[**Translation**: Please note that the following purports to be a translation from the Japanese original Notice of Convocation of the 71st Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. prepared for the convenience of shareholders with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Please also be advised that certain expressions regarding voting procedures for shareholders that are not applicable to the shareholders outside Japan are intentionally omitted or modified to avoid confusion.]

May 2, 2018

TSE# 8016
SEDOL#6483821JP
ISIN#JP3203500008

To Our Shareholders:

Onward Holdings Co., Ltd.
10-5, Nihonbashi 3-chome, Chuo-ku, Tokyo
Representative Director and President
Michinobu Yasumoto

NOTICE OF CONVOCATION OF THE 71ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 71st Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. (the "Company") for the fiscal year ended February 28, 2018. The meeting will be held as described below.

If you are unable to attend the aforesaid meeting, your voting rights can be exercised either in writing or via the Internet. We would appreciate your exercise of voting rights by reviewing the "Reference Document Concerning the General Meeting of Shareholders" attached below, indicating whether you approve or disapprove each item on agenda on the enclosed Voting Rights Exercise Form and returning it to the Company before 5:40 PM (JST) of May 23, 2018 (Wednesday), or alternatively accessing to the designated website for exercising voting rights.

In an effort to enhance the convenience of institutional investors, the Company participates in the electronic voting platform operated by ICJ via ProxyEdge® system of Broadridge. For further details, please consult with your custodians, nominees and/or brokers. Voting via Internet other than ICJ platform is only available for registered shareholders in Japan with Japanese language only.

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NOTICE OF MEETING

1. Date and Time: 10:00 AM of May 24, 2018 (Thursday)

2. Place: Bellesalle Shiodome, 2nd Floor
Sumitomo Fudosan Shiodome Hamarikyu Building
21-1, Ginza 8-chome, Chuo-ku, Tokyo

3. Purposes:
Items to Be Reported:

1. Report on matters of the Business Report and the Consolidated Financial Statements for the 71st fiscal year (March 1, 2017 to February 28, 2018) and results of audit of the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board; and

2. Report on the Non-Consolidated Financial Statements for the 71st fiscal year (March 1, 2017 to February 28, 2018)

Items to Be Resolved:

Agenda Item No. 1: Appropriation of Surplus

Agenda Item No. 2: Election of Seven (7) Directors

Agenda Item No. 3: Election of One (1) Audit & Supervisory Board Member

4. Items for Exercising Voting Rights:

(1) Treatment of duplicated exercises of voting rights in writing and via Internet

In case that a voting right is exercised by both mail and the Internet, the vote registered via Internet will be recognized as valid.

(2) Treatment of duplicated exercises of voting rights via Internet

In case that a voting right is exercised more than once via the Internet, only the last vote will be recognized as valid. Similarly, in case that a voting right is exercised more than once using a PC, smartphone or mobile phone, only the last vote will be recognized as valid.

- End -

* If you attend the meeting in person, please submit the Voting Rights Exercise Form enclosed herewith to the receptionist of the Hall. For saving natural resources, please take this notice of convocation with you to the Meeting.

The documents referred to below are published on the Company's website (http://www.onward-hd.co.jp) and written in Japanese only.

* Notes to Consolidated and Non-Consolidated Financial Statements which should be provided with this notice of convocation shall be announced on the Company's website in accordance with laws and regulations, and the Articles of Incorporation of the Company. In addition to documents attached to this notice of convocation, Notes to Consolidated and Non-Consolidated Financial Statements posted on the Company's website are included in Consolidated and Non-Consolidated Financial Statements audited by Audit & Supervisory Board Members and the Accounting Auditor in the course of preparing Audit Report and Accounting Auditor's Report respectively.
* If any amendment is needed to the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements and the Reference Document Concerning the General Meeting of Shareholders, please be advised that such amendment when applicable shall be publicly announced on the Company's website.

REFERENCE DOCUMENT CONCERNING THE GENERAL MEETING OF SHAREHOLDERS

Agenda Items and Reference Matters:

Agenda Item No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters concerning the year-end dividend:
The Company considers the return of profits to shareholders to be one of the most important management issues. The Company targets a payout ratio of 35% or more and follows the basic policy of distributing appropriate amounts of profits to shareholders in a way that is stable and linked with the business performance of the Company.
Under this policy, it is proposed that a year-end dividend for the fiscal year under review be as stated below.

1. Type of dividend property:
   Cash

2. Allocation of dividends and total amount:
   24 yen per share of common stock of the Company
   3,420,356,952 yen total

3. Effective date of the dividend of surplus:
   May 25, 2018

Agenda Item No. 2: Election of Seven (7) Directors

The term of office of seven Directors will expire at the closing of this Annual General Meeting of Shareholders. Therefore, it is proposed that seven Directors be elected.

