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(Stock Exchange Code 4286)
March 8, 2019

**To Shareholders with Voting Rights:**

Junichiro Uchikawa
President & CEO
LEGS COMPANY, LTD.
2-26-1 Minamiaoyama, Minato-ku, Tokyo

# NOTICE OF
# THE 31ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are cordially invited to attend the 31st Annual General Meeting of Shareholders of LEGS COMPANY, LTD. (the "Company"), which will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by means of either of the following methods, and are kindly requested to exercise your voting rights on or before 6 p.m., Tuesday, March 26, 2019 (Japan time), after reviewing the attached "Reference Documents for the General Meeting of Shareholders."

[Exercising your voting rights by mail]

Please indicate "approval" or "disapproval" for the proposals on the enclosed Voting Rights Exercise Form and return it so that it will reach the Company no later than the deadline designated above.

[Exercising your voting rights via the internet]

Please access the website for exercise of voting rights (https://soukai.mizuho-tb.co.jp) designated by the Company and register "approval" or "disapproval" for the proposals according to the guidance on the screen using your Voting Rights Exercise Code and Password, both of which are indicated on the enclosed Voting Rights Exercise Form.

If you exercise your voting rights both by mail and via the Internet, the exercise via the Internet shall be effective.

1. **Date and Time:** Wednesday, March 27, 2019
   10:00 a.m. Japan time (Reception opens at 9:15 a.m.)
2. **Place:** Room: Houou (2F) at Meiji Kinenkan located at
   2-2-23 Moto-Akasaka, Minato-ku, Tokyo, Japan

No souvenirs will be made available to the attending shareholders. We sincerely request your understanding and acceptance.

**3. Meeting Agenda:**

**Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 31st Fiscal Year (January 1, 2018 - December 31, 2018) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 31st Fiscal Year (January 1, 2018 - December 31, 2018)

**Proposals to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of Seven (7) Directors

1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
2. Among the documents which should be provided together with this Notice, the following notes are made available on the Company's website at http://www.legs.co.jp, pursuant to the applicable laws and regulations and Article 16 of the Articles of Incorporation of the Company. Accordingly, these notes are not provided in this Notice. The Consolidated Financial Statements and the Non-consolidated Financial Statements contained in the Appendix hereto are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements which were audited when accounting audit reports and audit reports were prepared by the Accounting Auditor and the Audit & Supervisory Board Members.
   (1) "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements"
   (2) "Non-consolidated Statements of Changes in Equity" and "Notes to the Non-consolidated Financial Statements"

   Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, and the Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (http://www.legs.co.jp).
3. Please bring this leaflet to the meeting with you for paper resources saving.

# Reference Documents for the General Meeting of Shareholders

**Proposals and References**

**Proposal 1: Appropriation of Surplus**

The Company proposes the appropriation of surplus as follows:

Year-end dividend

Taking into account such factors as the current financial results and the future business operations, the Company proposes the year-end dividend for the 31st Fiscal Year as follows.

(a) Allotment of dividend assets and the total amount thereof

The Company proposes the payment of 23 yen per share of common stock.

The total amount of dividend in this case will be 243,596,887 yen.

(b) Effective date of distribution of surplus

The effective date will be March 28, 2019.

**Proposal 2: Election of Seven (7) Directors**

The terms of office of all Directors six (6) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of seven (7) Directors is proposed, increasing the number of Directors by one (1) in order to reinforce the Company's management structure.

The candidates for Director are as follows.

