Note: This English translation is an abridged version of the original notice in Japanese. In the event of a discrepancy, the Japanese version shall prevail.

TO OUR SHAREHOLDERS **June 2, 2017**

Securities code: 3205

Daidoh Limited
1-16 Sotokanda 3-chome, Chiyoda-ku,
Tokyo

NOTICE OF THE 94th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

You are cordially invited to attend the 94th Ordinary General Meeting of Shareholders of Daidoh Limited (the "Company"), which will be held at 10:00 a.m. on Thursday, June 29, 2017, at Tower Hall of Roppongi Academyhills on the 49th floor of Roppongi Hills Mori Tower, at 10-1 Roppongi 6-chome, Minato-ku, Tokyo.

When arriving at the meeting venue, please submit the enclosed Voting Form at the reception desk.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing as described below. Please review the attached Reference Materials for the Ordinary General Meeting of Shareholders and exercise your vote so that it reaches us no later than 6:30 p.m. on Wednesday, June 28, 2017.

Voting by Proxy via Postal Mail

Please indicate "for" or "against" for each agenda item listed on the enclosed Voting Form and return it so that it reaches the Head Office of the Company no later than 6:30 p.m. on Wednesday, June 28, 2017.

Sincerely,

Shin Okawa
President and Representative Director

MEETING AGENDA

Items to be Reported:

1. The Business Report, the Consolidated Financial Statements and the Report of the Audit of the Consolidated Financial Statements by Accounting Auditors and the Board of Corporate Auditors for the 94th term from April 1, 2016 to March 31, 2017 will be reported at the meeting.
2. The Non-Consolidated Financial Statements for the 94th term from April 1, 2016 to March 31, 2017 will be reported at the meeting.

Items to be Resolved:

Item 1: Appropriation of Surplus
Item 2: Election of Six (6) Directors
Item 3: Election of One (1) Corporate Auditor
Item 4: Election of Two (2) Corporate Auditor Substitutes

Means of Amendment Notice

If there are any amendments to the Reference Materials for the Ordinary General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements or the Consolidated Financial Statements by the day before the Ordinary General Meeting of Shareholders, we will provide notification on our Website (http://www.daidoh-limited.com/).

CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2017

	Millions of yen
Assets:	
Current assets:	
Cash and deposits	4,502
Notes and accounts receivable-trade	2,767
Inventories	4,641
Deferred tax assets	244
Other	1,235
Allowance for doubtful accounts	(63)
Total current assets	**13,328**
Non-current assets:	
Property, plant and equipment:	8,498
Buildings, net	7,140
Structures, net	155
Machinery and equipment, net	154
Vehicles, net	27
Tools, furniture and fixtures, net	266
Land	475
Leased assets, net	167
Construction in progress	110
Intangible assets:	**2,332**
Goodwill	1,857
Leased assets	242
Software	71
Other	160
Investments and other assets:	**20,672**
Investment securities	17,438
Lease and guarantee deposits	911
Deferred tax assets	1,163
Other	1,396
Allowance for doubtful accounts	(237)
Total non-current assets	**31,503**
Total assets	**44,832**

CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2017

	Millions of yen
Liabilities:	
Current liabilities:	
Notes and accounts payable-trade	1,939
Short-term loans payable	4,225
Current portion of long-term loans payable	1,118
Lease obligations	190
Income taxes payable	1,174
Current portion of guarantee deposits received	602
Provision for bonuses	136
Provision for point card certificates	46
Other	2,424
Total current liabilities	**11,857**
Non-current liabilities:	
Long-term loans payable	8,032
Liability from retirement benefits	258
Lease obligations	240
Long-term guarantee deposited	4,223
Long-term advances received	342
Deferred tax liabilities	3
Other	679
Total non-current liabilities	**13,780**
Total liabilities	**25,638**
Net assets:	
Shareholders' equity:	**17,460**
Capital stock	**6,891**
Capital surplus	**8,509**
Retained earnings	**5,925**
Treasury shares	**(3,866)**
Accumulated other comprehensive income	**1,294**
Valuation difference on available-for-sale securities	**(448)**
Foreign currency translation adjustment	**1,742**
Subscription rights to shares	**136**
Non-controlling interests	**301**
Total net assets	**19,193**
Total liabilities and net assets	**44,832**

