(Translation for reference only)

Securities Code: 9831
May 27, 2016

NOTICE OF THE 39TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

First and foremost, we at Yamada Denki Co., Ltd. would like to express our deepest sympathies to all those who have been affected by the 2016 Kumamoto Earthquake.

You are cordially invited to attend the 39th Ordinary General Meeting of Shareholders of Yamada Denki Co., Ltd. (the "Company"), which will be held on Wednesday, June 29, 2016, at 10:00 a.m., Japan Standard Time (reception desk opens at 9:00 a.m.) at the Company's headquarters (Convention Hall, 12F), 1-1 Sakae-cho, Takasaki, Gunma, Japan.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal voting or Internet voting. Prior to voting, please examine the attached reference documents for the General Meeting of Shareholders. Please vote in one of the following ways and ensure that your vote reaches us by 6:00 p.m. on Tuesday, June 28, 2016.

To exercise your voting rights by post:

Indicate "for" or "against" for each agenda item listed on the enclosed Voting Rights Exercise Form, and return it by post to reach us by the above deadline.

To exercise your voting rights by Internet:

Please access the website for exercising voting rights and exercise your voting rights by indicating your vote "for" or "against" for each agenda item listed by the above deadline. For details, please refer to "Exercising Voting Rights by the Internet" (Japanese only).

Sincerely yours,

Mitsumasa Kuwano,
President and Representative Director
Yamada Denki Co., Ltd.
1-1 Sakae-cho, Takasaki, Gunma, Japan

MEETING AGENDA

Items to Be Reported:

1. The Business Report, Consolidated Financial Statements for the 39th term (from April 1, 2015 to March 31, 2016); and report on auditing results of consolidated financial statements by independent accountants and Audit & Supervisory Board
2. The Non-Consolidated Financial Statements for the 39th term (from April 1, 2015 to March 31, 2016)

Items to Be Resolved:

<Company Proposal (Items 1 through 5)>

Item 1: Proposal for Appropriation of Surplus
Item 2: Partial Amendments to the Articles of Incorporation
Item 3: Election of 17 Directors
Item 4: Election of 1 Audit & Supervisory Board Member
Item 5: Revision of Remuneration, etc. Concerning Stock Acquisition Rights as Stock Compensation-Type Stock Options for Directors

<Shareholder Proposal (Item 6)>

Item 6: Partial Amendments to the Articles of Incorporation (Proposal Made by Shareholders)

*If attending the meeting in person, please present the enclosed Voting Rights Exercise Form at the reception desk.
*If circumstances arise whereby revisions should be made to the contents of the reference documents for the General Meeting of Shareholders, the business report, non-consolidated financial statements and consolidated financial statements, notification of such revisions shall be published on the Company's website (http://www.yamada-denki.jp/).
This notice is a condensed version of the Japanese general meeting notice.

(Attachments)

BUSINESS REPORT

Fiscal Year ended March 31, 2016

I. Status of the Group

(1) Review of Operations for the Fiscal Year

During the fiscal year under review, the Japanese economy held to a path of gradual recovery amid a scenario in the first half of the fiscal year where stronger corporate earnings, a more upbeat jobs environment and other such positive developments emerged against a backdrop of firming equities markets, a weakening yen and lower oil prices, and underpinned by various measures being taken by the government and the Bank of Japan. However, the situation remains unpredictable given prevailing uncertainties with respect to the economic outlook which became evident in the latter half amid materializing risk of an economic slowdown in China and emerging nations in conjunction with a drastically appreciating yen and stock price volatility since the beginning of 2016.

In the consumer electrical appliance retail industry to which the Company belongs, demand to replace household necessities generated a strong and favorable market for certain products, yet durable consumer goods continued to suffer from a prolonged pullback in spending amid a situation of demand having been eroded by an earlier surge in sales fueled at the time by the Japanese government's "eco-points" program for electrical appliances and a rush to buy products ahead of Japan's consumption tax hike.

From a product perspective, even though results of television sales were favorable due to a trend of rising single unit prices amid moves toward larger screen sizes and growing demand for 4K televisions, performance for the full year was lackluster given sense that the trend of increasing unit prices ongoing since the beginning of the year has subsided and adverse effects of the consumption tax increase. Meanwhile, refrigerators, washing machines, microwave ovens and other cooking appliances, vacuum cleaners, hair and beauty appliances, and other white goods generated firm results. The sales environment for air conditioning units continued in an unstable manner with substantial fluctuations from season to season, such as a hot spell over the summer months, a warm winter after the third quarter, then heavy snowfalls and drops in temperature in the beginning of the year. Also, market conditions were weak for computers, digital cameras, mobile phones and other home information appliances in general.

Against this backdrop in the electrical appliance market, the Group has been implementing various structural reforms over the last several years such as those involving "Implementation of Personnel System Reform" and "Improvement and Reform of Store Efficiency." In addition, with the aim of providing better customer-oriented service leveraging strengths derived from operating one of Japan's largest network of stores, we have also been taking active steps to develop into a leading company in the Internet of Things (IoT) era. To that end, we have been promoting services that include: 1. lifestyle support services that provide peace of mind (services that involve keeping a watchful eye on elderly people, New The Anshin comprehensive warranties for home appliances and electronics, long term guarantees, etc.); 2. smart house services (YAMADA SXL HOME CO., LTD. and Yamada Wood House Co., Ltd.); 3. home renovation services (Housetec Inc.); 4. Yamada online shopping mall services (Yamada Mall and YAMADA WEB COM); 5. environmental solutions business ("outlet & reuse" stores, CIC Co., Ltd., Inversenet Co., Ltd., Azuma Metal Co., Ltd.); 6. financing and credit card services (Yamada Financial Co., Ltd., loyalty point program membership services, services for corporate customers, etc.), and; proprietary merchandise development services (the Herb Relax series, Every Pad series, designer home appliances series, etc.).

In the area of sales, we eliminated competition among our own stores by forging ahead with store closing on a large scale and made substantial gains in terms of store efficiency results. The latter was achieved by readjusting product mixes through renovations of stores and conversions of store formats, pursuing efforts to optimize inventories, and striving for optimal and maximum sales efficiencies by taking a systematic approach with respect to staffing. We have also been engaging in efforts that involve developing proprietary IoT business, promoting various structural reforms, shifting from quantity to quality, and enhancing what we offer by going from physical products to intangible services. As a result, despite operating in a market for electrical appliances that has been lackluster partially due to the prolonged pullback in spending resulting from government policies and the consumption tax hike, we have achieved considerable year-on-year improvement in gross profit margin, and we have also attained positive results from our efforts to substantially reduce various selling, general and administrative expenses.

Going forward, under a management framework consisting of three representative directors (as of April 1, 2016), the Yamada Denki Group will act as one of Japan's largest network and services IoT company as it continues to take on challenges that involve working to achieve further positive outcomes by developing and promoting new businesses, enhancing and forging ahead with various structural reforms, and fortifying our existing businesses.

The Group aims to increase its social value, and develop together with society. To this end, we engage in ongoing CSR-oriented operations that are genuine, and continue to carry out CSR activities proactively. Details of the Group's CSR activities are continuously published in its CSR REPORT as well as Monthly CSR Activities, which are posted on the Company website (http://www.yamada-denki.jp/csr/index.html). Please note that some of these documents are published in Japanese only.

As of the end of the fiscal year under review, we have 947 consolidated retail stores (comprising 637 stores directly managed by the Company, 161 stores managed by Best Denki Co., Ltd. and 149 stores operated by other consolidated subsidiaries), and a total of 12,087 retail stores overall with the inclusion of those managed by our subsidiaries and franchise stores.

As a result of the above, consolidated net sales for the fiscal year under review amounted to ¥1,612,735 million, down 3.1% year on year, operating income totaled ¥58,158 million, up 192.0% year on year, ordinary income was ¥62,734 million, up 76.5% year on year, and profit attributable to owners of parent was ¥30,395 million, up 225.4% year on year.

Investors should be aware that our net sales have decreased in comparison with the previous fiscal year due to extraordinary factors. For one, the sales figure for the prior fiscal year includes sales recorded for deliveries made on or after April 1, 2014 for certain orders received before the consumption tax increase surge in demand prevailing up to March 31, 2014. Also, the accounting period of the Company differs from that of its consolidated subsidiaries (on a nonconsolidated basis it is April 1 to the end of March in the following year, while on a consolidated subsidiary basis it is March 1 to the end of February in the following year), which also had a negative impact on year-on-year sales.