| No. | Name (Date of birth) | Career Summary, positions, assignment and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 1 | Junichiro Uchikawa (January 30, 1961) Reappointment | March 1988 Founded the Company, Representative Director<br>March 1991 Founded S.I.P Corporation, Representative Director<br>February 1994 President & CEO, the Company (to present)<br>October 2008 Founded LEGS (SHANGHAI) TRADING COMPANY, LTD., Chairman<br>July 2009 Director, M&I Co., Ltd.<br>February 2011 Founded LEGS (SHANGHAI) ADVERTIZING COMPANY, LTD., Chairman<br>March 2012 Founded LEGS (SHENZHEN) TRADING COMPANY, LTD., Chairman<br>July 2014 Outside Director, ORENO Corporation (to present)<br>August 2014 Director, LEGS (SHANGHAI) TRADING COMPANY, LTD. (to present)<br>August 2014 Director, LEGS (SHANGHAI) ADVERTIZING COMPANY, LTD. (to present)<br>August 2014 Director, LEGS (SHENZHEN) TRADING COMPANY, LTD. (to present)<br>February 2016 Director, JU Co., Ltd. (to present) | 295,400 |
| | ●Reason for nomination as a candidate for Director<br>Having abundant management experience and achievements, Mr. Junichiro Uchida has been serving as Representative Director of the Company since the Company's foundation. The Company believes that he is qualified to make decisions on significant business execution and supervise duties of directors and executive officers. Therefore, the Company has continuously nominated him as a candidate for Director. | | |
| 2 | Kazunari Higuchi (May 13, 1966) Reappointment | July 1992 Joined Ibex Corporation<br>July 2000 Director, IBEX Corporation inc.<br>September 2006 President & Representative Director, DG & IBEX, inc.<br>June 2009 Founded M&A Co., Ltd., President & Representative Director<br>March 2010 Director, the Company<br>March 2012 Senior Managing Director, the Company<br>November 2012 Senior Managing Director & COO, the Company<br>April 2013 Vice President, Director & COO, the Company (to present)<br>August 2014 Chairman, LEGS (SHANGHAI) TRADING COMPANY, LTD. (to present)<br>August 2014 Chairman, LEGS (SHANGHAI) ADVERTIZING COMPANY, LTD. (to present)<br>August 2014 Chairman, LEGS (SHENZHEN) TRADING COMPANY, LTD. (to present) | 260,600 |
| | ●Reason for nomination as a candidate for Director<br>Mr. Kazunari Higuchi has demonstrated his strong leadership as COO of the company based on his abundant experience in company management and extensive knowledge regarding advertisement and sales promotion since his assuming office of Director in 2010. Therefore, the Company has continuously nominated him as a candidate for Director. | | |

| No. | Name (Date of birth) | Career Summary, positions, assignment and significant concurrent positions | | Number of shares of the Company held |
|---|---|---|---|---|
| 3 | Makoto Yoneyama (September 2, 1956)<br><br>Reappointment | March 1980 | Joined Kyoto Ceramic Co., Ltd. (currently KYOCERA Corporation) | 200 |
| | | July 2005 | Transferred to KYOCERA MITA Corporation (currently KYOCERA Document Solutions Inc.), Corporate Officer & General Manager, Business Administration Division | |
| | | April 2008 | Corporate Officer, KYOCERA MITA Corporation<br>Managing Director, KYOCERA MITA JAPAN Corporation | |
| | | March 2010 | Transferred to KYOCERA Communication Systems Co., Ltd., Senior General Manager Deputy manager, Trustee's Office, Japan Airlines Co., Ltd. | |
| | | June 2010 | Director, KYOCERA Communication Systems Co., Ltd. | |
| | | December 2010 | Executive Officer, Corporate Control Division, Japan Airlines Co., Ltd. | |
| | | April 2012 | Managing Executive Officer, Corporate Control Division, Japan Airlines Co., Ltd. | |
| | | June 2012 | Managing Director, KYOCERA Communication Systems Co., Ltd. | |
| | | April 2014 | Managing Director & General Manager, Administration Division, KYOCERA Communication Systems Co., Ltd. | |
| | | April 2015 | Senior Managing Director & General Manager, Administration Division, KYOCERA Communication Systems Co., Ltd. | |
| | | March 2016 | Joined the Company | |
| | | June 2016 | General Manager, Administration Division, the Company | |
| | | March 2017 | Senior Managing Director & General Manager, Administration Division, the Company (to present) | |
| | | March 2017 | Representative Director, S.I.P Corporation (to present) | |
| | | January 2018 | Supervising Business Management Administration, the Company (to present) | |
| | | May 2018 | General Manager, Corporate Planning Division, the Company (to present) | |
| | ●Reason for nomination as a candidate for Director<br>Mr. Makoto Yoneyama has engaged in the management of listed companies for many years and has abundant practical experience and high level of knowledge. He has contributed to establishing corporate governance structure that is essential to sustainable growth since his assumption of office as General Manager of Administration Division in 2016. Therefore, the Company has continuously nominated him as a candidate for Director. | | | |