CONSOLIDATED STATEMENT OF INCOME

Daidoh Limited

For the year ended March 31, 2017

	Millions of yen
Net sales	**21,408**
Cost of sales	**10,587**
Gross profit	**10,821**
Selling, general and administrative expenses	**12,159**
Operating loss	**(1,337)**
Non-operating income:	**709**
Interest income	326
Dividend income	148
Subsidy income	78
Other	155
Non-operating expenses:	**820**
Interest expenses	213
Share of loss of entities accounted for using equity method	406
Foreign exchange losses	123
Other	76
Ordinary loss	**(1,448)**
Extraordinary income:	**1,827**
Gain on sales of investment securities	308
Gain on sales of non-current assets	1,519
Extraordinary losses:	**1,024**
Loss on sales and retirement of non-current assets	15
Impairment loss	188
Business structure improvement expenses	820
Loss before income taxes	**(645)**
Income taxes-current	1,252
Income taxes-deferred	(367)
Loss	**(1,530)**
Loss attributable to non-controlling interests	**(8)**
Loss attributable to owners of parent	**(1,521)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Daidoh Limited

For the year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	6,891	8,565	7,801	(3,917)	19,340
Changes of items during the period					
Dividends of surplus			(353)		(353)
Loss attributable to owners of parent			(1,521)		(1,521)
Disposal of treasury shares		(33)		51	17
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(22)			(22)
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	(55)	(1,875)	51	(1,879)
Balance at the end of current period	6,891	8,509	5,925	(3,866)	17,460

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of current period	177	2,014	2,192	128	53	21,715
Changes of items during the period						
Dividends of surplus						(353)
Loss attributable to owners of parent						(1,521)
Disposal of treasury shares						17
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						(22)
Net changes of items other than shareholders' equity	(625)	(272)	(897)	8	248	(641)
Total changes of items during the period	(625)	(272)	(897)	8	248	(2,521)
Balance at the end of current period	(448)	1,742	1,294	136	301	19,193

NON-CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2017

	Millions of yen
Assets:	
Current assets:	
Cash and deposits	2,013
Notes receivable-trade	95
Short-term loans receivable	1,809
Other	883
Allowance for doubtful accounts	(757)
Total current assets	**4,045**
Non-current assets:	
Property, plant and equipment:	**164**
Buildings, net	67
Land	56
Other, net	40
Intangible assets:	**89**
Software	14
Other	74
Investments and other assets:	**24,795**
Investment securities	13,249
Shares of subsidiaries and affiliates	10,607
Other	1,124
Allowance for doubtful accounts	(186)
Total non-current assets	**25,048**
Total assets	**29,094**

NON-CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2017

	Millions of yen
Liabilities:	
Current liabilities:	
Short-term loans payable	4,225
Current portion of long-term loans payable	1,118
Accounts payable-other	34
Accrued expenses	93
Income taxes payable	28
Deposits received	355
Provision for bonuses	68
Other	27
Total current liabilities	**5,951**
Non-current liabilities:	
Long-term loans payable	8,032
Long-term accounts payable-other	308
Deferred tax liabilities	59
Other	43
Total non-current liabilities	**8,444**
Total liabilities	**14,395**
Net assets:	
Shareholders' equity:	**15,004**
Capital stock	**6,891**
Capital surplus	**8,532**
Legal capital surplus	7,147
Other capital surplus	1,384
Retained earnings	**3,446**
Legal retained earnings	959
Other retained earnings	2,486
Retained earnings brought forward	2,486
Treasury shares	**(3,866)**
Valuation and translation adjustments	**(441)**
Valuation difference on available-for-sale securities	**(441)**
Subscription rights to shares	**136**
Total net assets	**14,699**
Total liabilities and net assets	**29,094**