Also, as a special factor, foreign exchange losses of ¥4,054 million were recorded owing to the sharp yen appreciation that has been occurring since January 2016. For reference, when adjusting ordinary income to exclude this special variable, the adjusted amount is ¥66,789 million, which is roughly the amount forecasted in the earnings forecasts.

(2) Trends in Operating Results and Assets

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Net sales (millions of yen)	1,701,489	1,893,971	1,664,370	1,612,735
Ordinary income (millions of yen)	47,906	50,187	35,537	62,734
Profit attributable to owners of parent (millions of yen)	22,203	18,666	9,340	30,395
Basic earnings per share (yen)	23.56	20.21	11.73	38.22
Total assets (millions of yen)	1,138,389	1,196,288	1,122,407	1,146,722
Net assets (millions of yen)	555,391	553,354	509,397	557,722

(Note) At the meeting of the Board of Directors held on August 12, 2013, the Company passed a resolution to conduct a ten-for-one stock split effective October 1, 2013. However, the Basic earnings per share amounts shown here were calculated on the assumption that the aforesaid stock split was conducted at the beginning of Fiscal 2012.

(3) Issues the Group will be Addressing

Looking ahead to the fiscal year ending March 31, 2017, although we expect a negative effect from financial market fluctuation, which has been observed in stock prices and exchange rates since January 2016, and also increased risk of economic slowdown in the emerging countries, notably China. We also expect a pause to financial market adjustments. Accordingly, the future outlook continues to be unclear.

Nevertheless, in Japan, factors such as increased consumer spending, which is a result of personal incomes improving under a more positive employment environment, lower resource prices, and a firm increase in capital expenditure indicate that corporate earnings will continue to improve. In addition, we also expect a lift in markets that benefit from events such as the Rio de Janeiro Olympics that will be held over the summer and a surge in demand ahead of the consumption tax hike in April 2017 is also expected, albeit limited. Therefore, overall, we expect economic activity in Japan to continue on a track of gentle recovery.

The consumer electrical appliance retail market, in which the Group belongs, will enjoy underlying support from the aforementioned firm economic activity, and it is expected to perform steadily owing to the increased demand for visual-related products accompanying the Olympics, a firm demand for upgrading white goods, and a (limited) surge in demand ahead of the price hike in consumption tax.

Operating as a consumer electrical appliance retailer under this market environment, we will continue to implement structural reforms and initiatives with medium- to long-term focuses. While working to broaden and deepen our business range, we will work to “shift from quantity to quality” by developing new businesses designed for improved customer satisfaction via the transition “from products to services” through original adoption of IoT utilizing the strengths of Japan’s largest-scale store network and service network; by continuing to promote various structural reforms; and by reinforcing existing businesses. In this way, we will raise profitability by improving the gross profit margin and reducing selling, general and administrative expenses, and, at the same time, boost corporate value.

As a leading company in the consumer electrical appliance retail industry, we will aim to develop relationships of trust with a variety of stakeholders. We will also continue to promote CSR-oriented operations in which we leverage Group synergies, increase our social value, and develop together with society.

II. System for ensuring the properness of business operations and implementation of that system

The following is a summary of the systems to ensure that the directors perform their duties in compliance with the applicable laws and the Company's Articles of Incorporation and to ensure that all other operations by the Company are carried out in a proper manner.

System for ensuring the properness of business operations

1. System for ensuring that directors and employees perform their duties in compliance with the applicable laws and regulations and the Articles of Incorporation
   a. Compliance Committee
      Directors in charge of compliance shall organize the Compliance Committee, which is involved in formulating corporate ethics policies and basic policy and standards on compliance with laws and regulations (compliance provisions), and establish codes of conduct on that basis requiring that directors and employees act in accordance with laws and regulations, the Articles of Incorporation and the Company's employment rules and other internal rules.
      Education to directors and employees shall be provided to ensure thorough implementation in this regard led by the Compliance Committee. These initiatives are reported on a regular basis to the Board of Directors and the Audit & Supervisory Board.
   b. Establishment of the CSR Committee and consultation meetings with outside experts on CSR-focused management
      The Company shall establish the CSR Committee, in full recognition of the significance of corporate social responsibility, as a means of putting CSR-focused management into practice as part of the management policy. The CSR Committee shall pursue initiatives based on the Code of CSR Ethics in areas that include compliance, labor, customer satisfaction, local communities, and environmental issues. In order to draw on opinions from outside sources, the Company shall also establish consultation meetings with outside experts on CSR-focused management. The meeting shall act as a forum for regular reporting on the progress of initiatives and opinion exchange.
   c Whistle-blowing system
      Upon becoming aware of incidents involving the performance of duties by the Company's directors and employees that are questionable in terms of laws and regulations, individuals regardless of their position shall report such matters directly to the organizational contact set up to receive internal reports, pursuant to the Regulations on Operation of Whistle-Blowing System. The Compliance Committee shall endeavor to make the existence of the whistle-blowing system known.
   d Internal Audit Office
      The Internal Audit Office shall operate independently of the Company's operating divisions. It shall perform internal audits on legal compliance of individual sectors and audits encompassing areas such as, information security management systems (ISMS), information systems, information security and personal information protection. It shall also audit work processes and other operations of individual sectors, and take steps to uncover and prevent improprieties and to improve processes.

2. System for storage and control of information concerning the directors' performance of their duties
   a. Manager in charge of information storage and management
      With respect to the storage and management of information pertaining to the directors' performance of duties, the Company shall store the documents set forth below (including electro and magnetic records thereof) along with related materials under the responsibility of the director in charge of general affairs and in accordance with the Company's Regulations on Document Management and Handling.
      i. Minutes of General Meetings of Shareholders
      ii. Minutes of meetings of the Board of Directors
      iii. Financial statements
      iv. Internal circulars for managerial decision (*ringi-sho*)
      v. Minutes of meetings of respective committees
      vi. Documents otherwise designated in the Company's Regulations on Document Management and Handling
   b Amendments to document handling regulations
      Approval of the Board of Directors shall be obtained when amending the Regulations on Document Management and Handling.
   c The Company shall develop regulations related to protection of personal information and management of trade secrets, and store and manage personal information and important trade secrets in an appropriate and safe manner.

3. Regulations on risk of loss and other systems
   a. Risk Management Regulations
      The director in charge of risk management shall organize the Risk Management Committee and formulate the Risk Management Regulations. Accordingly, the committee shall categorize risks in the regulations and establish specific risk management systems.
   b. Crisis management system in the event of disaster
      The director in charge of risk management shall prepare a disaster response manual and develop crisis management system in accordance with the manual. The director in charge of risk management shall endeavor to make details of the manual known and provide education regarding disaster response.

4. System to ensure that directors perform their duties efficiently
   When making decisions on allocating duties of directors and conferring segregations of duties and authority of individual sectors, the Board of Directors (or the representative directors) shall be careful not to make decisions that would result in bloated back-office operations, overlapping administrative sectors, intertwined areas of authority or would otherwise significantly impede efficiency.

5 System for ensuring the properness of business operations of the Group consisting of the Company, its parent company and its subsidiaries
   a The Company shall establish an office of affiliate management, and accordingly create a system for overseeing the management and performance of subsidiaries and ensuring the properness of such business operations.
   b The Company's subsidiaries shall execute their business operations in accordance with basic affiliation agreements and internal regulations of the respective companies, and such agreements and regulations shall be reviewed as needed.
   c To achieve optimal performance and budget management of its subsidiaries, the Company shall hold monthly Group company review committee meetings for managing subsidiaries' overall performance and budgets on the basis of medium-term business plans and annual budgets, and furthermore hold weekly Group company meetings with its principal subsidiaries.
   d When deemed necessary, the Internal Audit Office may conduct internal audits related to business operations of subsidiaries.

6. System for reporting to the Company on matters pertaining to performance of duties by subsidiaries' directors, etc.
   a The Company shall stipulate the procedures and content of reporting to the Company from subsidiaries in basic affiliation agreements and provide appropriate guidance and advice on matters reported, while respecting the autonomy of subsidiary management.
   b The Company shall hold monthly Group company briefing sessions where it receives reports on the status of subsidiary management and financial position to ensure the properness of subsidiary business operations.