The candidates are as follows:

Candidate No.	Name		Current position and responsibility in the Company, and significant concurrent positions outside the Company
1	Takeshi Hirouchi	Reelection	Representative Director and Chairman of the Company
2	Masaaki Yoshizawa	Reelection	Director and Vice Chairman of the Company Representative Director and President of Onward Resort & Golf Co., Ltd.
3	Michinobu Yasumoto	Reelection	Representative Director and President of the Company Director of Onward Kashiyama Co., Ltd.
4	Hisayuki Ichinose	Reelection	Senior Managing Director in charge of Administration of the Company Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd.
5	Michio Osawa	New candidate	Senior Managing Executive Officer in charge of Asian Operation of the Company Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd.
6	Yoshihide Nakamura	Reelection Outside Director Independent Director	Outside Director of the Company Representative Director and President of ULDAGE Inc.
7	Akira Kawamoto	New candidate Outside Director Independent Director	Senior Partner of Aspirant Group Inc. Professor of Faculty of Economics of Keio University Outside Director of Future Corporation

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Takeshi Hirouchi (Nov. 5, 1942)	Apr. 1965	Joined the Company	143,683
		May 1985	Director of the Company	
		Apr. 1991	Managing Director of the Company	
		Apr. 1994	Senior Managing Director of the Company	
		Mar. 1997	Representative Director and President of the Company	
		Mar. 2005	Representative Director and Chairman, and Executive Officer of the Company	
		Sept. 2007	Representative Director, Chairman and CEO of the Company	
			Representative Director and Chairman, and Executive Officer of Onward Kashiyama Co., Ltd.	
		Mar. 2009	Representative Director and Chairman of the Company	
		Sept. 2011	Representative Director, Chairman and President of the Company	
		May 2014	Representative Director and Chairman of Onward Kashiyama Co., Ltd.	
		Mar. 2015	Representative Director and Chairman of the Company (current position)	
	Reasons for nomination Mr. Takeshi Hirouchi has held various management positions in the Administrative, Sales, International Business and Corporate Planning Divisions and not only has a thorough knowledge of the business of Onward Group (the "Group"), but also has extensive management experience and knowledge. He currently supervises the overall management of the Group as the Representative Director and Chairman and is playing roles appropriately in, for example, making decisions on important management matters and supervising business execution. For these reasons, he has been nominated as a Director candidate for re-election.			

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Masaaki Yoshizawa (Feb. 19, 1946)	Apr. 1968 Joined the Company May 2003 Managing Director of the Company Mar. 2005 Director and Managing Executive Officer of the Company Sept. 2007 Managing Director of the Company Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2009 Representative Director and President of Onward Resort & Golf Co., Ltd. (current position) Mar. 2011 Senior Managing Director of the Company Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2018 Director and Vice Chairman of the Company (current position) [Significant concurrent positions outside the Company] Representative Director and President of Onward Resort & Golf Co., Ltd.	33,000
	Reasons for nomination Mr. Masaaki Yoshizawa has held various management positions in administration and businesses of group companies including those overseas, and he has extensive experience as a senior management executive and considerable knowledge in finance, accounting and treasury. He currently holds the position of Director and Vice Chairman and is playing roles appropriately in, for example, making decisions on important management matters and supervising business execution. For these reasons, he has been nominated as a Director candidate for re-election.		

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Michinobu Yasumoto (Sept. 13, 1965)	May 2006 Joined the Company Mar. 2007 Executive Officer of the Company Sept. 2007 Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2009 Executive Officer of the Company Mar. 2011 Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiyama Co., Ltd. May 2014 Director of the Company Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. Sept. 2014 Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2015 Representative Director and President of the Company (current position) Director of Onward Kashiyama Co., Ltd. (current position) [Significant concurrent positions outside the Company] Director of Onward Kashiyama Co., Ltd.	44,600
	Reasons for nomination Mr. Michinobu Yasumoto has held various management positions in the International Business, Product Planning, Information Systems and Corporate Planning Divisions, and he has extensive experience and advanced knowledge. He is currently responsible for the management execution of the Group and is leading its business execution as the Representative Director and President and is playing roles appropriately in, for example, making decisions on important management matters and supervising business execution. For these reasons, he has been nominated as a Director candidate for re-election.		