NON-CONSOLIDATED STATEMENT OF INCOME

Daidoh Limited

For the year ended March 31, 2017

	Millions of yen
Operating revenue	**1,045**
Commissions from subsidiaries and affiliates	660
Dividends from subsidiaries and affiliates	385
Selling, general and administrative expenses	**1,725**
Operating loss	**(680)**
Non-operating income:	**536**
Interest and dividend income	525
Other	11
Non-operating expenses:	**420**
Interest expenses	142
Provision of allowance for doubtful accounts	245
Other	32
Ordinary loss	**(563)**
Extraordinary income:	**369**
Gain on sales of investment securities	308
Gain on sales of non-current assets	60
Extraordinary losses:	**3,089**
Loss on valuation of shares of subsidiaries and affiliates	3,089
Loss before income taxes	**(3,283)**
Income taxes-current	4
Income taxes-deferred	164
Loss	**(3,452)**

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Daidoh Limited

For the year ended March 31, 2017

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
						Retained earnings brought forward	
Balance at the beginning of current period	6,891	7,147	1,418	8,565	959	6,293	7,252
Changes of items during the period							
Dividends of surplus						(353)	(353)
Loss						(3,452)	(3,452)
Disposal of treasury shares			(33)	(33)			
Purchase of treasury shares							
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	—	(33)	(33)	—	(3,806)	(3,806)
Balance at the end of current period	6,891	7,147	1,384	8,532	959	2,486	3,446

	Shareholders' equity		Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at the beginning of current period	(3,917)	18,792	174	174	128	19,095
Changes of items during the period						
Dividends of surplus		(353)				(353)
Loss		(3,452)				(3,452)
Disposal of treasury shares	51	17				17
Purchase of treasury shares	(0)	(0)				(0)
Net changes of items other than shareholders' equity			(615)	(615)	8	(607)
Total changes of items during the period	51	(3,788)	(615)	(615)	8	(4,396)
Balance at the end of current period	(3,866)	15,004	(441)	(441)	136	14,699

REFERENCE MATERIALS
FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

Agenda items and reference materials

Item 1: Appropriation of Surplus

Proposed appropriation of surplus for the 94th term is as follows:

Year-end dividends

The Company considers the returning of profits to shareholders to be one of its most important tasks.

As a basic policy, the Company has implemented a performance-related dividend policy under which the basic rate of dividends is 30% of the Company's consolidated ordinary income, with the aim of sharing the effects of increased profits through a flexible profit-sharing scheme. Additionally, 30% of the Company's extraordinary income or loss that generate cash flow, such as gain on sales of securities and non-current assets, are added to the source of basic dividend payments for future years to provide a stable, continuous dividend while comprehensively taking into consideration the business environment and other matters such as the necessity of bolstering of internal reserves.

1) Type of dividends to be paid
   Dividends shall be paid in cash.

2) Amount of dividend per share and total amount of dividends to be allocated
   Ten (10) yen shall be paid per common share of the Company as a dividend, which brings the total amount of dividends to 354,168,200 yen.

3) Effective date of dividend payment
   The effective date of dividend payment shall be June 30, 2017.

Item 2: Election of Six (6) Directors

The terms of office of all the current eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. To further improve management transparency and further strengthen the corporate governance organization, the Company is requesting the election of six (6) Directors, including two (2) External Directors.

The candidates for Directors are as follows:

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
1	Shin Okawa (January 12, 1949)	April 1974	Joined the Company	53,000 shares
		October 2002	General Manager of Management Planning Office of the Company	
		December 2002	President of Jardin Co., Ltd. (present DAIDOH INTERNATIONAL LTD.)	
		June 2003	Director and General Manager of Management Planning Office of the Company	
		June 2008	Director of the Company, assistance for the President, in charge of Internal Control	
		June 2011	Director of the Company, in charge of Internal Control and Daidoh Engagement	
		May 2013	President and Representative Director of the Company (current)	
		December 2016	Director, PONTETORTO S.p.A. (current)	
		Reasons for nomination as a candidate for Director: As President and Representative Director, Mr. Shin Okawa has appropriately supervised the management of the Company and made important managerial decisions, while promoting the improvement of the Chinese consolidated subsidiaries' business structures and working on the establishment of earnings bases for the Group's clothing and real estate & leasing businesses. In addition, Mr. Okawa has held responsible positions in the Company's management planning division and some of the Group companies, thereby accumulating considerable experience and achievements as well as a broad range of knowledge over the entire range of the Group's businesses. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Okawa as Director.		