7. Regulations on management of risk of loss of subsidiaries and other systems
   a The Company shall make its basic risk management guidelines thoroughly known to its subsidiaries in accordance with the basic affiliation agreements.
   b The Company shall receive weekly risk management status reports from all of its subsidiaries, by receiving checklists for monitoring compliance.
   c The Company's principal subsidiaries shall establish basic policies on risk management.
   d In the event that the office of affiliate management receives a report on risk of loss from a subsidiary, it shall investigate the relevant facts in the case and report the matter to the Board of Directors and the Audit & Supervisory Board.

8. System for ensuring that subsidiaries' directors, etc. perform their duties efficiently
   a The Company's Board of Directors shall formulate medium-term business plans, medium- to long-term management strategies and other such documents in which subsidiaries are involved, and coordinate with subsidiaries in establishing key management goals based on such plans and strategies, and making progress in that regard.
   b The Company shall stipulate procedures in its basic affiliation agreements with respect to individual matters for approval involving its subsidiaries, and take steps to streamline decision-making in that regard.

9. System for ensuring that subsidiaries' directors, etc. and employees perform their duties in compliance with the applicable laws and regulations and the Articles of Incorporation
   a The Company shall verify the status of subsidiaries' operations using weekly checklists for monitoring compliance, and report such outcomes to the Compliance Committee as necessary.
   b The Company's whistle-blowing system shall also be used by its subsidiaries to prevent violations of laws and regulations and the Articles of Incorporation. The Company shall receive reports regarding the status of any disciplinary action taken on the basis of violations of laws and regulations or the Articles of Incorporation.
   c The Company may assign its directors, Audit & Supervisory Board members and employees to concurrently serve as audit & supervisory board members of a subsidiary, thereby coordinating with audit & supervisory board members of the subsidiary in performing legal compliance audits of duties performed by the subsidiary's directors and employees.

10. System regarding employees to assist duties of Audit & Supervisory Board members when the Audit & Supervisory Board members request to assign such employees, and matters regarding the independence of such employees from the directors
   a Assigning an employee to act as an audit assistant
   When an Audit & Supervisory Board member requests directors that an employee be assigned as an audit assistant to assist in his or her duties, the directors shall make the necessary organizational changes and personnel rotations upon consulting with the Audit & Supervisory Board member.
   b Duties of an audit assistant
   Audit assistants shall be formally posted as assistant to Audit & Supervisory Board member and assist with duties of Audit & Supervisory Board members and Audit & Supervisory Board operations as instructed and ordered.
   c Independence of an audit assistant
      i. An audit assistant shall work under the instructions and orders of an Audit & Supervisory Board member, and as such is not subject to the instructions or orders of directors or any person positioned as his or her superior or the like in the organization unit to which the audit assistant belongs.
      ii. In performing their tasks, audit assistants may gather all information necessary for the audit.
      iii. Consent of the relevant Audit & Supervisory Board member must be obtained for matters involving personnel changes (this includes consent for the transfer destination in case of personnel transfer), personnel evaluation and disciplinary action of an audit assistant.

11. Matters regarding ensuring effectiveness of Audit & Supervisory Board members' instructions to employees to assist them in their duties
   a Supervisory authority
   Audit & Supervisory Board members may instruct employees as necessary for conducting audit work so that the employees will assist their duties.
   b Cooperative framework
   When such an employee concurrently serves as an employee of another department, priority must be given to the employee's duties pertaining to the Audit & Supervisory Board member. Moreover, superiors of the other department with which the employee concurrently serves, and directors, must provide support as necessary upon request with respect to performance of such duties.

12. System for directors and employees to report to Audit & Supervisory Board members and the system concerning other reports to Audit & Supervisory Board members
   a Directors' obligation to report
   A director must promptly report to an Audit & Supervisory Board member with respect to any discovery of an incident where work performed by another director or an employee is in violation of laws and regulations, or threatens to cause significant damage to the Company.
   b Employees' right to report
   An employee may report to an Audit & Supervisory Board member with respect to any discovery of an incident where work performed by a director or another employee is in violation of laws and regulations, or threatens to cause significant damage to the Company.
   c Methods of reporting
   Methods of reporting shall be determined through mutual consultation between directors and the Audit & Supervisory Board.

d Internal reporting
The organizational contact set up to receive internal reports shall report matters involving the status of internal reporting to an Audit & Supervisory Board member, pursuant to the Regulations on Operation of Whistle-Blowing System.

13. System for reporting to Audit & Supervisory Board members by the following in subsidiaries: directors, accounting advisors, audit & supervisory board members, executive officers, executive members, persons executing duties set forth in Article 598, Paragraph 1 of the Companies Act, persons equivalent to such persons, and employees, or persons who receive reports from the foregoing persons

a Directors and employees of a subsidiary shall immediately report the Company's office of affiliate management if they discover an incident that significantly damages the subsidiary or threatens to do so, or otherwise if they discover a material incident involving violation of laws and regulations, the articles of incorporation or internal regulations within the subsidiary.

b With respect to matters involving reports received from directors of subsidiaries, any matters that the Company's office of affiliate management is to report to Audit & Supervisory Board members of the Company shall be those determined through mutual consultation between the Company's officers in charge of subsidiaries and Audit & Supervisory Board members.

14. System for ensuring that persons who have reported matters are not treated disadvantageously on the grounds of their reporting
(Whistleblower protection)
Persons who have reported matters to an Audit & Supervisory Board member shall not be treated disadvantageously in any way on the grounds of their reporting as set forth in the preceding paragraphs.

15. Matters regarding policies pertaining to procedures for prepayment or reimbursement of expenses arising with respect to performance of an Audit & Supervisory Board member's duties, or otherwise processing of expenses or debt obligations arising with respect to performance of such duties

a Presentation of budget
The Audit & Supervisory Board shall present a preliminary budget to the Company with respect to expenses deemed necessary in performing duties.

b Claims for expenses, etc.
Directors may not reject the hereinafter listed claims made by an Audit & Supervisory Board member, etc. with respect to performance of his or her duties, unless it has been demonstrated that an expense or debt obligation pertaining to the claim is unnecessary with respect to performance of the Audit & Supervisory Board member's duties.

i. Claim for prepayment of expenses
ii. Claim for reimbursement of expenses already paid and interest on such amounts accrued after the date of payment
iii. Claim for making repayment to a person to whom a debt obligation is owed (or provision of reasonable guarantee of such amount in cases where the repayment due date of the obligation has not yet arrived).

16. System for ensuring that Audit & Supervisory Board members perform audits effectively
Audit & Supervisory Board members are provided preliminary explanations with respect to annual plans to be implemented by the Internal Audit Office, and may ask for revisions to such plans and make other such requests. Moreover, Audit & Supervisory Board members may be appropriately provided reports regarding the status of internal audit implementation, and may call for performance of additional audits, improvement of business operations and other such requests, when deemed necessary.

[Overview of implementation of system for ensuring the properness of business operations]

1. Compliance initiatives

Compliance Committee meetings were held on a weekly basis, and training based on monthly themes was regularly implemented for officers and employees to help raise awareness of compliance issues.

2. Risk management initiatives

Directors attended monthly Risk Management Committee meetings where they endeavored to identify and control risk. Moreover, efforts to heighten disaster awareness included Company-wide emergency preparedness training simulating large-scale disasters held twice during the year.

3. Initiatives to ensure properness and efficiency in performance of duties

Senior management attended weekly Management meetings where they endeavored to make swift decisions and execute business operations efficiently.

4. Performance of Audit & Supervisory Board members' duties

A system was established to ensure appropriate implementation of audits, with two standing Audit & Supervisory Board members assigned to serve in that position. The standing Audit & Supervisory Board members attended Management meetings and other important internal meetings where they appropriately provided their opinions, and otherwise endeavored to ensure effectiveness of audits by gaining an understanding of important Company information and sharing such information in coordination with the Internal Audit Office and other relevant departments.

5. Initiatives to ensure appropriate compliance and risk management in the Company's subsidiaries, and properness and efficiency in performance of duties

Objectives and policies formulated on the basis of medium-term management agreements and medium- to long-term business strategy were shared with the Company's subsidiaries, and the Office of Affiliate Management regularly held meetings to ascertain progress made with respect to business performance and budget management as appropriate to the inherent characteristics of respective subsidiaries.

The Office of Affiliate Management received compliance reports from respective subsidiaries and regularly reported such content to the Compliance Committee.

Basic policies on risk management were established in respective subsidiaries, and such matters were reported to the Office of Affiliate Management.

