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(Securities Code: 2270)
June 8, 2016

To Shareholders with Voting Rights:

1-1, Naebocho 6-chome, Higashi-ku,
Sapporo City, Hokkaido
MEGMILK SNOW BRAND Co., Ltd.
Representative Director and President
Keiji Nishio

NOTICE OF
THE 7TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We would like to express our sincere condolences to the shareholders who were affected by the Kumamoto Earthquake in April 2016.

You are cordially invited to attend the 7th Annual General Meeting of Shareholders of MEGMILK SNOW BRAND Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, please review the attached "Reference Documents for the General Meeting of Shareholders," indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it, or exercise your voting rights via the Internet. Voting rights must be exercised by 6:00 p.m. on Monday, June 27, 2016, Japan time.

1. **Date and Time:** Tuesday, June 28, 2016 at 10:00 a.m., Japan time
(Reception begins at 9:00 a.m.)
2. **Place:** 3rd Floor, International Convention Center PAMIR, Sapporo Prince Hotel,
Nishi 12-chome, Minami 3-jo, Chuo-ku, Sapporo City, Hokkaido

3. **Meeting Agenda:**

Matters to be reported: The Business Report, Consolidated Financial Statements for the Company's 7th Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements

Proposals to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation

Proposal 2: Election of Ten Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Proposal 3: Election of Three Directors Serving as Audit and Supervisory Committee Members

Proposal 4: Election of One Substitute Director Serving as an Audit and Supervisory Committee Member

Proposal 5: Determination of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Proposal 6: Determination of Remuneration for Directors Serving as Audit and Supervisory Committee Members

4. Matters Concerning the Meeting

(1) For shareholders who have given consent to receive Notices of General Meetings of Shareholders via the Internet and indicated that paper copies of the Voting Rights Exercise Form are not required, the Company has not sent Voting Rights Exercise Forms. If you plan to attend on the day of the Meeting, please request a paper copy of the Voting Rights Exercise Form from the shareholder registry administrator (Transfer Agent Department, Mizuho Trust & Banking Co., Ltd.) by Monday, June 20, 2016 at 5:00 p.m., Japan time.

(2) Votes may only be exercised via proxy if the proxy is a shareholder with voting rights in the Company. You may not designate more than one proxy. Additionally, in this event, the Voting Rights Exercise Form of the shareholder must be submitted accompanied by written documentation proving the authority of the proxy.

(3) Shareholders who require assistance or Japanese interpretation are allowed to be accompanied by one caregiver or interpreter. However, unless these accompanying individuals are shareholders with voting rights, their speech and conduct will be limited to their capabilities as a caregiver or interpreter. Also, no gifts will be given to caregivers or interpreters who are not shareholders with voting rights.

(4) Pursuant to laws, regulations, and Article 16 of the Articles of Incorporation of the Company, Basic Policy on Control of the Company, Notes to the Consolidated Financial Statements, and Notes to the Non-consolidated Financial Statements are available on the Company's website (http://www.meg-snow.com/), and are not included in these documents. As such, the content of these documents is a portion of the Business Report, the consolidated financial statements and the non-consolidated financial statements audited by the Audit & Supervisory Board Members and Accounting Auditor when creating the Audit Reports.

[Contact Information for Voting Rights Exercise Form Requests]
Transfer Agent Department, Mizuho Trust & Banking Co., Ltd.
8-4 Izumi 2-chome, Suginami-ku, Tokyo, 168-8507
Telephone: 0120-288-324 (Toll free within Japan)
Hours of operation: 9:00 a.m. to 5:00 p.m. (excluding Saturdays, Sundays, and holidays)

- When attending on the day of the Meeting, please submit the enclosed Voting Rights Exercise Form to the receptionist. We also request that you bring these documents with you to as reference.
- In the event that there are revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements, the revised versions shall be posted on the Company's website (http://www.meg-snow.com/).
- Please note that the proceedings of this General Meeting of Shareholders will be conducted entirely in Japanese.
- Large personal items such as long umbrellas may not be carried into the place of the meeting. Please leave them at the cloak desk on the first floor of the venue before entering.

Matters Concerning Exercise of Voting Rights

1. Exercise of Voting Rights via Mail

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form, and **return it so that it arrives by 6:00 p.m. on Monday, June 27, 2016, Japan time.**

2. Exercise of Voting Rights via Internet

(1) Voting Rights Exercise Website

In lieu of exercising voting rights via writing, voting rights may be exercised on the "Voting Rights Exercise Website" (below) designated by the Company. For shareholders who wish to exercise voting rights via the Internet, please log in and follow the on-screen instructions by utilizing the voting rights exercise code and password printed along the right edge of the enclosed Voting Rights Exercise Form. For security purposes, you will be required to change your password upon initial login.

http://www.it-soukai.com/

(2) Exercise of Voting Rights

a. Votes exercised by 6:00 p.m. on Monday, June 27, 2016, Japan time are valid.

b. In the event that voting rights are exercised both via writing and the Internet, the vote cast via the Internet shall be deemed valid.

c. In the event that voting rights are exercised multiple times via the Internet, the most recent vote cast shall be deemed valid.

(3) Passwords

a. Passwords (including those modified by shareholders) are valid only for this general meeting. New passwords will be issued for the next General Meeting of Shareholders.

b. Passwords are an important method to verify the identity of shareholders that are exercising votes via the voting rights exercise website. Please ensure that other people do not know your password. The Company will never request passwords from shareholders.

c. After a certain number of failed login attempts, the password will become locked and invalid. If it becomes locked, please follow the on-screen instructions.

(4) Other Matters to Note

a. Expenses to use the Internet (Internet service provider fees, transmission fees, etc.) are to be borne by the shareholder.

b. The voting rights exercise website has been tested with typical Internet connection equipment, but the website may not be accessible depending upon your equipment.

c. For any questions, please contact the organizations below.

[Contact Information]

1. Dedicated line for inquiries concerning using the voting rights exercise website, etc.
   Internet Help Center, Transfer Agent Department, Mizuho Trust & Banking Co., Ltd.
   Telephone: 0120-768-524 (Toll free within Japan)
   Hours of operation: 9:00 a.m. to 9:00 p.m. (excluding Saturdays, Sundays, and holidays)
2. Inquiries concerning questions other than 1. above
   Transfer Agent Department, Mizuho Trust & Banking Co., Ltd.
   Telephone: 0120-288-324 (Toll free within Japan)
   Hours of operation: 9:00 a.m. to 5:00 p.m. (excluding Saturdays, Sundays, and holidays)

✧ Exercise of Voting Rights via the “Electronic Voting Rights Exercise Platform” for Institutional Investors

Institutional investors that have applied to use the Electronic Voting Rights Exercise Platform operated by ICJ Co., Ltd. ahead of time may use the Platform as the electronic method for exercise of voting rights for this General Meeting of Shareholders of the Company.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Supplementary Explanation Regarding Proposal No. 1 to Proposal No. 6
In order to enhance the supervisory function of the Board of Directors and improve the agility of the execution of business, the Company resolved at the February 25, 2016 meeting of the Board of Directors to transition to a Company with an Audit and Supervisory Committee.