<table>
<tr><th>Candidate number</th><th>Name (date of birth)</th><th>Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td rowspan="2">Yasuhiko Kawanishi (October 27, 1943)</td><td>April 1966 Joined KASHIYAMA CO., LTD (present Onward Holdings Co., Ltd.)
August 2000 President and Representative Director of Onward Creative Center Co., Ltd.
March 2008 Adviser of Onward Holdings Co., Ltd.
May 2008 Retired from Adviser of Onward Holdings Co., Ltd.
Special Adviser of the Company
June 2008 Executive Vice President and Representative Director of the Company (current)</td><td>3,000 shares</td></tr>
<tr><td colspan="2">Reasons for nomination as a candidate for Director:
As Executive Vice President and Representative Director, Mr. Yasuhiko Kawanishi has appropriately supervised the management of the Company and made important managerial decisions, while promoting stronger collaborations between the manufacturing and sales divisions and working on the establishment of earnings bases for the Group’s clothing and real estate & leasing businesses.
In addition, Mr. Kawanishi has held responsible positions in sales divisions in the clothing industry, thereby accumulating considerable experience and achievements as well as a broad range of knowledge in the business domain of the Group.
His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Kawanishi as Director.</td></tr>
</table>

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
3	Kiyoshi Fukura (October 2, 1952)	April 1971	Joined the Company	37,200 shares
		December 1994	Chief Financial Officer of DAIDOH LIMITED (SHANGHAI) CO., LTD.	
		July 2008	General Manager of Management Control Office of the Company	
		March 2010	Corporate Auditor of NEWYORKER LTD.	
		April 2010	Corporate Auditor of DAIDOH INTERNATIONAL LTD. Corporate Auditor of DYNACITY LTD.	
		June 2011	Executive Officer of the Company	
		June 2013	Director and Executive Officer of the Company, in charge of Accounting and Finance (current) Director of DYNACITY LTD. (current)	
		June 2016	Director and Senior Executive Officer of the Company, in charge of Corporate Administration and Real Estate (current)	
		Reasons for nomination as a candidate for Director: As Director, Mr. Kiyoshi Fukura has appropriately supervised the management of the Company and made important managerial decisions. Being in charge of the corporate administration and real estate business of the Company, he has worked on the establishment and promotion of management strategies and the establishment of a solid financial base. With considerable experience and achievements as well as a broad range of knowledge in the fields of accounting and financial matters, Mr. Fukura concurrently serves as Director of DYNACITY LTD., which operates the real estate and leasing business of the Group, and has endeavored to utilize the assets held by the Group and enhance profitability. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Fukura as Director.		

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
4	Fumitaka Saito (February 17, 1958)	August 1990	Joined the Company	7,000 shares
		December 2002	Director of Jardin Co., Ltd. (currently DAIDOH INTERNATIONAL LTD.)	
		April 2007	General Manager of Management Planning Office of the Company	
		June 2013	Executive Officer, General Manager of Management Planning Office of the Company	
		April 2014	Chairman of DAIDOH LIMITED (CHINA) HOLDINGS CO., LTD. (current) Chairman of DAIDOH LIMITED (SHANGHAI) CO., LTD.	
		June 2014	Senior Executive Officer, General Manager of Management Planning Office of the Company In charge of Chinese Manufacturing Business Operations	
		June 2016	Director and Executive Officer, General Manager of Management Planning Office of the Company (current) In charge of Chinese Manufacturing Business Operations and Daidoh International (current)	
		December 2016	Representative Director, PONTETORTO S.p.A. (current)	
		Reasons for nomination as a candidate for Director: As Director, Mr. Fumitaka Saito has appropriately supervised the management of the Company and made important managerial decisions. Being in charge of Chinese manufacturing business operations and subsidiaries that sell apparel materials and products, he has worked on improving manufacturing subsidiaries' business structure and building supply chains. In addition, Mr. Saito concurrently serves as General Manager of Management Planning Office and Representative Director of PONTETORTO S.p.A., which manufactures apparel materials in Italy, endeavoring to enhance the earning power of the Group's clothing business. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Saito as Director.		