The Company's Audit & Supervisory Board members concurrently serving as Audit & Supervisory Board members of its subsidiaries regularly received reports from the Office of Affiliate Management and compiled details on the status of management and other necessary information.

Note: The systems stated above are those as of the end of the fiscal year. Following the enforcement of the "Act on Partial Amendment of the Companies Act" (Act No. 90 of 2014) and the "Ministerial Ordinance for Partial Amendment of the Ordinance for Enforcement of the Companies Act, etc." (Ordinance of the Ministry of Justice No. 6 of 2015) on May 1, 2015, the Company partially amended content based on a resolution at the meeting of the Board of Directors held on May 18, 2015.

CONSOLIDATED BALANCE SHEETS

As of March 31, 2016

(Millions of yen)

ASSETS	
Current assets:	
Cash and time deposits	31,604
Notes and accounts receivable	59,249
Merchandise and finished goods	356,075
Work in process	2,303
Raw materials and supplies	3,103
Deferred tax assets	12,274
Other current assets	43,049
Allowance for doubtful accounts	(7,393)
Total current assets	500,266
Noncurrent assets:	
Property and equipment:	
Buildings and structures, net	224,663
Land	184,484
Lease assets, net	10,660
Construction in progress	7,379
Other, net	11,417
Total property and equipment, net	438,606
Intangible assets	35,476
Investments and other assets:	
Investment securities	4,042
Long-term loans receivable	9,499
Net defined benefit asset	1,755
Deferred tax assets	13,643
Guarantee deposits	113,333
Other assets	35,967
Allowance for doubtful accounts	(5,868)
Total investments and other assets	172,373
Total noncurrent assets	646,455
Total assets	1,146,722

CONSOLIDATED BALANCE SHEETS

As of March 31, 2016

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES:	
Current liabilities:	
Notes and accounts payable	79,950
Short-term loans payable	67,695
Current portion of long-term loans payable	59,212
Lease obligations	2,512
Income taxes payable	14,629
Provision for bonuses	8,064
Provision for directors' bonuses	114
Provision for point card certificates	17,073
Provision for warranties for completed construction	192
Provision for loss on liquidation of subsidiaries	320
Other current liabilities	46,796
Total current liabilities	296,561
Long-term liabilities:	
Bonds	100,316
Long-term loans payable	105,155
Lease obligations	11,428
Provision for directors' retirement benefits	536
Provision for product warranties	12,522
Provision for loss on interest repayments	245
Provision for gift certificates, etc.	287
Net defined benefit liability	23,700
Asset retirement obligations	24,306
Other long-term liabilities	13,938
Total long-term liabilities	292,438
Total liabilities	589,000
NET ASSETS:	
Shareholders' equity:	
Common stock	71,058
Capital surplus	73,001
Retained earnings	458,107
Treasury stock, at cost	(68,231)
Total shareholders' equity	533,936
Accumulated other comprehensive income:	
Valuation difference on available-for-sale securities, net of taxes	934
Foreign currency translation adjustments	(1,966)
Remeasurements of defined benefit plans	1,488
Total accumulated other comprehensive income	456
Subscription rights to shares	521
Non-controlling interests	22,807
Total net assets	557,722
Total liabilities and net assets	1,146,722

(Millions of yen with fractional amounts discarded, unless otherwise noted)

CONSOLIDATED STATEMENTS OF INCOME

Fiscal year ended March 31, 2016

		(Millions of yen)
Net sales		1,612,735
Cost of sales		1,153,234
Gross profit		459,501
Selling, general and administrative expenses		401,342
Operating income		58,158
Non-operating income:		
Interest income	1,168	
Purchase discounts	6,961	
Rent income	2,963	
Income on sales of electric power	1,807	
Other	4,448	17,349
Non-operating expenses:		
Interest expenses	1,742	
Foreign exchange losses	4,054	
Rent expenses	2,317	
Rental expenses	2,330	
Expenses on sales of electric power	828	
Other	1,498	12,772
Ordinary income		62,734
Extraordinary income:		
Gain on sales of noncurrent assets	103	
Gain on sales of stocks of subsidiaries	741	
Gain on sales of investment securities	549	
Insurance income	353	
Other	96	1,843
Extraordinary loss:		
Loss on disposal of noncurrent assets	358	
Impairment loss	7,781	
Loss on closing of stores	4,389	
Other	979	13,508
Income before income taxes		51,070
Income taxes-current		18,810
Income taxes-deferred		327
Profit		31,932
Profit attributable to non-controlling interests		1,536
Profit attributable to owners of parent		30,395

(Millions of yen with fractional amounts discarded, unless otherwise noted)

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Fiscal year ended March 31, 2016

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2015	71,058	70,977	432,236	(88,320)	485,951
Changes of items during the period					
Cash dividends			(4,524)		(4,524)
Profit attributable to owners of parent			30,395		30,395
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		2,671		20,088	22,760
Increase by merger			0		0
Purchase of shares of consolidated subsidiaries		(647)			(647)
Other changes in the period, net					
Total changes of items during the period	–	2,024	25,871	20,088	47,984
Balance at March 31, 2016	71,058	73,001	458,107	(68,231)	533,936

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at April 1, 2015	1,598	(2,770)	89	(1,082)	297	24,231	509,397
Changes of items during the period							
Cash dividends							(4,524)
Profit attributable to owners of parent							30,395
Purchase of treasury stock							(0)
Disposal of treasury stock							22,760
Increase by merger							0
Purchase of shares of consolidated subsidiaries							(647)
Other changes in the period, net	(664)	804	1,399	1,539	224	(1,424)	339
Total changes of items during the period	(664)	804	1,399	1,539	224	(1,424)	48,324
Balance at March 31, 2016	934	(1,966)	1,488	456	521	22,807	557,722

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2016

(Millions of yen)

ASSETS	
Current assets:	
Cash and time deposits	17,959
Accounts receivable	43,957
Merchandise	287,674
Supplies	1,402
Short-term loans receivable from subsidiaries and affiliates	24,682
Prepaid expenses	5,842
Deferred tax assets	11,425
Accounts receivable-other	19,390
Current portion of guarantee deposits	5,855
Other current assets	1,310
Allowance for doubtful accounts	(2,308)
Total current assets	417,193
Noncurrent assets:	
Property and equipment:	
Buildings	185,277
Structures	5,150
Machinery and equipment	1,320
Vehicles	4
Tools, furniture and fixtures	7,875
Land	162,262
Lease assets, net	9,010
Construction in progress	7,238
Total property and equipment, net	378,140
Intangible assets:	
Leasehold right	31,686
Other assets	513
Total intangible assets	32,199
Investments and other assets:	
Investment securities	957
Stocks of subsidiaries and affiliates	28,421
Long-term loans receivable from subsidiaries and affiliates	53,690
Long-term prepaid expenses	9,354
Deferred tax assets	16,718
Guarantee deposits	98,449
Other assets	17,373
Allowance for doubtful accounts	(18,442)
Total investments and other assets	206,522
Total noncurrent assets	616,862
Total assets	1,034,055

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2016

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES:	
Current liabilities:	
Notes payable	261
Accounts payable	62,521
Short-term loans payable	70,571
Current portion of long-term loans payable	54,773
Lease obligations	1,899
Accounts payable-other	16,367
Accrued expenses	3,250
Income taxes payable	11,830
Advances received	9,548
Provision for bonuses	6,283
Provision for directors' bonuses	112
Provision for point card certificates	15,919
Other current liabilities	4,281
Total current liabilities	257,618
Long-term liabilities:	
Bonds	100,316
Long-term loans payable	97,800
Lease obligations	9,561
Provision for retirement benefits	18,773
Provision for product warranties	8,971
Asset retirement obligations	21,000
Other long-term liabilities	6,649
Total long-term liabilities	263,074
Total liabilities	520,693
NET ASSETS:	
Shareholders' equity:	
Common stock	71,058
Capital surplus	73,649
Legal capital surplus	70,977
Other capital surplus	2,671
Retained earnings	435,971
Legal retained earnings	312
Other retained earnings	435,659
General reserve	406,000
Retained earnings brought forward	29,659
Treasury stock, at cost	(68,231)
Total shareholders' equity	512,448
Valuation and translation adjustments:	393
Valuation difference on available-for-sale securities, net of taxes	393
Subscription rights to shares	521
Total net assets	513,362
Total liabilities and net assets	1,034,055

