with the coming into force of the Act for Partial Revision of the Company Act (Act no. 90 of 2014) on May 1, 2015, the body that determines agenda for dismissal or nonreappointment of independent auditors has been changed from the Board of Directors to the Audit & Supervisory Board.

(4) Framework to secure appropriateness of operations

Matters on which the Company has passed a resolution at the Board of Directors as a framework to secure the appropriateness of operations are as follows.

This matter of this resolution shall be reviewed regularly and continuously when changes occur in the business environment.

(Basic policy about internal control system)

The Company, as a general distribution company, aims to realize continued growth and implement social responsibility by setting the management philosophy as “keeping up with the current of the times, keenly Responding to the demand of ever-changing society, we challenge the subject one step ahead of the day, we make efforts to enhance our corporate value and stability of our management, eventually, contribute to the realization of affluent society.”

For achieving this objective, the Company will establish and manage the framework and system, and carry out regular review and improvement by setting up the basic policy on the internal control system as follows.

- i) Framework to make performance of duties by directors and employees conform to laws and ordinances and Articles of Incorporation

The Company has set the compliance first as basis for corporate activities, and has established the “Kamigumi Group Charter of Corporate Behavior” that shall be applied to the entire Group for the purpose of establishing and practicing law-abiding spirit.

Based on the relevant Charter, in order to establish and promote the internal control system in the Group, the Company has set up the “Compliance Risk Management Committee,” has formulated internal rules including the “Compliance Rules,” etc., and shall improve and manage the whistle-blowing system called as the “Help Line for Corporate Ethics”.

In addition, for business monitoring, the Company shall set up the Internal Audit Department as an independent organization under the direct supervision of the President, which shall carry out the audit of the Group.

- ii) Framework to preserve and manage information about directors’ performance of duties

We appropriately preserve and manage information about implementation of duties by directors by recording it in writing, etc. in accordance with “Document Management Regulations” and other relevant regulations.

Also, we promote an effective management system so that directors and audit & supervisory board members can easily access the information.

- iii) Rules about loss risk controls and other frameworks

Divisions responsible for relevant fields manage various risks in business operations in accordance with “Risk Control Rules,” etc. In addition, the Compliance Risk Management Committee operates cross-sectional control structure of the whole group.

- iv) Framework to secure efficient implementation of directors’ duties

The Group formulates the medium-term management plan in consideration of the business environment in the future, and draws up and carries out specific plans for achieving the relevant goal.

In addition, a regular meeting of the Board of Directors is held once a month in principle to decide on important matters related to the Company and the Group for ensuring the effectiveness and efficiency of execution of duties as well as carrying out the monitoring of the status of execution of duties performed by directors.

Furthermore, the Company aims to improve the efficiency of management by separating the audit and execution of operation from the decision-making of management through introducing the executive officer system.

- v) Framework to secure appropriateness of operations of the corporate group consisting of the Company and subsidiaries

The Company formulates the “Management Rules for Affiliates and Subsidiaries,” and obliges the Group to make a regular report about important matters on management, operating results, etc. in the Group.

In addition, the Compliance Risk Management Committee of the Company and separate committees established in individual offices manage the compliance, and risk management structure and other systems necessary for internal control, decide on important policies, etc. on its operation and supervise the implementation status through the monitoring conducted by the Internal Audit Department of the Company.

- vi) Items on employees whom audit & supervisory board members request to appoint as their assistants in their duties

We prepare a system for appointing appropriate persons as audit assistants from within the Company to support audit & supervisory board members' work in order to make audit more efficient and enhance the level of audit functions.

- vii) Items concerning keeping independence of the employees described in the preceding item from directors and ensuring effectiveness of instructions to the relevant employees

When receiving an order necessary for audit work from audit & supervisory board members, the audit assistants defined in the preceding item preserve independence to be able to carry out an audit without being subjected to any unreasonable restriction from directors and employees with respect to the order. In addition, the audit assistants shall comply with the instructions of audit & supervisory board members upon the implementation of their duties.