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
5	Kazuyuki Nishioka (November 17, 1947)	April 1970 March 2003 June 2008 June 2010 June 2016	Joined Nagasakiya Co., Ltd. Director of Nagasakiya Co., Ltd. Director of Mainami Amusement Co., Ltd. Director of Mainami Holdings Co., Ltd. Managing Director and COO of Mainami Amusement Co., Ltd. Director of the Company (current)	1,100 shares
		Reasons for nomination as a candidate for External Director: Mr. Kazuyuki Nishioka has experience as a Director of other companies and considerable experience and achievements as well as a broad range of knowledge in the business domain of the Company. As an External Director of the Company, he has taken a supervisory role at the Board of Directors from an independent standpoint. His experience and achievements qualify him to continue to perform the duties of supervising corporate management to help ensure the sustainable growth of the Company and enhance its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Nishioka as External Director.		

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
*6	Kunikazu Kobayashi (March 29, 1950)	October 1989	Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)	- shares
		August 1995	Representative Partner of Asahi Audit Corporation (currently KPMG AZSA LLC)	
		May 1997	Head of Nagano Office, Asahi Audit Corporation (currently KPMG AZSA LLC)	
		January 2003	Representative Partner of Asahi-Nagano Tax Corporation	
		January 2012	Representative Partner and Chairman of Agata Global Tax Corporation (current) Representative Director of Agata Global Consulting Co., Ltd. (current)	
		Reasons for nomination as a candidate for External Director: Mr. Kunikazu Kobayashi has considerable experience and achievements and a broad range of knowledge and deep insights though his business activities as a certified public accountant and a certified tax accountant. His experience and achievements qualify him to perform the duties of supervising corporate management to help ensure the sustainable growth of the Company and enhance its corporate value in the medium to long term. Therefore, the Company requests the election of Mr. Kobayashi as External Director.		

Notes: 1. * is a newly appointed candidate for External Director.

2. No special relationship exists between the Company and the above candidates.

3. Mr. Kazuyuki Nishioka is currently an External Director of the Company and will have served as an External Director for one (1) year at the conclusion of this Ordinary General Meeting of Shareholders.

4. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Directors. Pursuant to this provision, if Mr. Kazuyuki Nishioka is elected as an External Director, the Company plans to continue said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.

5. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Directors. Pursuant to this provision, if Mr. Kunikazu Kobayashi is elected as an External Director, the Company plans to conclude said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.

6. Mr. Kazuyuki Nishioka has been registered as an independent director as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc. If his reelection as External Director is approved, he will continue to be an independent director.

   Mr. Kunikazu Kobayashi fulfills the requirements for independent directors as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc. If his election as External Director is approved, the Company plans to report him as an independent director.

Item 3: Election of One (1) Corporate Auditor

Among the current four (4) Corporate Auditors, the term of office of Mr. Morio Suzuki will expire and Mr. Eiji Nakajima will resign from office at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company is requesting the election of one (1) Corporate Auditor.

The Company has obtained the consent of the Board of Corporate Auditors for this proposal.

The candidate for Corporate Auditor is as follows:

<table>
<tr><th>Name
(date of birth)</th><th colspan="2">Career summary, positions at the Company, and significant concurrent occupations or positions at other organizations</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">Kanai Tozawa
(February 7, 1957)</td><td>April 1980
October 2006
May 2008
June 2008
April 2012

June 2015

January 2016
June 2016</td><td>Joined the Company
Director of NEWYORKER LTD.
Representative Director of NEWYORKER LTD.
Director of the Company (current)
Chairman of SHANGHAI NEWYORKER CLOTHING SALES CO., LTD.
Managing Director and Senior Executive Officer of the Company, President assistant (Overall)
In charge of Daidoh Philosophy (current)
Assistance for the President, in charge of Operational Reforms</td><td>28,000 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Corporate Auditor:
As Director, Mr. Kanai Tozawa has appropriately supervised the management of the Company and made important managerial decisions, while working on the establishment of management strategies for the Company’s operational divisions to enhance profitability.
In addition, Mr. Tozawa took charge of the Group’s affiliated companies that conduct the clothing and real estate & leasing businesses, promoting the Group’s code of conduct and operational reforms in line with such code, thereby accumulating considerable experience and achievements and a broad range of knowledge in the business domain of the Group.
His experience and achievements qualify him to perform audits in an objective and appropriate manner. Therefore, the Company requests the election of Mr. Tozawa as Corporate Auditor.</td></tr>
</table>

Notes: 1. Mr. Kanai Tozawa is a newly appointed candidate for Corporate Auditor.