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED STATEMENTS OF INCOME

Fiscal year ended March 31, 2016

(Millions of yen)

Net sales		1,420,744
Cost of sales		1,059,803
Gross profit		360,941
Selling, general and administrative expenses		313,597
Operating income		47,344
Non-operating income:		
Interest income	1,385	
Purchase discounts	6,924	
Rent income	2,181	
Other	6,329	16,820
Non-operating expenses:		
Interest expenses	1,515	
Rent expenses	2,009	
Rental expenses	2,214	
Foreign exchange losses	3,042	
Other	1,734	10,517
Ordinary income		53,648
Extraordinary income:		
Gain on sales of investment securities	497	
Other	3	500
Extraordinary loss:		
Loss on disposal of noncurrent assets	255	
Impairment loss	6,201	
Loss on closing of stores	4,381	
Loss on valuation of stocks of subsidiaries	5,390	
Other	434	16,663
Income before income taxes		37,485
Income taxes-current		14,941
Income taxes-deferred		973
Profit		21,570

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Fiscal year ended March 31, 2016

(Millions of yen)

	Shareholders' equity									
		Capital surplus			Retained earnings					
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings	Treasury stock, at cost	Total share-holders' equity
						General reserve	Retained earnings brought forward			
Balance at April 1, 2015	71,058	70,977	–	70,977	312	400,000	18,613	418,925	(88,320)	472,640
Changes of items during the period										
Provision of general reserve						6,000	(6,000)	–		–
Cash dividends							(4,524)	(4,524)		(4,524)
Profit							21,570	21,570		21,570
Purchase of treasury stock									(0)	(0)
Disposal of treasury stock			2,671	2,671					20,088	22,760
Other changes in the period, net										
Total changes of items during the period	–	–	2,671	2,671	–	6,000	11,046	17,046	20,088	39,807
Balance at March 31, 2016	71,058	70,977	2,671	73,649	312	406,000	29,659	435,971	(68,231)	512,448

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Total valuation and translation adjustments		
Balance at April 1, 2015	954	954	297	473,893
Changes of items during the period				
Provision of general reserve				–
Cash dividends				(4,524)
Profit				21,570
Purchase of treasury stock				(0)
Disposal of treasury stock				22,760
Other changes in the period, net	(561)	(561)	224	(337)
Total changes of items during the period	(561)	(561)	224	39,469
Balance at March 31, 2016	393	393	521	513,362

(Millions of yen with fractional amounts discarded, unless otherwise noted)

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Agenda items and references

<Company Proposal (Items 1 through 5)>

Items 1 to 5 are proposals made by the Company.

Item 1: Proposal for Appropriation of Surplus

The Company, after comprehensively considering stable, consistent dividends for shareholders and its need for adequate internal reserves to reinforce its fundamentals, has made the following decision concerning the year-end dividend and appropriation of other surplus.

1. Year-end Dividends

(1) Type of dividend assets
Cash

(2) Allocation of dividend assets to be paid to shareholders and total dividend amount:
¥ 12 per share of common stock Total ¥ 9,628,272,708

(3) Date on which the appropriation of surplus goes into effect:
June 30, 2016

2. Appropriation of Other Surplus

(1) Item to be increased and amount of increase
General reserve ¥ 10,000,000,000

(2) Item to be decreased and amount of decrease
Retained earnings brought forward ¥ 10,000,000,000

Item 2: Partial Amendments to the Articles of Incorporation

1. Reason for Amendments

(1) To make additions to the purpose of business and necessary changes to allow for expansion of the Company's business scale and diversification of its business activities. (Proposed amendment to Article 2)

(2) To change the person who has the right to convene the general meeting of shareholders and Board of Directors meeting, and the person who is the chairperson of those meetings to the Representative Director in order to have flexibility in the operation of the general meeting of shareholders and the Board of Directors meetings. (Proposed amendment to Articles 14, 15, and 24)

(3) To add the provision that it is possible to establish a Vice-Chairman of the Board as a director with special titles to further enhance the management system. (Proposed amendment to Article 23)

2. Description of Amendments

The proposed amendments are as indicated below.

(Underlined portions indicate the proposed amendments)

Current Articles of Incorporation	Proposed Amendments
(Purpose)	(Purpose)
Article 2 (Omitted)	Article 2 (Unchanged)
1. – 5. (Omitted)	1. – 5. (Unchanged)
(Newly established)	6. Catalogue-based mail-order business.
6. – 12. (Omitted)	7. – 13. (Unchanged)
13. Design, development, sales, after-sales support, and administration services of computer systems.	14. Design, development, sales, after-sales support, and administration of computer systems and computer software, and technical guidance and acting representative thereof.
14. – 17. (Omitted)	15. – 18. (Unchanged)

18. Cash loan business.	19. Cash loan business and acting representative for introducing brokerage, guarantee, collection, and payment of cash lending and borrowing.
(Newly established)	20. Securities investment, management, trading and administration and introducing brokerage thereof; credit card handling service; and general lease services.
(Newly established)	21. Introducing brokerage business for financial securities.
19. (Omitted)	22. (Unchanged)
(Newly established)	23. Businesses for information provision, introducing brokerage and conciliation related to wedding consultation and ceremonies of coming of age, marriage, burial, and ancestral worship.
20. (Omitted)	24. (Unchanged)
21. Business related to sales of automobiles.	25. Businesses related to sales, export, import, lease and maintenance of automobiles, bicycles, light-automobiles, trucks and other vehicles, and parts and accessories and the like thereof.
22. – 23. (Omitted)	26. – 27. (Unchanged)
(Newly established)	28. Businesses for sale of specified equipment covered by public aid, lending of specified equipment covered by public aid, sale of specified equipment for preventive long-term care covered by public aid, and lending of specified equipment for preventive long-term care covered by public aid pursuant to the Long-Term Care Insurance Act.
(Newly established)	29. Businesses for home-visit long-term care, outpatient day long-term care, in-home long-term care support, home-visit service for preventive long-term care, outpatient preventive long-term care, and preventive long-term care support pursuant to the Long-Term Care Insurance Act.
24. – 25. (Omitted)	30. – 31. (Unchanged)
26. Electric power generation using natural and other energies and supply, sale, management and operation of electric power.	32. Electric power generation using natural and other energies and supply, trade, management and operation of electric power.
27. – 28. (Omitted)	33. – 34. (Unchanged)
Articles 3 – 13 (Omitted)	Articles 3 – 13 (Unchanged)
(Convocation) Article 14	(Convocation) Article 14
1 (Omitted)	1 (Unchanged)
2 Except in cases provided for by laws and regulations, the Chairman or the President by resolution of the Board of Directors shall convene a general meeting of shareholders. If the Chairman and the President should meet with an incident that incapacitates such action, the convener shall be another director chosen according to an order of selection predetermined at the Board of Directors meeting.	2 Except in cases provided for by laws and regulations, a Representative Director by resolution of the Board of Directors shall convene a general meeting of shareholders. If a Representative Director should meet with an incident that incapacitates such action, the convener shall be another director chosen according to an order of selection predetermined at the Board of Directors meeting.

(Chairperson) Article 15 The Chairperson of the general meeting of shareholders shall be the Chairman or the President. If the Chairman and the President should meet with an incident that incapacitates such action, the chairperson shall be another director chosen according to an order of selection predetermined at the Board of Directors meeting.	(Chairperson) Article 15 The Chairperson of the general meeting of shareholders shall be a Representative Director. If a Representative Director should meet with an incident that incapacitates such action, the chairperson shall be another director chosen according to an order of selection predetermined at the Board of Directors meeting.
Articles 16 – 22 (Omitted)	Articles 16 – 22 (Unchanged)
(Representative Director and Director with Special Titles) Article 23 1 (Omitted) 2 The Board of Directors shall, by making a resolution, select one President and if necessary, it may establish up to a few individuals for each of the positions of Chairman, Vice-President, Senior Managing Director, and Managing Director.	(Representative Director and Director with Special Titles) Article 23 1 (Unchanged) 2 The Board of Directors shall, by making a resolution, select one President and if necessary, it may establish up to a few individuals for each of the positions of Chairman, Vice-Chairman, Vice-President, Senior Managing Director, and Managing Director.
(Chairperson and Person with the Right to Convene the Board of Directors) Article 24 1 Unless otherwise provided for by laws and regulations, the Chairman or the President shall convene Board of Directors meetings and act as chairperson thereof. 2 If the Chairman and the President are unable to act in this capacity, one of the other Directors shall take his/her place of chairperson in the order previously determined by resolution of the Board of Directors.	(Chairperson and Person with the Right to Convene the Board of Directors) Article 24 1 Unless otherwise provided for by laws and regulations, a Representative Director shall convene Board of Directors meetings and act as chairperson thereof. 2 If a Representative Director is unable to act in this capacity, one of the other Directors shall take his/her place of chairperson in the order previously determined by resolution of the Board of Directors.