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Hisayuki Ichinose (Sept. 24, 1955)	Apr. 1979 Joined the Company Mar. 2006 Executive Officer of the Company Sept. 2007 Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2013 Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiyama Co., Ltd. Mar. 2015 Director and Managing Executive Officer of Onward Kashiyama Co., Ltd. May 2015 Director of the Company Mar. 2017 Managing Director of the Company Mar. 2018 Senior Managing Director in charge of the Administration of the Company (current position) Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. (current position) [Significant concurrent positions outside the Company] Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd.	15,700
	Reasons for nomination Mr. Hisayuki Ichinose has held various management positions in the sales and administrative divisions of the Company, and he has extensive experience and performance record. He currently holds a concurrent position as the Director and Senior Managing Executive Officer of Onward Kashiyama Co. Ltd., the core operating company of the Group. In particular, he is playing roles appropriately in charge of Administration of the Group as Senior Managing Director of the Company. For these reasons, he has been nominated as a Director candidate for re-election.		

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	*Michio Osawa (Feb. 2, 1956)	Apr. 1978 Joined the Company Mar. 2006 Executive Officer of the Company Sept. 2007 Managing Director of Onward Trading Co., Ltd. Mar. 2009 Representative Director and President of Onward Trading Co., Ltd. Sept. 2012 Managing Executive Officer of the Company Sept. 2015 Representative Director and Chairman of Onward Trading Co., Ltd. Representative Director and President of Onward J Bridge Co., Ltd. Mar. 2016 Senior Managing Executive Officer in charge of Asian Operation of the Company (current position) Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. Director and Chairman of Onward Trading Co., Ltd. Mar. 2017 Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd. (current position) [Significant concurrent positions outside the Company] Representative Director and President, and Executive Officer of Onward Kashiyama Co., Ltd.	21,300
	Reasons for nomination Mr. Michio Osawa has held various management positions in the Sales and Production Division, and he has extensive experience and advanced knowledge. Currently, as the Representative Director and President, and Executive Officer of Onward Kashiyama Co. Ltd., the core operating company of the Group, he is promoting the brand business and the expansion of business areas to match diversifying markets. In addition, he is promoting business expansion as the Senior Managing Executive Officer in charge of Asian operation of the Company. As such, he is appropriately fulfilling his duties and, accordingly, has been nominated as a new Director candidate.		
6	Yoshihide Nakamura (Oct. 22, 1942)	June 1998 Corporate Managing Executive Officer of Sony Corporation June 2000 Representative Director and President of Sony Chemical Corporation June 2004 Corporate Managing Executive Officer of Sony Corporation July 2006 Representative Director and President of ULDAGE Inc. (current position) May 2007 Director of the Company (current position) [Significant concurrent positions outside the Company] Representative Director and President of ULDAGE Inc.	1,000
	Reasons for nomination Mr. Yoshihide Nakamura has extensive experience as a senior management executive and broad knowledge, and he has fulfilled his responsibilities as an Outside Director of the Company. Because we regard that he is an appropriately qualified individual to contribute to the Board of Directors' enhancement of its supervisory function and assurance of transparency, he has been nominated as an Outside Director candidate for re-election.		

Candi-date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
7	*Akira Kawamoto (Aug. 19, 1958)	Apr. 1981	Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)	0
		Aug. 1995	Organization for Economic Co-operation and Development (OECD) (Paris)	
		Jan. 2001	Manager of Electricity Market Division, Electricity and Gas Industry Department, Agency for Natural Resources and Energy	
		July 2009	Deputy Director-General of Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry	
		Oct. 2012	Senior Partner of Aspirant Group (current position)	
		Apr. 2013	Professor of Faculty of Economics of Keio University (current position)	
		Mar. 2014	Outside Director of Future Corporation (current position)	
	Reasons for nomination Mr. Akira Kawamoto has extensive experience gained while working for the government for many years and diverse knowledge and insight from his academic experience. As the Company deems that he is qualified to be an Outside Director, he has been nominated as a new Outside Director candidate to contribute to the Board of Directors' enhancement of its supervisory function and assurance of transparency.			

(Notes)

1. Each candidate stated above has no special interests in the Company.
2. Mr. Yoshihide Nakamura is a candidate for Outside Director. The Company submitted Notifications of Independent Directors/Audit & Supervisory Board Members to the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. that the Company designated Mr. Yoshihide Nakamura as Independent Director.
3. Mr. Akira Kawamoto is a candidate for Outside Director. The Company is going to submit Notifications of Independent Directors/Audit & Supervisory Board Members to the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. that the Company designated Mr. Akira Kawamoto as Independent Director.
4. The independence of Outside Directors and the agreement to limit Outside Directors' liability:
   (1) The independence of Outside Directors:
      (i) The duration of Mr. Yoshihide Nakamura's assumption of the office as Outside Director of the Company will have been eleven years upon the closing of this General Meeting of Shareholders.
      (ii) Both of the candidates for Outside Directors are satisfied with "Independence Standards for Outside Directors and Outside Audit &Supervisory Board Members" (pp.13-14).
   (2) Agreement with Outside Director to limit liabilities:
      The Company has concluded an agreement with Mr. Yoshihide Nakamura to limit his liabilities prescribed in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount as prescribed in Article 427 Paragraph 1 of the Companies Act. In the event of the re-election of Mr. Nakamura and the new election of Mr. Kawamoto are approved, the Company is going to conclude such an agreement with them.
5. * denotes newly appointed candidate for the position of Director.