1. Company with an Audit and Supervisory Committee
   (1) A Company with an Audit and Supervisory Committee is a new organizational design established as the result of the promulgation of the "Act for Partial Revision of the Companies Act" (Act No. 90 of 2014) on May 1, 2015, and is a company with an Audit and Supervisory Committee in the place of an Audit & Supervisory Board and Audit & Supervisory Board Members.
   (2) An Audit and Supervisory Committee is composed of Directors serving as Audit and Supervisory Committee Members, the majority of whom are External Directors. In addition to audit functions that the Audit & Supervisory Board and Audit & Supervisory Board Members previously carried out, Audit and Supervisory Committee Members have the authority to state the opinion at General Meetings of Shareholders regarding the appointment, dismissal, and remuneration of Directors (excluding Directors serving as Audit and Supervisory Committee Members).
   (3) Directors serving as Audit and Supervisory Committee Members are not involved in business execution, but unlike Audit & Supervisory Board Members, they possess voting rights at the Board of Directors, potentially strengthening the supervisory function of the Board of Directors by including within the scope of their duties an involvement in personnel decisions regarding Directors (excluding Directors serving as Audit and Supervisory Committee Members) and others.
   (4) As a Company with an Audit and Supervisory Committee is an organizational design with the purpose of strengthening of the supervisory function of the Board of Directors, important business execution decisions may be delegated to Directors by the Board of Directors in whole or in part in accordance with the Articles of Incorporation.

2. Reasons for the transition
   Until now, the Company has adopted the organizational design of a Company with an Audit & Supervisory Board and implemented an executive officer system, and the Board of Directors has conducted important decision making and supervised the business execution of executive officers. After investigating measures to further increase corporate value, the Company has decided to transition to a Company with an Audit and Supervisory Committee for the following reasons.
   (1) By having the Audit and Supervisory Committee Members exert voting rights as Directors, the supervisory function of the Board of Directors may be enhanced.
   (2) Along with the transition to a Company with an Audit and Supervisory Committee, the role of the Board of Directors and the structure of officers will be reviewed, allowing for improvements in the agility of business execution such as the streamlining of decision making and the optimization of execution structure.

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reason for Proposal

(1) In order to enhance the supervisory function of the Board of Directors and improve the agility of business execution, the Company will transition to a Company with an Audit and Supervisory Committee. In line with this transition, amendments to the Articles of Incorporation will be made to items necessary for transitioning to a Company with an Audit and Supervisory Committee.
   1) Newly establishing provisions regarding an Audit and Supervisory Committee and Audit and Supervisory Committee Members, removing regulations regarding Audit & Supervisory Board Members and the Audit & Supervisory Board, amending provisions regarding Directors and the Board of Directors, etc.
   2) Newly establishing provisions allowing for the delegation to Directors of all or part of the Board of Directors' authority to make important business execution decisions through a resolution of the Board of Directors
   3) Newly establishing transitional measures in line with the removal of provisions regarding the exemption of liability and liability limitation contracts for Audit & Supervisory Board Members

(2) The name of the regulation "Share Handling Regulations" will be changed to "Share Handling Rules." In line with these changes, necessary items in the Articles of Incorporation will be amended.

2. Amendment Details

The amendments are proposed to be as follows.
These amendments to the Articles of Incorporation will come into effect as of the closing of this Annual General Meeting of Shareholders.

(Underlines indicate amended sections.)

Current Articles of Incorporation	Proposed Amendments
Article 4 (Governing Bodies) In addition to general meetings of shareholders and Directors, the Company shall have the following bodies: (1) Board of Directors; (2) Audit & Supervisory Board Members; (3) Audit & Supervisory Board; (4) Accounting Auditor.	Article 4 (Governing Bodies) In addition to general meetings of shareholders and Directors, the Company shall have the following bodies: (1) Board of Directors; (2) Audit and Supervisory Committee; (Removed) (3) Accounting Auditor.
Article 10 (Additional Subscription of Shares Constituting Less Than One Unit) Shareholders of the Company may, pursuant to the Share Handling Regulations of the Company, demand for the sale of the number of shares which, together with the number of shares less than one unit held by such shareholders, will constitute one share unit.	Article 10 (Additional Subscription of Shares Constituting Less Than One Unit) Shareholders of the Company may, pursuant to the Share Handling Rules, demand for the sale of the number of shares which, together with the number of shares less than one unit held by such shareholders, will constitute one share unit.
Article 12 (Share Handling Regulations) Procedures for the exercise of shareholders' right of the Company, other handlings and commissions and fees shall be governed by laws and regulations, the Articles of Incorporation, or the Share Handling Regulations of the Company provided by the Board of Directors.	Article 12 (Share Handling Rules) Procedures for the exercise of shareholders' right of the Company, other handlings and commissions and fees shall be governed by laws and regulations, the Articles of Incorporation, or Share Handling Rules provided by the Board of Directors.
Article 20 (Number of Directors) The Company shall have up to twenty (20) Directors. (Newly established)	Article 20 (Number of Directors) 1. The Company shall have up to fifteen (15) Directors (excluding Directors serving as Audit and Supervisory Committee Members). 2. The Company shall have up to five (5) Directors serving as Audit and Supervisory Committee Members.

Current Articles of Incorporation	Proposed Amendments
Article 21 (Election of Directors) (Newly established) 1. Directors shall be elected by resolution of the general meeting of shareholders by a majority vote of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights. 2. Resolution on the election of Directors shall be made by no cumulative voting.	Article 21 (Election of Directors) 1. Election of Directors at the general meeting of shareholders shall be distinguished between Directors serving as Audit and Supervisory Committee Members and other Directors. 2. Directors shall be elected by resolution of the general meeting of shareholders by a majority vote of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights. 3. Resolution on the election of Directors shall be made by no cumulative voting.
Article 22 (Dismissal) A Director shall be dismissed by resolution of the general meeting of shareholders by two-thirds (2/3) of votes of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights. (Newly established)	Article 22 (Dismissal) 1. A Director (excluding a Director serving as Audit and Supervisory Committee Member) shall be dismissed by resolution of the general meeting of shareholders by two-thirds (2/3) of votes of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights. 2. A Director serving as Audit and Supervisory Committee Member shall be dismissed by resolution of the general meeting of shareholders by two-thirds (2/3) of votes of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights.
Article 23 (Term of Office of Directors) The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders held with respect to the latest business year ending within one (1) year after his or her election to the office. (Newly established) (Newly established)	Article 23 (Term of Office of Directors) 1. The term of office of a Director (excluding Directors serving as Audit and Supervisory Committee Members) shall expire at the conclusion of the annual general meeting of shareholders held with respect to the latest business year ending within one (1) year after his or her election to the office. 2. The term of office of a Director serving as Audit and Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders held with respect to the latest business year ending within two (2) years after his or her election to the office. 3. The term of office of a Director appointed as a substitute to fill the vacancy of a Director serving as Audit and Supervisory Committee Member who resigned prior to the expiration of his or her term of office shall be the remaining term of office of such resigned Director.
Article 24 (Representative Director) The Board of Directors shall appoint Representative Director(s) by resolution.	Article 24 (Representative Director) The Board of Directors shall appoint Representative Director(s) from among the Directors (excluding Directors serving as Audit and Supervisory Committee Members) by resolution.
Article 25 (Appointment of Officers with Titles) The Board of Directors may by its resolution have one (1) Director and Chairperson, one (1) Director and Vice Chairperson, one (1) President, a few Executive Vice Presidents,	Article 25 (Appointment of Officers with Titles) The Board of Directors may by its resolution have one (1) Director and Chairperson, one (1) Director and Vice Chairperson, one (1) President, a few Executive Vice Presidents,