<table>
<tr><th>No.</th><th>Name<br>(Date of birth)</th><th colspan="2">Career Summary, positions, assignment<br>and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">4</td><td>Setsuo Sasaki<br>(April 29, 1955)<br><br>Reappointment</td><td>March 1981<br>April 2000<br>April 2001<br>April 2006<br>April 2008<br>April 2012<br><br><br>March 2016<br>March 2017</td><td>Joined Kyoto Ceramic Co., Ltd. (currently KYOCERA Corporation)<br>Transferred to KYOCERA Communication Systems Co., Ltd., Director<br>Director & General Manager, Management Information System Division, KYOCERA Communication Systems Co., Ltd.<br>Managing Director & General Manager, ICT Sales Division, KYOCERA Communication Systems Co., Ltd.<br>Senior Managing Director & General Manager, ICT Business Management Division, KYOCERA Communication Systems Co., Ltd.<br>President & Representative Director, KYOCERA Communication Systems Co., Ltd.<br>Corporate Officer, KYOCERA Corporation<br>Founded Sectage Limited Liability Company, Representative Director (to present)<br>Director, the Company (to present)</td><td>-</td></tr>
<tr><td colspan="4">●Reason for nomination as a candidate for Director<br>Mr. Setsuo Sasaki has been involved in the management of listed companies for many years. Based on his abundant experience in management, as well as deep insight regarding corporate planning, the Company has continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">5</td><td>Masashi Hasegawa<br>(November 1, 1972)<br><br>New appointment</td><td>May 1992<br>February 2012<br>December 2012<br>March 2015<br><br>January 2018</td><td>Joined the Company<br>Executive Officer, the Company<br>Senior Executive Officer, the Company<br>Managing Executive Officer & General Manager, Sales Division, the Company<br>Managing Executive Officer & Supervising Retail Business, the Company (to present)</td><td>104,300</td></tr>
<tr><td colspan="4">●Reason for nomination as a candidate for Director<br>Mr. Masashi Hasegawa has been involved in sales at the Company for many years, has abundant experience and knowledge, well versed in the field, and has sufficient knowledge of management through his duties as a sales executive. The Company believes that he will be able to appropriately execute his duties as Director utilizing such experience and high level of knowledge. Therefore, the Company has nominated him as a candidate for Director.</td></tr>
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| No. | Name<br>(Date of birth) | Career Summary, positions, assignment and significant concurrent positions | | Number of shares of the Company held |
|---|---|---|---|---|
| 6 | Hiroshi Sonobe<br>(February 12, 1965)<br><br>Reappointment<br>Outside<br>Independent | April 1992<br>April 1994<br>October 2001<br><br>March 2010<br>March 2013<br>June 2014<br><br>March 2016<br>March 2016<br><br>June 2016<br>June 2016<br><br>March 2017 | Entered the Legal Training and Research Institute of the Supreme Court of Japan<br>Joined Kiyoshi Suda Law Office<br>Established Hayashi, Sonobe & Fujigasaki Law Office (currently Hayashi & Sonobe Law Office) (to present)<br>Audit & Supervisory Board Member, Japan Property Management Center Co., Ltd.<br>Outside Audit & Supervisory Board Member, LEGS COMPANY, LTD.<br>Outside Audit & Supervisory Board Member, Tokyo Tekko Co., Ltd.<br>Outside Director, PALTEK CORPORATION (to present)<br>Outside Director, Japan Property Management Center Co., Ltd. (Audit and Supervisory Committee Member) (to present)<br>Outside Audit & Supervisory Board Member, Care Service Co., Ltd. (to present)<br>Outside Director, Tokyo Tekko Co., Ltd. (Audit and Supervisory Committee Member) (to present)<br>Outside Director, the Company (to present) | 1,000 |
| | ●Reason for nomination as a candidate for Outside Director<br>・Mr. Hiroshi Sonobe is a candidate for Outside Director.<br>・He will have served 2 years as Outside Director at the conclusion of this Annual General Meeting of Shareholders.<br>・The Company believes that, based on his extensive experience and knowledge as an expert in corporate legal affairs (attorney at law), he would supervise and monitor the management of the Company and his advice regarding all aspects of management could help enhance corporate governance. Therefore, the Company has continuously nominated him as a candidate for Outside Director.<br>・The Company registered Mr. Hiroshi Sonobe as Independent Director with no potential conflict of interest with general shareholders with Tokyo Stock Exchange, Inc. | | | |