- viii) Reporting framework enabling directors and employees to report to audit & supervisory board members

Directors and employees of the Group report the following matters to audit & supervisory board members in time.

- Decision on important matters which have an effect on the Group
- Business performance of the Company and the Group
- Items on noncompliance of the Group
- Items on the whistle-blowing contents in the Help Line for Corporate Ethics and survey results for the relevant whistle-blowing.
- Cases discussed and reported at important meetings such as management conferences
- Results of internal audits carried out by Internal Audit Department
- Items which may cause substantial damage to the Group

- ix) System which ensures that a person who made a report to audit & supervisory board members based on the preceding item shall not be disadvantageously treated due to the fact that such person made such report

The Company stipulates that it shall be prohibited that a person who made a report based on the preceding item may be disadvantageously treated due to the fact that such person made such report, and that a whistle-blower shall not be disadvantageously treated due to the fact of whistle-blowing.

- x) Items on the policy in relation to an advance payment of expenses or debt disposal incurred in connection with the execution of duties of audit & supervisory board members

When an audit & supervisory board member claims to the Company an advance payment of expenses based on Article 388 of the Companies Act in association with the execution of the duties, the department in charge shall, after deliberation, settle the relevant expenses or debt promptly except the case where the relevant expenses or debt related to the relevant claim shall be deemed not to be necessary for the execution of the duties by such an audit & supervisory board member.

- xi) Other framework to ensure effective auditing by audit & supervisory board members

The Company formulates a framework where audit & supervisory board members can receive reports and exchange opinions and information about performance of their duties at meetings of the Board of Directors, and where audit & supervisory board members can have regular meetings and exchange opinions and information with respect to development and implementation of audit plans for individual fiscal terms with the Internal Audit Department and independent auditors

In addition, the Company formulates a framework that enables audit & supervisory board members to peruse important minutes of meetings, documents for final decision and others if necessary.

Note: In accordance with the coming into force of the Act for Partial Revision of the Company Act (Act no. 90 of 2014) and the Ministerial Ordinance for Partial Revision of the Ordinance for Enforcement of the Company Act (Ordinance of the Ministry of Justice No. 6 of 2015) on May 1, 2015, the contents were partially revised by a resolution of the Company's Board of Directors meeting held on May 11, 2015, and the above-mentioned framework consists of the contents after the said revisions.

The revisions consist of a review carried out in accordance with the current conditions of the Group and a change to concrete and clear expressions to be in line with revisions to laws and regulations with respect to the framework to secure appropriateness of operations of the Group and the framework for auditing.

Consolidated Balance Sheet
(As of March 31, 2015)

(Million yen)

<Assets>		<Liabilities>	
Current assets	96,910	Current liabilities	40,892
Cash and deposits	18,207	Notes payable and trade accounts payable	24,990
Notes receivable and trade accounts receivable	41,401	Income taxes payable	5,248
Marketable securities	27,998	Allowance for employees' bonuses	146
Inventories	1,544	Deferred tax liabilities	1
Deferred tax assets	1,397	Other current liabilities	10,505
Other current assets	6,416	Fixed liabilities	15,003
Allowance for doubtful accounts	(55)	Liabilities for employees' severance and retirement benefits	14,065
Fixed assets	256,955	Allowance for retirement benefits for directors and audit & supervisory board members	20
<Tangible fixed assets>	<207,132>	Accrued expenses for overhaul of vessels	3
Buildings and structures	100,196	Deferred tax liabilities	186
Machinery and equipment	13,364	Other fixed liabilities	726
Land	88,081		
Construction in progress	4,489		
Other fixed assets	999	Total liabilities	55,896
<Intangible fixed assets>	<8,729>	<Net assets>	
<Investments and long-term receivable>	<41,093>	Shareholders' equity	291,342
Investment securities	31,841	Capital stock	31,642
Long-term loan receivable	1,676	Additional paid-in capital	26,854
Deferred tax assets	723	Retained earnings	246,874
Other investments	7,194	Treasury stock	(14,028)
Allowance for doubtful accounts	(343)	Accumulated other comprehensive income	6,576
		Differences in valuation of available-for-sale securities	6,995
		Foreign currency translation adjustment	65
		Accumulated adjustment for employees' severance and retirement benefits	(484)
		Minority interest	50
		Total net assets	297,969
Total assets	353,865	Total liabilities and net assets	353,865

Note: Figures of less than one million yen have been omitted.