Current Articles of Incorporation	Proposed Amendments
Senior Managing Directors and Managing Directors.	Senior Managing Directors and Managing Directors from among the Directors (excluding Directors serving as Audit and Supervisory Committee Members).
Article 26 (Meetings of the Board of Directors) 1. (Text omitted) 2. (Text omitted) 3. Notice of a meeting of the Board of Directors prescribed in the preceding Paragraph shall be sent to each Director and Audit & Supervisory Board Member at least three (3) days prior to the date of such meeting; provided, however, that in case of urgency, such period may be shortened. 4. Notwithstanding Paragraph 3 above, with unanimous consent of the Directors and Audit & Supervisory Board Members, the meetings of the Board of Directors may be convened without following the usual procedures for convocation. 5. (Text omitted) 6. Progress of agendas discussed and the results thereof at a meeting of the Board of Directors shall be stated and recorded in the minutes together with other matters provided by laws and regulations, signed, sealed or electronically sealed by all Directors and Audit & Supervisory Board Members present at the meeting and shall be retained for ten (10) years at the head office of the Company.	Article 26 (Meetings of the Board of Directors) 1. (No change) 2. (No change) 3. Notice of a meeting of the Board of Directors prescribed in the preceding Paragraph shall be sent to each Director at least three (3) days prior to the date of such meeting; provided, however, that in case of urgency, such period may be shortened. 4. Notwithstanding Paragraph 3 above, with unanimous consent of the Directors, the meetings of the Board of Directors may be convened without following the usual procedures for convocation. 5. (No change) 6. Progress of agendas discussed and the results thereof at a meeting of the Board of Directors shall be stated and recorded in the minutes together with other matters provided by laws and regulations, signed, sealed or electronically sealed by all Directors present at the meeting and shall be retained for ten (10) years at the head office of the Company.
(Newly established)	Article 27 (Delegation of Important Business Execution Decisions) The Company, based on the stipulations in Article 399-13, Paragraph 6 of the Companies Act, subsequent to resolution by the Board of Directors, may delegate authority to execute important business (excluding those items set forth in each item of Paragraph 5 of the same Article) in part or in whole.
Article 27 – Article 28 (Text omitted)	Article 28 – Article 29 (No change)
Article 29 (Remunerations, etc.) Financial benefits to be paid to Directors from the Company as a consideration for the execution of the duties such as remunerations and bonuses (hereinafter referred to as the "Remunerations, etc.") shall be determined by resolution at a general meeting of shareholders.	Article 30 (Remunerations, etc.) Financial benefits to be paid to Directors from the Company as a consideration for the execution of the duties such as remunerations and bonuses (hereinafter referred to as the "Remunerations, etc.") shall be determined by resolution at a general meeting of shareholders, distinguishing between Directors serving as Audit and Supervisory Committee Members and the other Directors.
Article 30 (Text omitted)	Article 31 (No change)
Chapter V Audit & Supervisory Board Members and Audit & Supervisory Board	(Removed)
Article 31 (Number of Audit & Supervisory Board Members) The Company shall have up to four (4) Audit & Supervisory Board Members.	(Removed)
Article 32 (Election of Audit & Supervisory Board Members) Audit & Supervisory Board Members shall be elected by resolution of the general meeting of	(Removed)

Current Articles of Incorporation	Proposed Amendments
shareholders by a majority vote of the shareholders present at the meeting who hold not less than one-third (1/3) of the voting rights of the shareholders who are entitled to exercise voting rights.	
Article 33 (Term of Office of Audit & Supervisory Board Members) 1. The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders held with respect to the latest business year ending within four (4) years after his or her election to the office. 2. The term of office of an Audit & Supervisory Board Member appointed as a substitute to fill the vacancy of an Audit & Supervisory Board Member who resigned prior to the expiration of his or her term of office shall be the remaining term of office of such resigned Audit & Supervisory Board Member.	(Removed)
Article 34 (Standing Audit & Supervisory Board Members) The Audit & Supervisory Board shall elect Standing Audit & Supervisory Board Members by resolution.	(Removed)
Article 35 (Meetings of the Audit & Supervisory Board) 1. Notice of a meeting of the Audit & Supervisory Board of the Company shall be sent to each Audit & Supervisory Board Member at least three (3) days prior to the meeting; provided, however, that in case of urgency, such period may be shortened. 2. With unanimous consent of the Audit & Supervisory Board Members, meeting of the Audit & Supervisory Board may be convened without following the usual procedures for convocation. 3. Except as otherwise provided by laws and regulations, resolutions of a meeting of Audit & Supervisory Board of the Company shall be adopted by a majority of the Audit & Supervisory Board Members. 4. Progress of agendas discussed and the results thereof at the Audit & Supervisory Board meeting shall be recorded and mentioned in the minutes together with other matters provided by laws and regulations, signed, sealed or electronically sealed by the Audit & Supervisory Board Members present at the meeting. The meeting of minutes shall be retained for ten (10) years at the head office of the Company.	(Removed)
Article 36 (Remunerations for Audit & Supervisory Board Members) Remunerations to be paid to Audit & Supervisory Board Members shall be determined by resolution of the general meetings of shareholders.	(Removed)
Article 37 (Exemption from Liability) 1. Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of	(Removed)