| No. | Name<br>(Date of birth) | Career Summary, positions, assignment and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 7 | Oleg Zuravljov<br>(May 8, 1972)<br><br>Reappointment<br>Outside<br>Independent | February 1998 Joined FIL Investments (Japan) Limited<br>January 2003 Joined Gartmore Asset Management Ltd. (currently Henderson Global Investors (Japan) Limited)<br>February 2009 Founded Shared Research Inc., Representative Director<br>March 2014 Outside Director, LEGS COMPANY, LTD. (to present)<br>September 2016 Portfolio Manager, Rogers Investment Advisors K.K. (to present)<br>October 2016 Chairman & Representative Director, Shared Research Inc. (to present) | 200 |
| | ●Reason for nomination as a candidate for Outside Director<br>・Mr. Oleg Zuravljov is a candidate for Outside Director.<br>・He will have served 5 years as Outside Director at the conclusion of this Annual General Meeting of Shareholders.<br>・The Company believes that he would be able to utilize his abundant experience and extensive knowledge accumulated through his many years in the securities business to manage the Company, therefore, the Company has continuously nominated him as a candidate for Outside Director.<br>・The Company registered Mr. Oleg Zuravljov as Independent Director with no potential conflict of interest with general shareholders with Tokyo Stock Exchange, Inc. | | |

(notes)
1. The Company does not have any special interest with each candidate for Director.
2. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Mr. Setsuo Sasaki, Mr. Hiroshi Sonobe and Mr. Oleg Zuravljov for the purpose of limiting their liabilities for compensation of damages stipulated in Article 423, Paragraph 1 of the said Act. If their election is approved, the Company will continue to hold the agreement with them. The maximum amount of liability under such contract shall be the greater of either 3 million yen or the minimum liability amount stipulated by laws and regulations.
3. Neither Mr. Hiroshi Sonobe nor Mr. Oleg Zuravljov is a business executor or a director of any entity that has special relationship with the Company. Furthermore, there has been no such relevant relationship during the past five years.
4. Neither Mr. Hiroshi Sonobe nor Mr. Oleg Zuravljov is going to receive a large amount of money or other assets from the Company or any entity that has special relationship with the Company. Furthermore, there has been no such arrangement in the past two years.
5. Neither Mr. Hiroshi Sonobe nor Mr. Oleg Zuravljov is a spouse, a relative within the third degree or such a closely related person of a business executor or a director of the Company or any entity that has special relationship with the Company.
6. The number of shares they own are as of December 31, 2018.

**The Company has established "Selection Standards for Directors and Audit & Supervisory Board Members" as follows.**

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**"Selection Standards for Directors and Audit & Supervisory Board Members"**

Directors and Audit & Supervisory Board Members of the Company shall fulfill the conditions stipulated in laws and regulations and the Articles of Incorporation, and shall also satisfy the following conditions.

| Conditions required of all Directors and Audit & Supervisory Board Members |
|---|
| 1. He or she shall possess excellent character, knowledge, insight, a strong spirit of compliance with laws and regulations, and ethical standards.<br>2. He or she shall possess excellent management sense, and a thorough knowledge of various issues related to management.<br>3. He or she shall possess objective decision-making capabilities, insight, and foresight.<br>4. He or she shall be able to provide his or her own views in a proactive manner, from a company-wide perspective. |
| Conditions required of Outside Directors |
| 1. He or she shall possess a high level of insight, abundant practical experience, and experience of serving in a leadership role in fields such as corporate management, internal controls, laws and regulations, accounting, finance, and risk management.<br>2. He or she shall be able to supervise management and make related judgments in an objective manner, and provide advice and support related to sustainable corporate growth, from a practical perspective based on abundant experience in corporate management and specialized fields. |
| Conditions required of Outside Audit & Supervisory Board Members |
| 1. He or she shall possess a high level of insight, abundant practical experience, and experience of serving in a leadership role in fields such as corporate management, internal controls, laws and regulations, accounting, finance, and risk management.<br>2. He or she shall be able to express objective audit views from a neutral standpoint, in order to ensure the neutrality and independence of the audit system. |

**In addition, the Company has established the following "Independence Standards for Outside Officers," which are standards for designating Outside Officers as Independent Directors/Auditors.**

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**"Independence Standards for Outside Officers"**

Outside Directors and Outside Audit & Supervisory Board Members of the Company shall fulfill the external conditions stipulated in the Companies Act and other laws and regulations, and shall also satisfy the following conditions.

| Conditions required of all Outside Directors and Outside Audit & Supervisory Board Members |
|---|
| 1. Regardless of age, gender, nationality, etc., he or she shall possess specialist knowledge, experience, insight, character, etc. that enable him or her to fulfill all his or her duties, and shall be someone who is able to understand, sympathize with, and implement the Company's management philosophy.<br>2. He or she shall satisfy the independence standards in the "Guidelines concerning Listed Company Compliance, etc." set forth by Tokyo Stock Exchange, Inc. |