Consolidated Statement of Income
(From April 1, 2014 to March 31, 2015)

(Million yen)

Net sales		242,861
Cost of sales		204,615
Gross profit		38,245
Selling, general and administrative expenses		15,881
Operating income:		22,364
Non-operating revenues:		
Interests and dividend income	586	
Equity in gain of affiliates	345	
Other non-operating revenues	407	1,339
Non-operating expenses:		
Miscellaneous expenses	63	63
Recurring income:		23,640
Non-recurring income:		
Gain on sales of fixed assets	46	
Gain on sales of investment securities	242	
Subsidy income	85	373
Non-recurring losses:		
Loss on sales and retirement of fixed assets	19	
Loss on valuation of golf club memberships	2	21
Income before income taxes and minority interests:		23,992
Corporation, inhabitant, and enterprise taxes	8,900	
Deferred tax expenses	125	9,025
Income before minority interests		14,967
Minority interests in net income of consolidated subsidiaries		5
Net income:		14,962

Note: Figures of less than one million yen have been omitted.

Consolidated Statements of Changes in Net Assets
(From April 1, 2014 to March 31, 2015)

(Million yen)

	Shareholders' equity				
	Capital stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of the term	31,642	26,854	235,219	(11,378)	282,337
Cumulative effects of changes in accounting policies			(471)		(471)
Restated balance	31,642	26,854	234,748	(11,378)	281,866
Changes in the term					
Dividends from surplus			(2,836)		(2,836)
Net income			14,962		14,962
Purchase of treasury stocks				(2,649)	(2,649)
Net changes of items other than shareholders' equity in the term					
Total changes in the term	—	—	12,125	(2,649)	9,476
Balance at end of the term	31,642	26,854	246,874	(14,028)	291,342

	Accumulated other comprehensive income				Minority interest	Total net assets
	Differences in valuation of available-for-sale securities	Foreign currency translation adjustment	Accumulated adjustment for employees' severance and retirement benefits	Total accumulated other comprehensive income		
Balance at beginning of the term	4,241	(119)	(163)	3,958	43	286,339
Cumulative effects of changes in accounting policies						(471)
Restated balance	4,241	(119)	(163)	3,958	43	285,868
Changes in the term						
Dividends from surplus						(2,836)
Net income						14,962
Purchase of treasury stocks						(2,649)
Net changes of items other than shareholders' equity in the term	2,753	184	(320)	2,617	6	2,624
Total changes in the term	2,753	184	(320)	2,617	6	12,100
Balance at end of the term	6,995	65	(484)	6,576	50	297,969

Note: Figures of less than one million yen have been omitted.

Non-Consolidated Balance Sheet
(As of March 31, 2015)

(Million yen)