Current Articles of Incorporation	Proposed Amendments
Directors, give an exemption from liability for damages from negligence of duties to its Audit & Supervisory Board Members (including former Audit & Supervisory Board Members), to the extent of the amount provided by laws and regulations. 2. The Company may, pursuant to Article 427, Paragraph 1 of the Companies Act, enter into a contract with Audit & Supervisory Board Members to limit their liability for damages from negligence of duties. The limit of the liability under the said contract, however, shall be the predetermined amount of ten million (10,000,000) yen or more, or the amount specified by laws and regulations, whichever is greater.	
(Newly established)	Chapter V Audit and Supervisory Committee
(Newly established)	Article 32 (Standing Audit and Supervisory Committee Members) The Audit and Supervisory Committee shall elect Standing Audit and Supervisory Committee Members by resolution.
(Newly established)	Article 33 (Meetings of the Audit and Supervisory Committee) 1. Notice of a meeting of the Audit and Supervisory Committee of the Company shall be sent to each Audit and Supervisory Committee Member at least three (3) days prior to the meeting; provided, however, that in case of urgency, such period may be shortened. 2. Notwithstanding Paragraph 1 above, with unanimous consent of the Audit and Supervisory Committee Members, meeting of the Audit and Supervisory Committee may be convened without following the usual procedures for convocation. 3. Except as otherwise provided by laws and regulations, resolutions of a meeting of Audit and Supervisory Committee of the Company shall be made by a majority vote of the Audit and Supervisory Committee Members present, provided that a majority of Audit and Supervisory Committee Members able to take part in resolutions are present. 4. Progress of agendas discussed and the results thereof at the Audit and Supervisory Committee meeting shall be recorded and mentioned in the minutes together with other matters provided by laws and regulations, and signed, sealed or electronically sealed by the Audit and Supervisory Committee Members present at the meeting. The meeting of minutes shall be retained for ten (10) years at the head office of the Company.
(Newly established)	Article 34 (Audit and Supervisory Committee Rules) Matters concerning Audit and Supervisory Committee shall be governed by laws and regulations, these Articles of Incorporation, or the Audit and Supervisory Committee Rules provided by the Audit and Supervisory

Current Articles of Incorporation	Proposed Amendments
	Committee.
Article 38 – Article 41 (Text omitted)	Article 35 – Article 38 (No change)
Supplementary Provisions Article 1 Notwithstanding the provisions of Article 23, the term of office of Directors appointed at the 5th Annual General Meeting of Shareholders, held on June 26, 2014, shall be until the conclusion of the Annual General Meeting of Shareholders to be held in 2016. These supplementary provisions will be removed upon elapse of the above date.	Supplementary Provisions (Removed)
(Newly established)	Article 1 (Transitional Measures Regarding Exemption of Liability of Audit & Supervisory Board Members) Pursuant to the provision of Article 426, Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, give an exemption from liability for damages from negligence of duties to its Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) to the extent of the amount provided by laws and regulations prior to the effective date of the partial amendments to the Articles of Incorporation made at the 7th Annual General Meeting of Shareholders.
(Newly established)	Article 2 (Transitional Measures Regarding Limitation of Liability Contracts of Audit & Supervisory Board Members) Contracts limiting the liability of Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) pursuant to the provision of Article 427, Paragraph 1 of the Companies Act for actions prior to the conclusion of the 7th Annual General Meeting of Shareholders shall follow the prior example.

Proposal 2: Election of Ten Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all sixteen Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In the event that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as proposed, the Company will change its governance structure to a Company with an Audit and Supervisory Committee.

Accordingly, the election of ten Directors (excluding Directors serving as Audit and Supervisory Committee Members) is proposed, distinguishing from Directors serving as Audit and Supervisory Committee Members.

The resolution of this Proposal shall become effective under the condition that the amendments to the Articles of Incorporation in Proposal 1 are approved as proposed.

In the event that the election of the Directors (excluding Directors serving as Audit and Supervisory Committee Members) is approved, the term of office of Directors (excluding Directors serving as Audit and Supervisory Committee Members) will be up to the conclusion of the next Annual General Meeting of Shareholders.