Item 3: Election of 17 Directors

The terms of all the current 16 Directors expire at the conclusion of this General Meeting of Shareholders.

Therefore, the Company proposes to elect 17 Directors, including 2 external Directors and 5 new Directors. The number of Directors will be increased by 1 for the purpose of further enhancement of the management system.

The candidates for Directors are as follows:

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
1	Noboru Yamada (February 11, 1943) [Reelection]	September 1983 Representative Director, President, CEO June 2008 Representative Director, Chairman, CEO June 2013 President Director, Representative Director, CEO April 2016 Representative Director, Chairman of the Board (to the present) [Significant Concurrent Positions] Representative Director, President of Tecc Planning Co., Ltd. Representative Director of Yamada Wood House Co., Ltd.	24,516,920
2	Tadao Ichimiya (August 13, 1955) [Reelection]	September 1983 General Manager, Product Department July 1986 Director of the Company May 1987 Managing Director of the Company May 1988 Senior Managing Director of the Company April 1995 Director, Executive Vice-President June 2008 Representative Director, President, COO June 2013 Representative Director, Executive Vice-President, COO May 2014 Representative Director, Executive Vice-President, COO & General Manager, Sales and Marketing Division December 2014 Representative Director, Executive Vice-President, COO & General Manager, Product Division April 2016 Vice Chairman and CEO (to the present) [Significant Concurrent Positions] Audit & Supervisory Board Member of Tecc Planning Co., Ltd.	1,025,300
3	Mitsumasa Kuwano (December 19, 1954) [Reelection]	December 2004 Head of Soseijuku December 2005 Executive Officer & Head of Soseijuku June 2006 Director, Managing Executive Officer & Deputy General Manager, General Affairs Division June 2008 Director, Senior Managing Executive Officer & Deputy General Manager, General Affairs Division August 2010 Director, Senior Managing Executive Officer, General Manager, General Affairs Division & Head of Soseijuku April 2012 Director, Senior Managing Executive Officer & General Manager, General Affairs Division June 2013 Director, Managing Executive Officer & General Manager, General Affairs Division January 2014 Director, Managing Executive Officer & General Manager, General Affairs Division and General Counsel, Personnel Structure Reform Office March 2015 Director, Managing Executive Officer & General Manager, General Affairs Division April 2016 Representative Director, President, COO (to the present) [Significant Concurrent Positions] None	22,000

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
4	Hiroyasu Iizuka (January 18, 1965) [Reelection]	April 1991 General Manager, Data Processing Department June 1993 Director of the Company October 2000 Managing Director of the Company July 2002 Senior Managing Director of the Company June 2004 Director, Senior Managing Executive Officer December 2004 Director, Senior Managing Executive Officer & General Manager, Information System Department June 2008 Director, Executive Vice-President CIO & General Manager, IT Business Division and System Department June 2013 Director, Senior Managing Executive Officer CIO & General Manager, IT Business Division, System Department and Domestic NET Sales Department March 2015 Director, Senior Managing Executive Officer CIO & General Manager, IT Business Division and System Department January 2016 Director, Senior Managing Executive Officer & General Counsel, New Business Development Office (to the present) [Significant Concurrent Positions] None	13,200
5	Jun Okamoto (April 28, 1956) [Reelection]	April 2006 Advisor of President Office June 2006 Director, Senior Managing Executive Officer June 2007 Director, Senior Managing Executive Officer, General Counsel, Corporate Planning Office June 2008 Director Senior Managing Executive Officer & General Counsel, Corporate Planning Office April 2012 Director, Executive Vice-President, & General Counsel, Corporate Planning Office, SxL Management Office and CSR Promotion Office June 2013 Director, Senior Managing Executive Officer & General Counsel, Corporate Planning Office, SxL Management Office and CSR Promotion Office April 2016 Director, Senior Managing Executive Officer & General Counsel, Corporate Planning Office and CSR Promotion Office (to the present) [Significant Concurrent Positions] Director of Project White Co., Ltd. Director of Best Denki Co., Ltd. Director of Housetec Inc. Director of CIC Co., Ltd. Director of Yamada Eco Solution Co., Ltd. Director of Yamada Wood House Co., Ltd. Director of Azuma Metal Co., Ltd.	31,000
6	Haruhiko Higuchi (March 9, 1960) [Reelection]	June 1998 General Counsel, Legal Office June 2005 Director, Managing Executive Officer & General Counsel, Legal Office June 2008 Director, Managing Executive Officer & General Counsel, Legal Office June 2013 Director, Senior Executive Officer & General Counsel, Legal Office (to the present) [Significant Concurrent Positions] Director of Tecc Planning Co., Ltd.	2,300

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
7	Tatsuo Kobayashi (July 6, 1964) [Reelection]	May 2006 Associate Director & Deputy General Counsel, Publication Office June 2007 Managing Executive Officer & General Counsel, Sales Planning Office June 2008 Director, Managing Executive Officer & General Manager, Sales Management Department, Sales and Marketing Division February 2010 Director, Managing Executive Officer & General Manager, First Sales and Marketing Division April 2012 Director, Managing Executive Officer & General Manager, Sales Promotion Department and First Sales and Marketing Department, Sales and Marketing Division June 2013 Director, Senior Executive Officer & General Manager, Sales Promotion Department and First Sales and Marketing Department, Sales and Marketing Division December 2013 Director, Senior Executive Officer & General Counsel, Sales Promotion Office and General Manager, Eastern Japan Sales and Marketing Department, Sales and Marketing Division June 2014 Director, Senior Executive Officer & General Manager, Corporate Business Department (to the present) [Significant Concurrent Positions] None	11,300
8	Shigeaki Yamada (December 22, 1959) [Reelection]	June 2010 Managing Executive Officer & General Manager, Overseas Business Strategy Office February 2011 Managing Executive Officer & General Manager in charge of Western Japan Area, Store Development Department, Development Division June 2012 Director, Managing Executive Officer, Deputy General Manager, Development Division & General Manager, Store Development Department, in charge of Western Japan Area June 2013 Director, Senior Executive Officer, Deputy General Manager, Development Division & General Manager, Store Development Department August 2013 Director, Senior Executive Officer, Deputy General Manager, Development Division & General Manager, Real Estate Development and Examination Department February 2014 Director, Senior Executive Officer, Deputy General Manager, Development Division June 2015 Director, Senior Executive Officer, General Manager, Development Division (to the present) [Significant Concurrent Positions] Director of Yamada Wood House Co., Ltd. Director of Gunma Sogo-setsubi Co., Ltd. Director of Y-Just Co., Ltd. Director of Tecc Planning Co., Ltd.	3,300

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
9	Kenichi Koyano (January 28, 1961) [Reelection]	June 2009 Managing Executive Officer, Deputy General Manager, Local Administration and Financial Division of the Company April 2012 Managing Executive Officer, General Counsel, Finance Office, Local Administration and Financial Division & General Manager, Affiliates Profitability Management Department June 2012 Director, Managing Executive Officer & General Counsel, Finance Office, Local Administration and Financial Division & General Manager, Affiliates Profitability Management Department June 2013 Director, Senior Executive Officer & General Counsel, Finance Office, Local Administration and Financial Division & General Counsel, Affiliates Office & General Manager, Affiliates Profitability Management Department June 2014 Director, Senior Executive Officer & Deputy General Manager, Local Administration and Financial Division March 2015 Director, Senior Executive Officer, General Manager, Local Administration and Financial Division & General Counsel, Affiliates Office April 2016 Director, Senior Executive Officer & General Manager, Local Administration and Financial Division (to the present) [Significant Concurrent Positions] None	5,600