<Assets>		<Liabilities>	
Current assets	91,767	Current liabilities	37,994
Cash and deposits	15,712	Trade accounts payable	22,169
Notes receivable	1,119	Other accounts payable	4,214
Trade accounts receivable	37,217	Income taxes payable	5,126
Marketable securities	27,998	Accrued expenses	3,995
Supplies	188	Other current liabilities	2,488
Short-term loan receivable	7,234	Fixed liabilities	13,243
Deferred tax assets	1,333	Allowance for employees' severance and retirement benefits	12,871
Other current assets	1,011	Other fixed liabilities	372
Allowance for doubtful accounts	(48)	Total liabilities	51,238
Fixed assets	254,630	<Net assets>	
<Tangible fixed assets>	<205,025>	Shareholders' equity	288,731
Buildings	90,001	Capital stock	31,642
Structures	8,989	Additional paid-in capital	26,854
Machinery and equipment	11,670	Capital reserve	26,854
Vehicles	1,179	Retained earnings	244,263
Tools and fixtures	726	Legal retained earnings	5,978
Land	87,968	Other retained earnings	238,285
Construction in progress	4,489	Reserve for employees' severance and retirement benefits	800
<Intangible fixed assets>	<8,505>	Reserve for cash dividends	1,138
Leaseholds	6,085	Reserve for advanced depreciation of fixed assets	2,053
Other intangible fixed assets	2,419	Reserve for special depreciation	733
<Investments and long-term receivable>	<41,099>	General reserve	214,000
Investment securities	24,153	Retained earnings carried forward to the following term	19,559
Shares of affiliates	7,942	Treasury stock	(14,028)
Contribution to affiliates	308	Valuation / translation differences, etc.	6,428
Long-term loan receivable	3,053	Differences in valuation of available-for-sale securities	6,428
Guarantees	4,279		
Deferred tax assets	321		
Other investments	1,298		
Allowance for doubtful accounts	(257)	Total net assets	295,160
Total assets	346,398	Total liabilities and net assets	346,398

Note: Figures of less than one million yen have been omitted.

Non-Consolidated Statement of Income
(From April 1, 2014 to March 31, 2015)

(Million yen)

Net sales		223,697
Cost of sales		187,414
Gross profit		36,282
Selling, general and administrative expenses		14,415
Operating income:		21,867
Non-operating revenues:		
Interests and dividend income	1,052	
Other non-operating revenues	388	1,440
Non-operating expenses:		
Miscellaneous expenses	62	62
Recurring income:		23,245
Non-recurring income:		
Gain on sales of fixed assets	35	
Gain on sales of investment securities	197	
Subsidy income	85	318
Non-recurring losses:		
Loss on sales and retirement of fixed assets	17	17
Income before income taxes:		23,546
Corporation, inhabitant and enterprise taxes	8,698	
Deferred tax expenses	58	8,756
Net income:		14,790

Note: Figures of less than one million yen have been omitted.

Non-Consolidated Statements of Changes in Net Assets
(From April 1, 2014 to March 31, 2015)

(Million yen)

	Shareholders' equity							Valuation / translation differences, etc.		Total net assets
	Capital stock	Additional paid-in capital	Retained earnings			Treasury stock	Total shareholders' equity			
		Capital reserve	Legal retained earnings	Other retained earnings	Total retained earnings			Differences in valuation of available-for-sale securities	Total valuation / translation differences, etc.	
Balance at beginning of the term	31,642	26,854	5,978	226,802	232,781	(11,378)	279,899	3,785	3,785	283,684
Cumulative effects of changes in accounting policies				(471)	(471)		(471)			(471)
Restated balance	31,642	26,854	5,978	226,331	232,309	(11,378)	279,427	3,785	3,785	283,212
Changes in the term										
Provision of reserve for advanced depreciation of fixed assets				—	—		—			—
Reversal of reserve for advanced depreciation of fixed assets				—	—		—			—
Provision of reserve for special depreciation				—	—		—			—
Reversal of reserve for special depreciation				—	—		—			—
Provision of general reserve				—	—		—			—
Dividends from surplus				(2,836)	(2,836)		(2,836)			(2,836)
Net income				14,790	14,790		14,790			14,790
Purchase of treasury stocks						(2,649)	(2,649)			(2,649)
Net changes of items other than shareholders' equity in the term								2,642	2,642	2,642
Total changes in the term	—	—	—	11,953	11,953	(2,649)	9,304	2,642	2,642	11,947
Balance at end of the term	31,642	26,854	5,978	238,285	244,263	(14,028)	288,731	6,428	6,428	295,160

Note: Figures of less than one million yen have been omitted.