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

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Reappointment Keiji Nishio (February 19, 1959) Record of attendance at Board of Directors meetings 26 out of 26 (100%)	April 1981 Joined Snow Brand Milk Products Co., Ltd. April 2002 General Manager, Dairy & Grocery Foods Division of Snow Brand Milk Products Co., Ltd. October 2002 General Manager, Dairy, Grocery Foods & Wine Marketing Dept. of Snow Brand Milk Products Co., Ltd. June 2003 Executive Officer and General Manager, Dairy, Grocery Foods & Wine Marketing Dept. of Snow Brand Milk Products Co., Ltd. January 2004 Executive Officer and Deputy General Manager, Cheese Division of Snow Brand Milk Products Co., Ltd. June 2004 Managing Executive Officer and Chief Operations Officer, Kanto Regional Sales Division of Snow Brand Milk Products Co., Ltd. June 2009 Managing Executive Officer, General Manager, Sales Promotion Dept., and Chief Operations Officer, Kanto Regional Sales Division of Snow Brand Milk Products Co., Ltd. October 2009 Director, Executive Officer, General Manager, Sales Promotion Dept., and Chief Operations Officer, Kanto Regional Sales Division of Snow Brand Milk Products Co., Ltd. April 2011 Executive Officer and General Manager, Marketing Control Dept. of the Company June 2013 Director and Executive Officer March 2014 Director, Executive Officer, and General Manager, Milk Beverages & Desserts Marketing Dept. April 2015 Representative Director and President To the present (Responsibilities) Overall management (Significant concurrent positions) Chairman of JAPAN MILK FAIR TRADE CONFERENCE Chairman of Japan Cheese Promotion Council Committee Chair of Japan Cheese Fair Trade Council	Common stock 4,541 shares
	[Reasons for selecting the candidate for Director] Mr. Keiji Nishio possesses abundant experience and wide-ranging insight as a corporate manager and is familiar with the Company's business including management planning, sales planning, and product planning, and has shown leadership as a top executive by setting forth clear management policies and others. The Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>Reappointment
Takao Namba
(August 2, 1955)
Record of attendance at Board of Directors meetings
26 out of 26 (100%)</td><td>April 1978 Joined National Federation of Agricultural Cooperative Associations (ZEN-NOH)
January 2002 General Manager, Management Planning Office of Zen-Noh Chokuhan Co., Ltd.
June 2002 Managing Director of Zen-Noh Chokuhan Co., Ltd.
January 2003 Deputy General Manager, Headquarters Dairy Division of ZEN-NOH
November 2003 Managing Director of Nippon Milk Community Co., Ltd.
October 2009 Representative Director and President of Nippon Milk Community Co., Ltd.
Director of the Company
April 2011 Director and Senior Managing Executive Officer
June 2013 Representative Director and Executive Vice President
To the present
(Responsibilities)
Overall management and Assistant to the President
In charge of Internal Audit and Logistics</td><td>Common stock
8,063 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
Mr. Takao Namba possesses abundant experience and wide-ranging insight as a corporate manager and is familiar with fields such as management planning, marketing, dairy, logistics, and others, and has shown leadership as a management executive. The Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
<tr><td rowspan="2">3</td><td>Reappointment
Takahiro Ishida
(April 2, 1957)
Record of attendance at Board of Directors meetings
26 out of 26 (100%)</td><td>April 1980 Joined The Norinchukin Bank
April 2000 General Manager, Miyazaki Branch of The Norinchukin Bank
July 2002 General Manager, Corporate Planning Div. and Deputy General Manager, Subsidiaries & Affiliates Management Dept., Corporate Planning Div. of The Norinchukin Bank
June 2004 General Manager, Corporate Planning Dept. of Nippon Milk Community Co., Ltd.
July 2005 Manager and Senior Examiner, JA Bank System Management Div. of The Norinchukin Bank
June 2006 General Manager, System Planning Department of The Norinchukin Bank
June 2007 Representative Director and Vice President of The JA Bank Computer System Co., Ltd.
April 2008 Representative Director, Vice President and General Manager of JASTEM Business Division of Nochu Information System Co., Ltd.
June 2008 Managing Director of The Norinchukin Bank
June 2011 Representative Director and President of Nochu Information System Co., Ltd.
June 2013 Representative Director and Executive Vice President of the Company
To the present
(Responsibilities)
Overall management and Assistant to the President
In charge of General Affairs, Secretarial Dept. and Personnel</td><td>Common stock
4,088 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
Mr. Takahiro Ishida possesses abundant experience and wide-ranging insight as a corporate manager and is familiar with fields such as management planning, human resources, finance, information systems, and others, and has shown leadership as a management executive. The Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">4</td><td>Reappointment
Shinya Kosaka
(September 15, 1957)
Record of attendance at Board of Directors meetings
25 out of 26 (96%)</td><td>April 1980 Joined Snow Brand Milk Products Co., Ltd.
April 2002 General Manager, Corporate Planning Dept. of Snow Brand Milk Products Co., Ltd.
January 2003 General Manager, Supply Chain Management Dept. of Snow Brand Milk Products Co., Ltd.
June 2003 Executive Officer and General Manager, Supply Chain Management Dept. of Snow Brand Milk Products Co., Ltd.
January 2004 Executive Officer and General Manager, Cheese Division of Snow Brand Milk Products Co., Ltd.
April 2005 Executive Officer and General Manager, Institutional Foods Division of Snow Brand Milk Products Co., Ltd.
June 2006 General Manager, Institutional Foods Division of Snow Brand Milk Products Co., Ltd.
October 2006 General Manager, Investment Planning Dept. of Snow Brand Milk Products Co., Ltd.
October 2007 General Manager, Distribution Dept. of Snow Brand Milk Products Co., Ltd.
October 2009 Deputy General Manager, Integration Strategy Dept. of the Company
April 2010 General Manager, Integration Strategy Dept.
April 2011 Executive Officer
June 2011 Director and Executive Officer
June 2013 Director and Managing Executive Officer
To the present
(Responsibilities)
In charge of Corporate Planning Div., Administration and Public Relations</td><td>Common stock
4,696 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Shinya Kosaka has abundant experience in the administration division and is particularly familiar with the fields of materials procurement and dairy material & products, the Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
<tr><td rowspan="2">5</td><td>Reappointment
Hideaki Tsuchioka
(September 19, 1955)
Record of attendance at Board of Directors meetings
25 out of 26 (96%)</td><td>April 1979 Joined Snow Brand Milk Products Co., Ltd.
January 2003 General Manager, Sapporo Sales Office of Nippon Milk Community Co., Ltd.
May 2003 General Manager, Hokkaido Div. of Nippon Milk Community Co., Ltd.
March 2006 General Manager, Marketing Planning Group, Generalized Marketing Dept. of Nippon Milk Community Co., Ltd.
April 2007 General Manager, Product Marketing and Development Group, Generalized Marketing Dept. of Nippon Milk Community Co., Ltd.
October 2009 Deputy General Manager, Integration Strategy Dept. of the Company
April 2011 Executive Officer
June 2011 Director and Executive Officer
June 2015 Director and Managing Executive Officer
To the present
(Responsibilities)
Supervising Household Products Division and in charge of National Chain Store Sales</td><td>Common stock
2,086 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Hideaki Tsuchioka has abundant experience in the sales division, and is particularly familiar with the fields of sales strategy, product planning, marketing, and national mass merchandiser sales, the Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">6</td><td>Reappointment
Hiroaki Konishi
(March 21, 1960)
Record of attendance at Board of Directors meetings
25 out of 26 (96%)</td><td>April 1986 Joined Snow Brand Milk Products Co., Ltd.
October 2002 General Manager, Product Quality and Safety Inspection Dept. of Snow Brand Milk Products Co., Ltd.
January 2003 General Manager, Product Quality and Safety Assurance Dept. of Snow Brand Milk Products Co., Ltd.
June 2003 Executive Officer and General Manager, Product Quality and Safety Assurance Dept. of Snow Brand Milk Products Co., Ltd.
June 2006 General Manager, R&D Planning Dept. of Snow Brand Milk Products Co., Ltd.
January 2008 General Manager, Public Relations Dept. of Snow Brand Milk Products Co., Ltd.
February 2008 General Manager, Secretarial Dept. and General Manager, Public Relations Dept. of Snow Brand Milk Products Co., Ltd.
October 2009 General Manager, Public Relations Dept. of the Company
April 2011 Executive Officer and General Manager, Research & Development Planning Dept.
June 2011 Director, Executive Officer and General Manager, Research & Development Planning Dept.
To the present
(Responsibilities)
In charge of Research & Development Planning, Products Development, Milk Science Research Institute and Quality Assurance</td><td>Common stock
4,586 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Hiroaki Konishi has abundant, wide-ranging experience in the research & planning and quality assurance divisions and is particularly familiar with the fields of research & development, technology development, products development, and others, and the Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
<tr><td rowspan="2">7</td><td>Reappointment
Katsuyuki Shirohata
(May 8, 1956)
Record of attendance at Board of Directors meetings
26 out of 26 (100%)</td><td>April 1980 Joined Snow Brand Milk Products Co., Ltd.
October 2003 General Manager, Noda Plant of Nippon Milk Community Co., Ltd.
January 2007 Deputy General Manager, Production Engineering Group, Generalized Production Dept. of Nippon Milk Community Co., Ltd.
April 2009 General Manager, Production Engineering Group, Generalized Production Dept. of Nippon Milk Community Co., Ltd.
April 2011 General Manager, Quality Assurance Dept. of the Company
April 2012 Executive Officer and General Manager, Quality Assurance Dept.
June 2013 Director, Executive Officer, and General Manager, Quality Assurance Dept.
March 2014 Director, Executive Officer, General Manager, Quality Assurance Dept. and General Manager, Functional Food Marketing Dept.
June 2015 Director and Executive Officer, General Manager, Production Control Dept.
April 2016 Director and Executive Officer, General Manager, Production Engineering Dept.
To the present
(Responsibilities)
Deputy Manager of Production and Production Technology</td><td>Common stock
2,656 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Katsuyuki Shirohata has abundant, wide-ranging experience in the divisions of production plants and production engineering and is particularly familiar with the field of production control and others, and the Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">8</td><td>Reappointment
Masato Koitabashi
(May 28, 1959)
Record of attendance at Board of Directors meetings
19 out of 19 (100%)</td><td>April 1983 Joined Snow Brand Milk Products Co., Ltd.
August 2003 General Manager, Secretarial room of Snow Brand Milk Products Co., Ltd.
January 2004 General Manager, Dairy Material & Products Division of Snow Brand Milk Products Co., Ltd.
October 2006 General Manager, Kyushu Regional Sales Office of Snow Brand Milk Products Co., Ltd.
October 2008 General Manager, Milk Procurement Dept. of Snow Brand Milk Products Co., Ltd.
May 2010 Seconded to Japan Dairy Industry Association
May 2011 Managing Director of Japan Dairy Industry Association
May 2012 Senior Managing Director of Japan Dairy Industry Association
June 2014 Executive Officer and General Manager, Dairy Dept. of the Company
June 2015 Director and Executive Officer, General Manager, Dairy Dept.
To the present
(Responsibilities)
In charge of Dairy and Corporate History Compilation</td><td>Common stock
3,306 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Masato Koitabashi has abundant accumulated experience and personal network in the sales and dairy divisions, and is particularly familiar with the fields of sales strategy of the dairy material & products division and dairy production, the Company has determined that he possesses experience and ability fitting of a Director of the Company and has reappointed him as candidate for Director.</td></tr>
<tr><td rowspan="2">9</td><td>New appointment
Hideki Motoi
(December 20, 1961)</td><td>April 1984 Joined The Norinchukin Bank
July 2004 Branch Manager, Naha Branch of The Norinchukin Bank
August 2005 General Manager of JA Sales Dept. of Mizuho Securities Co., Ltd.
July 2007 Deputy General Manager, Credit & Alternative Portfolio Planning Div. of The Norinchukin Bank
July 2009 General Manager, Corporate Planning Dept. of Snow Brand Milk Products Co., Ltd.
October 2009 General Manager, Corporate Planning Dept. of the Company
April 2011 General Manager, Corporate Planning Div.
July 2011 General Manager, Agriculture, Forestry, Fishery & Ecology Business Planning Div. of The Norinchukin Bank
June 2014 Managing Director of The Norinchukin Bank
May 2016 Adviser of the Company
To the present</td><td>Common stock
0 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for Director]
As Mr. Hideki Motoi has abundant experience centered on the finance and accounting divisions and is particularly familiar with the fields of corporate finance and IR, and has also assisted the Company in business integration in the past, the Company has determined that he possesses experience and ability fitting of a Director of the Company and has thus appointed him as candidate for Director.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">10</td><td>Reappointment
External Director
Independent Officer
Hisa Anan
(February 17, 1950)
Record of attendance at Board of Directors meetings
17 out of 19 (89%)</td><td>June 1991 Director of CO-OP TOKYO
June 1999 Director of Tokyo Consumers’ Co-operative Union
June 2001 Director of Japanese Consumers’ Co-operative Union
August 2003 Director of National Federation of Workers and Consumers Insurance Cooperatives
October 2007 Secretariat of SHODANREN
May 2008 Secretary General of SHODANREN
August 2012 Secretary-General of Consumer Affairs Agency
August 2014 Retired from position as Secretary-General of Consumer Affairs Agency
June 2015 External Director of the Company
To the present
(Significant concurrent positions)
Representative Director of Association to Create a Society with Consumer Citizenship</td><td>Common stock
177 shares</td></tr>
<tr><td colspan="3">[Reasons for selecting the candidate for External Director]
Although Ms. Hisa Anan has not been previously involved in corporate management, as she has abundant experience in consumer organizations and has served as the Secretary-General of Consumer Affairs Agency, etc., and is particularly familiar with the field of consumer lifestyle and others, the Company has determined that she can draw on her background to provide guidance, recommendations and supervision for the Company’s management and has reappointed her as candidate for Director.
[Independence as an External Director]
Ms. Hisa Anan has been filed as an Independent Officer provided for by the Tokyo Stock Exchange and Sapporo Stock Exchange. If Proposal 1 and this proposal are approved and Ms. Hisa Anan assumes the position as External Director, she will continue to be filed as an Independent Officer.
She is not scheduled to receive large sums of money or property (excluding remuneration as a Director) from the Company or parties related to the Company, and has not received such items during the past two years. In addition, she is not a spouse, relative within the third degree of kinship, or of other relations of officers with executive authority or otherwise of the Company or parties related to the Company.</td></tr>
</table>