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
10	Shouji Orita (November 3, 1972) [Reelection]	October 2008 Representative Director, President of Kyushu Tecc Land Co., Ltd. (to the present) October 2008 Entered the Company Managing Executive Officer & General Manager in charge of Kyushu Tecc Land, Affiliates Management Office, Local Administration and Financial Division October 2011 Managing Executive Officer & Deputy General Manager, First Sales and Marketing Division & General Manager in charge of Kyushu Tecc Land May 2013 Executive Officer & Deputy General Manager, First Sales and Marketing Department, Sales Promotion Department, Sales and Marketing Division December 2013 Executive Officer & General Manager, Western Japan Sales and Marketing Department, Sales and Marketing Division June 2014 Director, Executive Officer & General Manager, Home Appliance Department, Sales and Marketing Division December 2014 Director, Senior Executive Officer & General Manager, Sales and Marketing Division (to the present) [Significant Concurrent Positions] Representative Director, President of Kyushu Tecc Land Co., Ltd. Representative Director, President of Okinawa Yamada Denki Co., Ltd. Representative Director, President of Minami-Kyushu Yamada Denki Co., Ltd. Director of Matsuya Denki Co., Ltd. Director of Seiden Co., Ltd. Director of Best Denki Co., Ltd.	1,300

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
11	Hitoshi Arai (August 26, 1960) [New candidate]	March 1984 Entered the Company June 1996 Director, Deputy General Manager, Administration Division & General Manager, Finance & Accounting Division December 1998 Director & General Counsel, Corporate Planning Office August 2001 Director & General Counsel, Internal Audit Office November 2001 Director & General Manager, Service Division May 2003 Director & General Manager, Logistics Division June 2004 Senior Executive Officer & General Manager, Logistics Division April 2006 Senior Executive Officer, General Manager, Administration Department, Local Administration and Financial Division & General Counsel, Close Examination Management Office April 2008 Managing Executive Officer & General Manager, Administration Department, Local Administration and Financial Division May 2013 Executive Officer & General Counsel, Administration Office, Local Administration and Financial Division April 2016 Executive Officer, Deputy General Manager, Local Administration and Financial Division, General Counsel, Administration Office, General Counsel, Affiliates Management Office & General Counsel, SxL, Wood House, and Housetec Related Business Management Office (to the present) [Significant Concurrent Positions] Director of CIC Inc. Director of Yamada Wood House Co., Ltd. Director of Inversenet Co., Ltd.	–
12	Tatsuya Kusamura (May 15, 1958) [New candidate]	November 1997 Entered the Company January 2000 General Manager, Sales Planning Department, Sales and Marketing Division November 2001 Associate Director & General Manager, White Goods Management Department, Product Management Division July 2005 Executive Officer & Deputy General Manager, Product Management Division April 2009 Executive Officer & General Counsel, Product Planning Office February 2010 Managing Executive Officer & General Counsel, Product Planning Office, Product Division May 2013 Executive Officer, General Manager, Logistic Department, General Counsel, Product Planning Office, Product Department, Sales and Marketing Division & General Manager, Domestic NET Sales Department April 2016 Executive Officer, Product Division (to the present) [Significant Concurrent Positions] None	–

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
13	Takayuki Fukuda (August 30, 1974) [New candidate]	February 1998 Entered the Company June 2003 General Counsel, Legal Office April 2009 Assistant to General Manager, Store Management Department, Development Division February 2011 General Manager, Store Management Section, Store Management Department, Development Division April 2012 Associate Director & General Manager, Store Construction Management Department, Development Division May 2013 Assistant to Associate Director & General Manager, Store Construction Management Department, Development Division (to the present) [Significant Concurrent Positions] None	–
14	Yoshinori Ueno (December 2, 1971) [New candidate]	April 1990 Entered Best Denki Co., Ltd. December 2006 Section Chief, Sales Planning Division of Best Denki Co., Ltd. March 2010 Deputy General Manager, New Medium-Term Business Plan Promotion Office of Best Denki Co., Ltd. June 2010 Deputy General Manager, Sales Promotion Division of Best Denki Co., Ltd. April 2014 Entered the Company April 2014 General Counsel, Sales Strategy Office, Sales and Marketing Division May 2014 General Counsel, Sales Strategy Office, Home Appliance Department, Sales and Marketing Division December 2014 General Counsel, Sales Strategy Office, Sales and Marketing Division April 2016 General Manager, Sales Strategy Division (to the present) [Significant Concurrent Positions] None	–
15	Junichi Suzuki (November 11, 1958) [New candidate]	December 1984 Entered TSUKUMO Co., Ltd. December 1984 Senior Managing Director of TSUKUMO Co., Ltd. April 1997 Representative Director, President of TSUKUMO Co., Ltd. March 2009 Retired from TSUKUMO Co., Ltd. March 2009 Entered Project White Co., Ltd. March 2009 Representative Director & Executive Vice-President of Project White Co., Ltd. May 2013 Representative Director, President of Project White Co., Ltd. (to the present) [Significant Concurrent Positions] None	–

No.	Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
16	Tsukasa Tokuhira (May 3, 1954) Candidate for External Director [Reelection]	April 1974 Entered Hanbai Noritsu Zoshin Honbu Co., Ltd. April 1984 General Manager, Guidance Department of Hanbai Noritsu Zoshin Honbu Co., Ltd. February 1987 Representative Director, President of Fic Limited (to the present) July 2007 Representative Director, President of Cross Co., Ltd. (to the present) June 2014 Director of the Company (to the present) [Significant Concurrent Positions] Representative Director of Fic Limited Representative Director of Cross Co., Ltd.	4,300
17	Hiroyuki Fukuyama (December 15, 1942) Candidate for External Director [Reelection]	April 1965 Entered Hitachi, Ltd. May 1990 Managing Director of Hitachi Air Conditioning Products (M) Sdn. Bhd. April 1999 Commissioner & General Manager, Home Appliance Sales Division, Home Appliance Group of Hitachi, Ltd. April 2000 President of Hitachi GE Lighting, Ltd. November 2002 Commissioner & General Manager, Corporate Quality Assurance Division of Hitachi, Ltd. April 2007 Vice President and Executive Officer in charge of Quality Assurance and Production Engineering of Hitachi, Ltd. March 2008 Retired from Hitachi, Ltd. April 2008 Representative of Hiroyuki Fukuyama Professional Engineer Office (to the present) June 2015 Director of the Company (to the present) [Significant Concurrent Positions] Representative of Hiroyuki Fukuyama Professional Engineer Office	700

Notes: 1. The candidate for director Tsukasa Tokuhira serves as Representative Director and President of Cross Co., Ltd. and the Company has a trading relationship with Cross Co., Ltd. that includes the provision of outsourced operations. However, because the scale of this relationship is insubstantial and accounts for less than 0.001% of the Company's consolidated net sales, the Company believes that it is not significant enough to cause a conflict of interests. There are no conflicts of interest between other candidates and the Company.
There are no conflicts of interest between the other candidates for directors and the Company.

2. The Company is planning that Noboru Yamada will be appointed to the position of Director at the ordinary general meeting of shareholders of YAMADA SXL HOME CO., LTD. that will be held in May 2016.
3. The Company is planning that Hitoshi Arai will be appointed to the position of Director at each of the respective ordinary general meetings of shareholders of Project White Co., Ltd., Best Denki Co., Ltd., YAMADA SXL HOME CO., LTD., Housetec Inc., Cosmos Berry's Co., Ltd., Yamada Eco Solution Co., Ltd., and Azuma Metal, Co., Ltd., which will all be held in May 2016.
4. The Company is planning that Tatsuya Kusamura will be appointed to the position of Director at the ordinary general meeting of shareholders of Cosmos Berry's Co., Ltd., which will be held in May 2016.
5. The Company is planning that Takayuki Fukuda will be appointed to the position of Director at the ordinary general meeting of shareholders of Gunma Sogo-setsubi Co., Ltd., which will be held in May 2016.
6. Junichi Suzuki is currently Representative Director, President of Project White Co., Ltd. He will retire from the position of Director at the conclusion of the ordinary general meeting of shareholders of that company, which will be held in May 2016.
7. Tsukasa Tokuhira and Hiroyuki Fukuyama are candidates for external directors.
   The Company has submitted notification to Tokyo Stock Exchange, Inc. that Tsukasa Tokuhira and Hiroyuki Fukuyama have been appointed as an independent officer as provided for in Article 436-2 of the Securities Listing Regulations of the aforementioned exchange. If the reelection of Tsukasa Tokuhira and Hiroyuki Fukuyama is approved, the Company plans for their appointment as an independent officer to continue.
8. The special notes referring to the candidates for external directors are as follows:
   (1) The reason for the proposal of the candidate:
   The Company judges that Tsukasa Tokuhira can provide valuable opinions and suggestions to the management of the Company based on his wealth of experience gained from his long-standing career as an industry leader in the distribution industry. He is currently serving as an external director of the company, and at the conclusion of this general meeting of shareholders, it will be two years since he was appointed to the position.
   Hiroyuki Fukuyama has a wealth of experience and wide knowledge as a company executive, and the Company judges that he will provide valuable opinions and suggestions to the management of the Company, including from the perspective of CSR, such as environmental responses centered on manufacturing and regional contribution measures. He is currently serving as an external director of the company, and at the conclusion of this general meeting of shareholders, it will be one year since he was appointed to the position.
   As both candidates have suitably fulfilled their duties, the Company judges that they will provide appropriate suggestions from a suitable and appropriate standpoint regarding decisions on the execution of the Company's business, and it therefore requests their election.
   (2) Facts relating to the Company or the extra related undertaker with the Company:
   N/A
   (3) External director and the Limited Responsibility Contract:
   N/A