(Breakdown of other retained earnings)

(Million yen)

	Other retained earnings						Total
	Reserve for employees' severance and retirement benefits	Reserve for cash dividends	Reserve for advanced depreciation of fixed assets	Reserve for special depreciation	General reserve	Retained earnings carried forward to the following term	
Balance at beginning of the term	800	1,138	1,966	806	203,000	19,092	226,802
Cumulative effects of changes in accounting policies						(471)	(471)
Restated balance	800	1,138	1,966	806	203,000	18,620	226,331
Changes in the term							
Provision of reserve for advanced depreciation of fixed assets			155			(155)	–
Reversal of reserve for advanced depreciation of fixed assets			(67)			67	–
Provision of reserve for special depreciation				51		(51)	–
Reversal of reserve for special depreciation				(124)		124	–
Provision of general reserve					11,000	(11,000)	–
Dividends from surplus						(2,836)	(2,836)
Net income						14,790	14,790
Purchase of treasury stocks							
Net changes of items other than shareholders' equity in the term							
Total changes in the term	–	–	87	(72)	11,000	939	11,953
Balance at end of the term	800	1,138	2,053	733	214,000	19,559	238,285

Note: Figures of less than one million yen have been omitted.

INDEPENDENT AUDITORS' REPORT

May 8, 2015

To The Board of Directors
Kamigumi Co., Ltd.

The Shinyo Audit Corporation
Akio Kawamoto (Seal)
Representative and Engagement Partner
Certified Public Accountant
Yoshinori Katagiri (Seal)
Representative and Engagement Partner
Certified Public Accountant

We have audited Kamigumi Co., Ltd.'s consolidated financial statements which consist of consolidated balance sheet, consolidated statement of income, consolidated statements of changes in net assets, and notes to consolidated financial statements, for the consolidated fiscal term from April 1, 2014 to March 31, 2015 in accordance with the provisions of Paragraph 4 of Article 444 of the Company Act.

Responsibilities of the Company management for consolidated financial statements

The Company's management is responsible for preparation and appropriate presentation of these consolidated financial statements in accordance with generally accepted corporate accounting standards in Japan. The responsibilities include enhancement and operation of internal control which is considered necessary by the Company's management in order to prepare and appropriately present the consolidated financial statements without material misstatements attributable to frauds and errors.

Responsibilities of Auditors

We are responsible for independently expressing our opinions on the consolidated financial statements based on an audit performed by us. We conducted our audit in accordance with generally accepted auditing standards in Japan. Those auditing standards require us to formulate an audit plan and conduct the audit based on the plan in order to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

In an audit, audit procedures are implemented to obtain audit evidence concerning amounts and disclosure in the consolidated financial statements. The audit procedures are selected and applied at our discretion on the basis of risk assessment related to material misstatement attributable to frauds and errors in the consolidated financial statements. While the purpose of audit is not to express our opinions on effectiveness of the internal control, we review internal control involved in preparation and appropriate presentation of the consolidated financial statements in order to formulate flexible and proper audit procedures for implementation of the risk assessment. An audit also includes assessing the accounting principles used, the method of their application and estimates made by the Company's management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that we obtained adequate and appropriate audit evidence which provides a basis for our opinion.

Auditors' opinion

We affirm that the abovementioned consolidated financial statements contain all important matters with respect to the situation of assets and profit and loss of the corporate group consisting of Kamigumi Co., Ltd. and its consolidated subsidiaries for the term pertaining to the consolidated financial statements in accordance with the corporate accounting standards which are generally accepted in Japan.

Interests

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

REPORT OF THE AUDIT & SUPERVISORY BOARD CONCERNING THE CONSOLIDATED FINANCIAL STATEMENTS

The Audit & Supervisory Board prepares this audit report with respect to the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statements of changes in net assets, and notes to consolidated financial statements) for the 76th fiscal term from April 1, 2014 to March 31, 2015 based on the audit reports drawn up by individual audit & supervisory board members after review and states as follows.

1. Outline of Auditing Procedures Used by Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board decided auditing policy and division of duties, received reports from individual audit & supervisory board members with respect to implementation and conclusion of audit, and received reports from directors and independent auditors with respect to performance of their duties and requested them to give an explanation as occasions arose.