(Notes)

1. There are no special interests between the candidates and the Company.
2. Ms. Hisa Anan is a candidate for External Director.
3. Ms. Hisa Anan, currently an External Director of the Company, will have been in office for one year at the conclusion of this Annual General Meeting of Shareholders.
4. Conclusion of limited liability contract with candidate for External Director
   If Proposal 1 and this Proposal are approved and Ms. Hisa Anan assumes the position as Director, the Company plans to conclude a liability limitation contract pursuant to Article 423, Paragraph 1 of the Companies Act. The terms of the contract have stipulated that her upper limit of liability toward the Company is a predetermined amount of ¥10 million or higher, or the amount provided by laws and regulations, whichever is greater.
5. The record of attendance at Board of Directors meetings for Mr. Masato Koitabashi and Ms. Hisa Anan only covers Board of Directors meetings held after they assumed office as Directors on June 25, 2015.
6. Designation of Independent Officers is made pursuant to the “MEGMILK SNOW BRAND Co., Ltd. Independence Standards for External Directors” on page 21.

Proposal 3: Election of Three Directors Serving as Audit and Supervisory Committee Members

In the event that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as proposed, the Company will change its governance structure to a Company with an Audit and Supervisory Committee.

Accordingly, the election of three Directors serving as Audit and Supervisory Committee Members is proposed.

The resolution of this Proposal shall become effective under the condition that the amendments to the Articles of Incorporation in Proposal 1 are approved as proposed.

In the event that the election of the Directors serving as Audit and Supervisory Committee Members is approved, the term of the office of the Directors serving as Audit and Supervisory Committee Members will be up to the conclusion of the 9th (June 2018) Annual General Meeting of Shareholders.

The candidates for Directors serving as Audit and Supervisory Committee Members are as follows.