2. No special relationship exists between the Company and the candidate.

3. The Company’s Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its Corporate Auditors. Pursuant to this provision, if Mr. Kanai Tozawa is elected as a Corporate Auditor, the Company plans to conclude said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.

Item 4: Election of Two (2) Corporate Auditor Substitutes

Based on Article 30, paragraph 2 of the Company's Articles of Incorporation, the effect of the election of Mr. Akito Takahashi, who was elected Corporate Auditor substitute at the 92nd Ordinary General Meeting of Shareholders held on June 26, 2015, will continue to have effect until the time when the Ordinary General Meeting of Shareholders is held in the second business fiscal year since his appointment. Therefore, to prepare for such situation in which the number of Corporate Auditors required by laws and regulations or by the Company's Articles of Incorporation becomes insufficient, the Company is requesting the election of two (2) Corporate Auditor substitutes—Mr. Masahiro Honma as a substitute for Full-time Corporate Auditor and Mr. Akito Takahashi as a substitute for External Corporate Auditor.

The Company has obtained the consent of the Board of Corporate Auditors for this proposal.

The candidates for Corporate Auditor substitute are as follows:

<table>
<tr><th>Candidate number</th><th>Name (date of birth)</th><th colspan="2">Career summary, positions at the Company, and significant concurrent occupations or positions at other organizations</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">*1</td><td rowspan="2">Masahiro Honma
(February 17, 1957)</td><td>July 1988
April 2010
June 2013

April 2014</td><td>Joined the Company
Director of NEWYORKER LTD.
Executive Officer of the Company (current)
General Manager of Personnel Administration Office of the Company (current)</td><td>6,100 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Full-time Corporate Auditor substitute:
As an Executive Officer, Mr. Masahiro Honma has taken charge of the personnel division, working to enhance the personnel system and establish and promote the awareness of the code of conduct, thereby enhancing the corporate value.
Having held responsible positions in the marketing and administrative divisions of some Group companies, Mr. Honma has considerable experience and achievements as well as a broad range of knowledge in the business domain of the Company.
His experience and achievements qualify him to perform audits in an objective and appropriate manner. Therefore, the Company requests the election of Mr. Honma as a Corporate Auditor substitute.</td></tr>
</table>

Candidate number	Name (date of birth)	Career summary, positions at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
2	Akito Takahashi (March 30, 1975)	April 2000 Attorney-at-Law (Daini Tokyo Bar Association registration) April 2005 Registration as Attorney-at-Law with the New York State Bar Association March 2015 Non-standing External Director at Nippon Carbon Co., Ltd. (current) December 2015 Non-standing External Director at ACKG Limited (current)	- shares
		Reasons for nomination as a candidate for External Corporate Auditor substitute: Through his activities as a lawyer, or a legal expert, Mr. Takahashi has considerable experience and achievements as well as a broad range of knowledge in legal affairs. His experience and achievements qualify him to perform audits in an objective and appropriate manner to reinforce corporate management and legal compliance. Therefore, the Company requests the election of Mr. Takahashi as a Corporate Auditor substitute.	

Notes: 1. * is a newly appointed candidate for substitute Full-time Corporate Auditor.

2. No special relationship exists between the Company and the candidates.

3. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its Full-time Corporate Auditors. Pursuant to this provision, if Mr. Masahiro Honma is elected as a Full-time Corporate Auditor, the Company plans to conclude said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.

4. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Corporate Auditors. Pursuant to this provision, if Mr. Akito Takahashi is elected as an External Corporate Auditor, the Company plans to conclude said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.

5. Mr. Akito Takahashi fulfills the requirements for independent directors as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc. If his election as External Corporate Auditor is approved, the Company plans to report him as an independent director.