Individual audit & supervisory board members received reports from directors and employees with respect to the consolidated financial statements and requested them to give an explanation as occasion arose according to the auditing policy and division of duties decided by the Audit & Supervisory Board.

Furthermore, individual audit & supervisory board members did monitoring and verified whether independent auditors maintained independence and carried out a proper audit, received reports from independent auditors on performance of their duties, and requested them to give an explanation as occasions arose. Individual audit & supervisory board members also received a notice from the independent auditors to the effect that they arranged “a structure to secure proper implementation of duties” (matters listed in individual items of Article 131 of the Corporate Computation Rule) in accordance with “Quality Control Standards for Audit” (prepared by Business Accounting Council on October 28, 2005) and requested them to give an explanation as occasions arose. The consolidated financial statements for the 76th fiscal term were examined based on the abovementioned methods.

2. Conclusion of the Audit

We affirm that the audit method used and conclusions reached by the Company’s independent auditors, The Shinyo Audit Corporation, are appropriate.

May 11, 2015

The Audit & Supervisory Board
Kamigumi Co., Ltd.

Masahide Komae (Seal)
Standing Audit & Supervisory
Board Member (Full-time)

Tetsuo Itakura (Seal)
Audit & Supervisory Board
Member (Full-time)

Katsumasa Muneyoshi (Seal)
External Audit & Supervisory
Board Member

Takumi Nakao (Seal)
External Audit & Supervisory
Board Member

Hirokazu Hayashi (Seal)
External Audit & Supervisory
Board Member

INDEPENDENT AUDITORS' REPORT

May 8, 2015

To The Board of Directors
Kamigumi Co., Ltd.

The Shinyo Audit Corporation
Akio Kawamoto (Seal)
Representative and Engagement Partner
Certified Public Accountant
Yoshinori Katagiri (Seal)
Representative and Engagement Partner
Certified Public Accountant

We have audited Kamigumi Co., Ltd.'s financial statements which consist of balance sheet, statement of income, statements of changes in net assets, notes, and supplementary statement thereto for the 76th fiscal term from April 1, 2014 to March 31, 2015 in accordance with the provisions of Item 1 of Paragraph 2 of Article 436 of the Company Act.

Responsibilities of the Company management for the financial statements

The Company's management is responsible for preparation and appropriate presentation of these financial statements and supplementary statement in accordance with generally accepted corporate accounting standards in Japan. The responsibilities include enhancement and operation of internal control which is considered necessary by the Company's management in order to prepare and appropriately present the financial statements and supplementary statement without material misstatements attributable to frauds and errors.

Responsibilities of Auditors

We are responsible for independently expressing our opinions on the financial statements and supplementary statement based on an audit performed by us. We conducted our audit in accordance with generally accepted auditing standards in Japan. Those auditing standards require us to formulate an audit plan and conduct the audit based on the plan in order to obtain reasonable assurance about whether the financial statements and supplementary statement are free of material misstatement.

In an audit, audit procedures are implemented to obtain audit evidence concerning amounts and disclosure in the financial statements and supplementary statement. The audit procedures are selected and applied at our discretion on the basis of risk assessment related to material misstatement attributable to frauds and errors in the financial statements and supplementary statement. While the purpose of audit is not to express our opinions on effectiveness of the internal control, we review internal control involved in preparation and appropriate presentation of the financial statements and supplementary statement in order to formulate flexible and proper audit procedures for implementation of the risk assessment. An audit also includes assessing the accounting principles used, the method of their application and estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements and supplementary statement.

We believe that we obtained adequate and appropriate audit evidence which provides a basis for our opinion.

Auditors' opinion

We affirm that the abovementioned financial statements and supplementary statement thereto contain all important matters with respect to the situation of assets and profit and loss for the term pertaining to the financial statements and supplementary statement thereto in accordance with the corporate accounting standards which are generally accepted in Japan.

Interests

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provision of the Certified Public Accountants Law.