This proposal has been approved in advance by the Audit & Supervisory Board.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	New appointment Shinobu Chiba (January 26, 1955) Record of attendance at Board of Directors meetings 19 out of 19 (100%)	April 1978 Joined Snow Brand Milk Products Co., Ltd. January 2003 General Manager, Corporate Communication Dept. of Nippon Milk Community Co., Ltd. October 2003 General Manager, Sales Promotion Dept. of Nippon Milk Community Co., Ltd. January 2004 General Manager, Product Marketing and Development Group, Generalized Marketing Dept. of Nippon Milk Community Co., Ltd. April 2007 General Manager, General Affairs & Personnel Group, Generalized Administration Dept. of Nippon Milk Community Co., Ltd. June 2009 Executive Officer and General Manager, Generalized Administration Dept. of Nippon Milk Community Co., Ltd. October 2009 Director, Executive Officer and General Manager, Generalized Administration Dept. of Nippon Milk Community Co., Ltd. April 2011 Executive Officer of the Company June 2011 Director and Executive Officer June 2015 Audit & Supervisory Board Member To the present	Common stock 2,817 shares
	[Reasons for selecting the candidate for Director serving as Audit and Supervisory Committee Member] As Mr. Shinobu Chiba has abundant experience in the administration division and has deep knowledge and insight based on his management experience at the Company, the Company has determined that he possesses experience and ability fitting of an individual who will audit and supervise Directors' business execution, and has appointed him as candidate for Director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>New appointment
External Director
Independent Officer
Tadao Shinjo
(July 13, 1947)
Record of attendance at Board of Directors meetings
26 out of 26 (100%)</td><td>April 1972

April 2000
January 2001
February 2001
October 2003
August 2004
June 2007
October 2009</td><td>Joined Ministry of Agriculture and Forestry (currently Ministry of Agriculture, Forestry and Fisheries)
Deputy Director-General of Food Industry Agency
Retired from Ministry of Agriculture, Forestry and Fisheries
Director of the Japan Green Resources Corporation
Director of the Japan Green Resources Agency
Special Advisor of KPMG AZSA LLC
Corporate Auditor of Snow Brand Milk Products Co., Ltd.
Audit & Supervisory Board Member of the Company
To the present</td><td>Common stock
2,709 shares</td></tr>
<tr><td colspan="4">[Reasons for selecting the candidate for External Director serving as Audit and Supervisory Committee Member]
As Mr. Tadao Shinjo has wide-ranging knowledge regarding agriculture, forestry, and fishery industry as well as experience in government offices, the Company has determined he will be able to draw on his background in the auditing and supervising of Directors' business execution, and has appointed him as candidate for Director.
[Independence as an External Director serving as Audit and Supervisory Committee Member]
Mr. Tadao Shinjo has been filed as an Independent Officer provided for by the Tokyo Stock Exchange and Sapporo Stock Exchange. If Proposal 1 and this proposal are approved and Mr. Tadao Shinjo assumes the position as External Director, he will continue to be filed as an Independent Officer.
He is not scheduled to receive large sums of money or property (excluding remuneration as an Audit & Supervisory Board Member or a Director serving as Audit and Supervisory Committee Member) from the Company or parties related to the Company, and has not received such items during the past two years. In addition, he is not a spouse, relative within the third degree of kinship, or of other relations of officers with executive authority or otherwise of the Company or parties related to the Company.</td></tr>
</table>

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
3	New appointment External Director Independent Officer Ikuo Nishikawa (July 1, 1951) Record of attendance at Board of Directors meetings 23 out of 26 (88%)	October 1974 Joined Eiko Accounting Audit Corporation (currently Ernst & Young ShinNihon LLC) September 1990 Representative Partner of KPMG Century Audit Corporation (currently Ernst & Young ShinNihon LLC) January 1993 Japanese Representative, Board of Directors, International Accounting Standards Committee (IASC) July 1995 Executive Director of The Japanese Institute of Certified Public Accountants June 1998 Retired from Japanese Representative, Board of Directors, International Accounting Standards Committee (IASC) June 2001 Retired from Executive Director of The Japanese Institute of Certified Public Accountants July 2001 Retired from Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC) August 2001 Vice Chairman of The Accounting Standards Board of Japan April 2007 Chairman of The Accounting Standards Board of Japan April 2012 Professor of Faculty of Business and Commerce, Keio University (current position) June 2014 Outside Member of Audit & Supervisory Board, Nidec Corporation (current position) June 2014 Outside Director of Eisai Co., Ltd. (current position) June 2014 Audit & Supervisory Board Member of the Company To the present (Significant concurrent positions) Professor of Faculty of Business and Commerce, Keio University Outside Member of Audit & Supervisory Board, Nidec Corporation Outside Director of Eisai Co., Ltd.	Common stock 349 shares
	[Reasons for selecting the candidate for External Director serving as Audit and Supervisory Committee Member] As Mr. Ikuo Nishikawa has a specialized and high degree of knowledge and wide-ranging experience as a certified public accountant, the Company has determined he will be able to draw on his background in the auditing and supervising of Directors' business execution, and has appointed him as candidate for Director. [Independence as an External Director serving as Audit and Supervisory Committee Member] Mr. Ikuo Nishikawa has been filed as an Independent Officer provided for by the Tokyo Stock Exchange and Sapporo Stock Exchange. If Proposal 1 and this proposal are approved and Mr. Ikuo Nishikawa assumes the position as External Director, he will continue to be filed as an Independent Officer. He is not scheduled to receive large sums of money or property (excluding remuneration as an Audit & Supervisory Board Member or a Director serving as Audit and Supervisory Committee Member) from the Company or parties related to the Company, and has not received such items during the past two years. In addition, he is not a spouse, relative within the third degree of kinship, or of other relations of officers with executive authority or otherwise of the Company or parties related to the Company.	

(Notes)

1. There are no special interests between the candidates and the Company.
2. Mr. Tadao Shinjo and Mr. Ikuo Nishikawa, currently External Audit and Supervisory Committee Members of the Company, will have been in office for six years and eight months and two years, respectively, at the conclusion of this Annual General Meeting of Shareholders.
3. If Proposal 1 and this proposal are approved and Messrs. Shinobu Chiba, Tadao Shinjo, and Ikuo Nishikawa assume the positions as Directors serving as Audit and Supervisory Committee Members, the Company plans to conclude liability limitation contracts pursuant to Article 423, Paragraph 1 of the Companies Act. The terms of the contracts have stipulated that their upper limit of liability toward the Company is a predetermined amount of ¥10 million or higher, or the amount provided by laws and regulations, whichever is greater.
4. The record of attendance at Board of Directors meetings for Mr. Shinobu Chiba only covers Board of Directors meetings held after he assumed office as Director on June 25, 2015.
5. Designation of Independent Officers is made pursuant to the "MEGMILK SNOW BRAND Co., Ltd. Independence Standards for External Directors" on page 21.

Reference Material

MEGMILK SNOW BRAND Co., Ltd. Independence Standards for External Directors

MEGMILK SNOW BRAND CO., Ltd. (hereinafter the "Company") and its subsidiaries (collectively, the "Group") judges External Directors (hereinafter "External Directors") to be sufficiently independent so long as they do not fall under any of the following.