Item 4: Election of 1 Audit & Supervisory Board Member

Ginji Karasawa ended his position as an Audit & Supervisory Board Member on April 15, 2016 due to his resignation. Therefore, we request the election of 1 new Audit & Supervisory Board Member.

The approval of the Audit & Supervisory Board has been received for this item.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of Birth)	Brief History, Positions and Responsibilities in the Company and Significant Concurrent Positions	Number of Shares Owned
Somuku Iimura (April 14, 1953) Candidate for External Audit & Supervisory Board Member [New candidate]	April 1986 Registered as an Attorney April 1986 Joined Masuda and Ejiri Law Office October 1988 Transferred to Rogers & Wells LLP, U.S. (current Clifford Chance LLP) July 1991 Returned to Masuda and Ejiri Law Office January 1992 Partnered attorney, Masuda and Ejiri Law Office July 2007 Entered Nishimura & Asahi LPC, due to mergers July 2007 Partner, Nishimura & Asahi LPC (to the present) June 2014 External Director of Maruha Nichiro Corporation (to the present) [Significant Concurrent Positions] Partner, Nishimura & Asahi LPC External Director of Maruha Nichiro Corporation	–

Notes: 1. Candidate for Audit & Supervisory Board Member Somuku Iimura is Partner at the law firm Nishimura & Asahi LPC. The Company is receiving legal and other advice from Somuku Iimura when necessary. However, concerning the scale of annual transactions between the Company and the aforementioned law firm constitutes an insignificant amount that is less than 0.001% of the consolidated net sales of the Company, and the Company considers that there is no materiality that could cause relationships of special interest to arise.

2. Somuku Iimura is a candidate for an external audit & supervisory board member.

3. The special notes referring to the candidate for external audit & supervisory board member are as follows:

(1) The reason for the proposal of the candidate:
The Company proposes Somuku Iimura as a candidate for Audit & Supervisory Board Member because it judges that he can contribute to the corporate governance and management of the Company by providing his opinion relating to management from a different viewpoint based on his wealth of experience and outstanding knowledge from a fair and neutral position as an Attorney.
Although Somuku Iimura has not been directly involved in corporate management, based on the above reasons, the Company considers that he is capable of appropriately performing his duties as external audit & supervisory board member.

(2) Reference to the fact that the candidate has been a business executor for the extra related undertaker with the Company in the past five years:
N/A

(3) The candidate and the Limited Responsibility Contract:
N/A

Item 5: Revision of Remuneration, etc. Concerning Stock Acquisition Rights as Stock Compensation-Type Stock Options for Directors

At the 36th Ordinary General Meeting of Shareholders held on June 27, 2013, shareholders approved remuneration as stock options for Directors of the Company to be set at a total of ¥300,000 thousand or less per annum.

However, the Company proposes that the current provision related to the stock options be revoked, and that remuneration as stock options for Directors of the Company to be set at a total of ¥450,000 thousand or less per annum, increasing remuneration for Directors reflecting the ongoing growth of the business performance, in order to further reinforce the management and business development that focus on the interest of shareholders.

At present, the Company has 16 Directors (including two Outside Directors). If Item 3 is approved, the number of Directors will be 17 (including two Outside Directors).

Details of stock acquisition rights are as follows:

(1) Total number of stock acquisition rights
The number of stock acquisition rights to be allocated within one year from the date of the ordinary general meeting of shareholders for each business term shall not exceed 10,000.

(2) Type and number of shares to be issued upon exercise of stock acquisition rights
The shares to be issued for the stock acquisition rights shall be common stock of the Company, and the number of shares subject to one stock acquisition right (hereinafter "Number of Shares Granted") shall be 100 shares.
However after the allotment date of the shock acquisition rights (hereinafter the "Allotment Date"), if the Company conducts a share split (including the allotment of common stock of the Company to shareholders without consideration; the same applies hereinafter) or consolidates its shares, the Number of Shares Granted for the stock acquisition rights that have not been exercised at the time of the share split or consolidation will be adjusted in accordance with the following calculation.

Number of Shares Granted after adjustment = Number of Shares Granted before adjustment × Ratio of split (or consolidation)

In addition, upon the occurrence of any unavoidable event that requires the adjustment to the Number of Shares Granted, the Company may adjust the Number of Shares Granted as deemed necessary by the Company's Board of Directors.
Fractions of less than 1 share resulting from the above adjustment shall be rounded down.

(3) Subscription amount payable for the granted stock acquisition rights
The subscription amount payable for the granted stock acquisition rights shall be the per share fair value stock option price on the Allotment Date as calculated using the Black-Scholes model multiplied by the Number of Shares Granted.
The recipient of the allotment of stock acquisition rights (hereinafter "Stock Acquisition Right Holder") shall not be required to pay in money as the remuneration receivable from the Company shall be offset against the amount payable for subscription.

(4) Amount of property to be contributed upon exercise of stock acquisition rights
When calculating the amount of property to be contributed upon exercise of stock acquisition rights, the amount per share issued upon exercise of stock acquisition rights shall be 1 yen, and this shall be multiplied by the Number of Shares Granted to obtain the amount.

(5) Exercise period of stock acquisition rights
The stock acquisition rights may be exercised within 30 years beginning from the day following the Allotment Date.

(6) Conditions for exercise of stock acquisition rights
a. If the situation arises within the period stated by (5) above where the Stock Acquisition Right Holder does not hold any position with the Company or a subsidiary of the Company as a director, audit & supervisory board member, executive officer, or employee, the stock acquisition rights can only be exercised in a lump-sum during a period of 10 days beginning on the day following the day of said loss of position (if the 10th day falls on a holiday, the following business day will be deemed the final valid day).
b. If the Stock Acquisition Right Holder dies, the heir of that person can only exercise the stock acquisition rights in a lump-sum.

(7) Restriction on acquisition of the stock acquisition rights by transfer
Acquisition of the stock acquisition rights by transfer shall require approval by resolution of the Board of Directors of the Company.

(8) Other details of stock acquisition rights
Any other details related to stock acquisition rights shall be decided by the Board of Directors of the Company that decides the subscription requirements of the stock acquisition rights.

<Shareholder Proposal (Item 6)>
Item 6 is a proposal made by shareholders (1 shareholder).

Item 6: Partial Amendments to the Articles of Incorporation (Proposal Made by Shareholders)
1. Description of Proposal
To add the following provisions to the clause of the Articles of Incorporation regarding the general meetings of shareholders.
(1) When a no-confidence motion is tabled against the chairman of the meeting, voting on the motion shall be made after an explanation of the reasons for the motion is given.
(2) When there is a shareholder proposal at the general meeting, the opportunity to explain the reason of the proposal shall be provided after revealing the names of the proposing shareholders.

2. Reason for Proposal
For the general meeting of shareholders to be conducted with fairness.

Note from the Company: The above description of proposal and reason for proposal are stated according to the original proposal submitted from the shareholder.

Opinion of the Board of Directors
The Board of Directors objects to this proposal.
At the general meetings of shareholders of the Company, the chairperson of the meeting already provides lawful and appropriate conduct befitting the circumstances in accordance with laws and regulations such as Article 314 (Accountability of Directors, etc.) and Article 315 (Authority of Chairperson) of the Companies Act. Accordingly, the Board of Directors does not consider it necessary to establish such provision in the Articles of Incorporation.