REPORT OF THE AUDIT & SUPERVISORY BOARD

The Audit & Supervisory Board prepares this audit report with respect to the performance of duties by directors for the 76th fiscal term from April 1, 2014 to March 31, 2015 based on the audit reports drawn up by individual audit & supervisory board members after review and states as follows.

1. Outline of Auditing Procedures Used by Audit & Supervisory Board Members and the Audit & Supervisory Board
The Audit & Supervisory Board decided auditing policy and division of duties, received reports from individual audit & supervisory board members with respect to implementation and conclusion of audit, and received reports from directors and independent auditors with respect to performance of their duties and requested them to give an explanation as occasion arose.

Individual audit & supervisory board members communicated with directors, internal audit divisions, other employees, etc. to make efforts to collect information and improve audit environment, attended important meetings such as meetings of the Board of Directors, received reports from directors and employees with respect to their performance of duties and requested them to give an explanation as occasion arose, perused important documents, etc. for final decision, and investigated the situation of operations and assets at the headquarters and principal business establishments based on the standards for audit & supervisory board members' audit stipulated by the Audit & Supervisory Board and according to the auditing policy and division of duties decided by the Audit & Supervisory Board. Individual audit & supervisory board members also expressed opinions, with receiving regular reports from Directors and employees on construction and operation of the system (internal control system) and asked them for explanations as needed, about the content of the resolution adopted at the Board of Directors with respect to the arrangement of structure to make directors' implementation of duties conform to laws and ordinances and Articles of Incorporation as well as the framework required for ensuring fair operation as a stock company as stipulated in Paragraph 1 and Paragraph 3 of Article 100 of the Company Act Enforcement Regulations and the status of the framework (internal control system) arranged in accordance with the resolution which are described in the business report. For subsidiaries, individual audit & supervisory board members communicated and exchanged information with directors, audit & supervisory board members, etc. of the subsidiaries and received business reports from subsidiaries as occasion arose. Business reports and supplementary statement thereto for the 76th fiscal term were examined based on the abovementioned methods.

Furthermore, individual audit & supervisory board members did monitoring and verified whether independent auditors maintained independence and carried out a proper audit, received reports from independent auditors on implementation of their duties, and requested them to give an explanation as occasion arose. The individual audit & supervisory board members also received a notice from the independent auditors to the effect that they prepared "a framework to ensure proper performance of duties" (matters listed in individual items of Article 131 of the Corporate Computation Rule) in accordance with "Quality Control Standards for Audit" (prepared by the Business Accounting Council on October 28, 2005) and requested them to give an explanation as occasions arose. The financial statements (balance sheet, statement of income, statements of changes in net assets, and notes) and supplementary statement thereto for the 76th fiscal term were examined based on the abovementioned methods.

2. Conclusion of the Audit
 - (1) Conclusion of audit of business reports, etc.
 - 1) We affirm that the business reports and supplementary statement thereto show the correct status of the Company in accordance with laws and ordinances and Articles of Incorporation.
 - 2) We acknowledge no unlawfulness in the implementation of duties by the directors or important fact which violates any law or ordinance or Articles of Incorporation.
 - 3) We affirm that the content of the resolution adopted at the Board of Directors on the internal control system is appropriate. We acknowledge nothing to be pointed out with respect to matters stated in the Business Report and performance of duties by the directors for the internal control system.
 - (2) Conclusion of audit of financial statements and supplementary statement thereto
We affirm that the audit method used and conclusion reached by the independent auditor, Shinyo Audit Corporation, are appropriate.

May 11, 2015

The Audit & Supervisory Board
Kamigumi Co., Ltd.

Masahide Komae (Seal)
Standing Audit & Supervisory
Board Member (Full-time)

Tetsuo Itakura (Seal)
Audit & Supervisory Board
Member (Full-time)

Katsumasa Muneyoshi (Seal)
External Audit & Supervisory
Board Member

Takumi Nakao (Seal)
External Audit & Supervisory
Board Member

Hirokazu Hayashi (Seal)
External Audit & Supervisory
Board Member