1. The following individuals who have had business transactions with the Company or its subsidiaries in any of the past three fiscal years
   (1) Of those who have the Company or its subsidiaries as a client, an individual who the Group has paid an amount totaling more than 2% of the consolidated net sales of that business partner or an officer or employee who executes business of that corporation such as an executive Director, an Executive Officer, or others (hereinafter "executives")
   (2) Of those who the Company or its subsidiaries have as a client, an individual or their executives who pays to the Group an amount totaling more than 2% of the Group's consolidated net sales
   (3) An individual or their executives whose loans to the Company or its subsidiaries total more than 2% of the Group's consolidated total assets
   (4) A consultant, accounting professional, or legal professional who has received from the Company or its subsidiaries monetary or other assets totaling ¥10 million or 2% of total revenue, whichever is greater (excluding Director compensation), or in the event that an organization is acquiring said assets, an individual belonging to that organization

2. The following individuals who have been major shareholders in the past three years
   (1) An individual who possesses a proportion of 10% or more of the Company's voting rights (including indirect possession) or their executives
   (2) An executive of a company whose voting rights the Company or its subsidiaries possesses a proportion of 10% or more of (including indirect possession)

3. Relatives of the Company, the Company's subsidiaries, the Company's business partners, or other related persons
   (1) An individual who was a spouse or relative within the second degree of kinship of one of the following within the past ten years
      1) An executive Director or Executive Officer of the Company or its subsidiaries or a General Manager of Head Office
      2) A non-executive Director of the Company
   (2) An individual who was a spouse or relative within the second degree of kinship of one of the following within the past three years
      1) An individual who corresponds to the aforementioned 1. (1), (2), or (3) or the aforementioned 2., and in the case that the individual is an executive, an officer who executes business of that corporation such as an executive Director or an Executive Officer, or an individual equivalent to a General Manager of departments
      2) An individual who corresponds to the aforementioned 1. (4) (limited in the case of an accounting professional to a certified public accountant, and in the case of a legal professional to an attorney-at-law (including associates))

4. Other related persons
   (1) An individual who, in any of the past three fiscal years, has received donations from the Company or its subsidiaries in a single fiscal year equivalent to ¥10 million or 2% of total revenue, whichever is greater, or their executives
   (2) An executive of a company in which, within the past three years, an individual from the Company or its subsidiaries has served as an external officer

Proposal 4: Election of One Substitute Director Serving as an Audit and Supervisory Committee Member

In the event that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as proposed, the Company will change its governance structure to a Company with an Audit and Supervisory Committee.

Accordingly, to prepare for the case where the number of Directors serving as Audit and Supervisory Committee Members falls below the number required by laws and regulations, the Company proposes the election of one Substitute Director Serving as an Audit and Supervisory Committee Member.

The Substitute Director Serving as an Audit and Supervisory Committee Member will assume the position of a Director serving as an Audit and Supervisory Committee Member when the number of Directors serving as Audit and Supervisory Committee Members falls below the required number, and the resolution of this proposal shall remain in effect up to the beginning of the next Annual General Meeting of Shareholders.

The resolution of this Proposal shall become effective under the condition that the amendments to the Articles of Incorporation in Proposal 1 are approved as proposed.

The candidate for Substitute Director Serving as an Audit and Supervisory Committee Member is as follows.

This proposal has been approved in advance by the Audit & Supervisory Board.

Name (Date of birth)	Past experience and significant concurrent positions	Number of shares of the Company held
Akito Hattori (November 28, 1958)	April 1989 Registered as an attorney Joined Miyake, Hatazawa & Yamazaki Law Office April 1991 Joined Ozaki Law Office November 2006 Established Akito Hattori Law Office To the present (Significant concurrent positions) Representative of Akito Hattori Law Office Representative Director and President of Hagiwara Timber, Co., Ltd.	Common stock 0 shares

[Reasons for selecting the candidate for Substitute External Director serving as Audit and Supervisory Committee Member]

The Company proposes the election of Mr. Akito Hattori, judging that it can utilize his professional expertise as an attorney in the audit structure of the Company.

In addition, as he is well-versed in corporate law as an attorney, and has insights into management, the Company has determined that he would appropriately fulfill duties as an External Director serving as an Audit and Supervisory Committee Member.

[Independence as an External Director serving as Audit and Supervisory Committee Member]

Mr. Akito Hattori is not scheduled to receive large sums of money or property (excluding remuneration as a Director serving as an Audit and Supervisory Committee Member) from the Company or parties related to the Company, and has not received such items during the past two years. In addition, he is not a spouse, relative within the third degree of kinship, or of other relations of officers with executive authority or otherwise of the Company or parties related to the Company.

(Notes)

1. There is no significant conflict of interest between the Company and Mr. Akito Hattori.
2. Mr. Akito Hattori is a candidate for Substitute External Director Serving as an Audit and Supervisory Committee Member.
3. Conclusion of limited liability contract with candidate for Substitute External Directors serving as Audit and Supervisory Committee Members

   In the event that Mr. Akito Hattori assumes the position as a Director serving as an Audit and Supervisory Committee Member, the Company plans to conclude a liability limitation contract with him pursuant to Article 423, Paragraph 1 of the Companies Act. The terms of the contract shall stipulate that his upper limit of liability toward the Company is a predetermined amount of ¥10 million or higher, or the amount provided by laws and regulations, whichever is greater.

Proposal 5: Determination of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The upper limit for remuneration for Directors of the Company was approved to be ¥1.0 billion in total per annum (including ¥15.0 million per annum for External Directors) at the 1st Annual General Meeting of Shareholders, held on June 28, 2010.

If Proposal 1: Partial Amendments to the Articles of Incorporation is approved as proposed, the Company will change its governance structure to a Company with an Audit and Supervisory Committee. In line with the stipulations of the Companies Act, the current remuneration framework for Directors will be abolished, and the Company proposes determination of remuneration, etc. for Directors (excluding Directors serving as Audit and Supervisory Committee Members).

Accordingly, taking into consideration current economic trends and other conditions, etc., the upper limit for remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) is proposed to be set to ¥1.0 billion in total per annum (including ¥50.0 million per annum for External Directors).

Remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) will not include employee salary for Director-employees.

Although the number of Directors is currently sixteen persons (including one External Director), if Proposal 1: Partial Amendments to the Articles of Incorporation and Proposal 2: Election of Ten Directors (Excluding Directors serving as Audit and Supervisory Committee Members) are approved as proposed, the number of Directors (excluding Directors serving as Audit and Supervisory Committee Members) will be ten persons (including one External Director).

The resolution of this Proposal shall become effective under the condition that the amendments to the Articles of Incorporation in Proposal 1 are approved as proposed.

Proposal 6: Determination of Remuneration for Directors Serving as Audit and Supervisory Committee Members

If Proposal 1: Partial Amendments to the Articles of Incorporation is approved as proposed, the Company will change its governance structure to a Company with an Audit and Supervisory Committee. In line with the stipulations of the Companies Act, the Company proposes determination of remuneration, etc. for Directors serving as Audit and Supervisory Committee Members.

Accordingly, taking into consideration their duties as Audit and Supervisory Committee Members and current economic trends as well as other conditions, etc., the upper limit for remuneration for Directors serving as Audit and Supervisory Committee Members is proposed to be set to ¥0.2 billion in total per annum.

If Proposal 1: Partial Amendments to the Articles of Incorporation and Proposal 3: Election of Three Directors Serving as Audit and Supervisory Committee Members are approved as proposed, the number of Directors serving as Audit and Supervisory Committee Members will be three persons.

The resolution of this Proposal shall become effective under the condition that the amendments to the Articles of Incorporation in Proposal 1 are approved as proposed.