Agenda Item No. 3: Election of One (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member Kenichi Iizuka will resign at the closing of this Annual General Meeting of Shareholders. Therefore, it is proposed that one Audit & Supervisory Board Member be elected.

Candidate for Audit & Supervisory Board Member Hirokazu Yoshizato is currently an appointed substitute Audit & Supervisory Board Member, and therefore, as provided for in the Company's Articles of Incorporation, his term of office will be until the expiration date of the retiring Audit & Supervisory Board Member's term of office.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidate is as follows:

Name (Date of Birth)	Career summary and position in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
*Hirokazu Yoshizato (Dec. 11, 1956)	Apr. 1980 Mar. 2005 Sept. 2007 Mar. 2011 Mar. 2017	Joined the Company Executive Officer of the Company Executive Officer of the Company Executive Officer of Onward Kashiyama Co., Ltd. Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiyama Co., Ltd. Adviser of the Company (current position)	6,000
Reasons for nomination Mr. Hirokazu Yoshizato headed the Group's Accounting Division, has extensive expert knowledge and experience related to accounting, and is well versed in the details of the Company's operations. The Company deems that he is qualified to be an Audit & Supervisory Board Member of the Company because he can be expected to supervise all aspects of management and provide worthwhile advice. Accordingly, he has been nominated as a new candidate for Audit & Supervisory Board Member.			

(Notes)

1. The candidate stated above has no special interests in the Company.
2. * denotes newly appointed candidate for the position of Audit & Supervisory Board Member.

(Reference)

Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

When a candidate for Outside Director or Outside Audit & Supervisory Board Member applies to any of the following, the Company considers that the candidate does not have the independence as Outside Director/Outside Audit & Supervisory Board Member.

1. Relationship with a company at which a person engaged in business execution[1] of the Company assumes a director or corporate executive position
   Any person engaged in business execution of a company at which a person engaged in business execution of the Company assumes a corporate executive position.

2. Major business partner
   Any party that considers the Company as a major business partner2 or a person engaged in business execution of the party, or any major business partner of the Company3 or a person engaged in business execution of the business partner.

3. Accounting auditor firm of the Company
   Any person belonging to an accounting auditor firm that performs audits concerning the Company based on the Companies Act or the Financial Instruments and Exchange Act.

4. External specialist
   Any external specialist who receives a considerable amount4 of money or other assets in addition to remuneration as an Outside Director or an Audit & Supervisory Board Member (such specialist refers to an attorney-at-law, accountant, tax accountant, patent attorney, judicial scrivener, consultant, etc.; if the party receiving the aforesaid assets is a corporation, union, or any other forms of organization, the person belonging to such organization).

5. Recipient of contribution
   Any party receiving a considerable amount5 of contribution from the Company (if the party receiving the aforesaid contribution is a corporation, union, or any other forms of organization, the person engaged in business execution at such organization).

6. Major shareholder
   Any party or a person engaged in business execution of a respective company that beneficially holds 10% or more of the Company's voting rights.

7. Former relevant person
   Any person that was applicable to any of 1. through 5. above in the past five years.

8. Next of kin
   Next of kin of person applicable to any of 1 through 7 above (excluding person of no importance).

Notes:

1 "A person engaged in business execution" refers to an executive director executive officer, general manager or employee (including adviser).

2 "Any party that considers the Company as a major business partner" refers to a party that has received from the Company an amount of payment equivalent to over 2% of its annual net sales in the most recent fiscal year.

3 "Major business partner of the Company" refers to a party that has paid the Company an amount equivalent to over 2% of the annual net sales of the Company or a party whose outstanding loan to the Company exceeds 2% of the total assets of the Company, in the most recent fiscal year.

4 "A considerable amount" with respect to assets received in the most recent fiscal year refers to, in case the party that has received the assets concerned is an individual, an annual amount of 10 million yen, and in case the party is a corporation, union, or any other forms of organization, an amount over 2% of consolidated net sales or total revenue of the organization.

5 "A considerable amount" with respect to contribution received in the most recent fiscal year refers to, an annual amount of 10 million yen or 2% of the total revenue, whichever is higher.

-End-