

Securities Code: 9310

June 5, 2020

To our shareholders

Hitoshi Ando  
President and Representative Director  
**Japan Transcity Corporation**  
Kasumi 2-1-1, Yokkaichi, Mie, Japan

## **Notice of Convocation of the 106th Ordinary General Meeting of Shareholders**

We are pleased to announce the 106th Ordinary General Meeting of Shareholders of Japan Transcity Corporation (the “Company”) will be held as set forth below.

Instead of attending the meeting in person, you may exercise your voting rights in writing. After reviewing the Reference Documents for the General Meeting of Shareholders as set forth below, please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it to arrive at the Company by no later than 5:15 p.m. on Thursday, June 25, 2020 (Japan Standard Time).

**1. Date and Time:** Friday, June 26, 2020 at 10:00 a.m. (Japan Standard Time)

**2. Venue:** Large Conference Hall, 2F, Yokkaichi Port Building  
Kasumi 2-1-1, Yokkaichi, Mie, Japan

**3. Purpose of Meeting:**

**Matters to be reported:**

1. Business Report and Consolidated Financial Statements for the 106th Fiscal Year (from April 1, 2019 to March 31, 2020), as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 106th Fiscal Year (from April 1, 2019 to March 31, 2020)

**Matters to be resolved:**

**Proposal 1** Disposition of retained earnings

**Proposal 2** Election of four Audit & Supervisory Board Members

- When attending the meeting, we request that you submit the enclosed Voting Rights Exercise Form at the conference hall’s reception desk.
- The following listed items are posted on the Company’s website (<https://www.trancy.co.jp>) in accordance with applicable laws and Article 17 of the Company’s Articles of Incorporation, and are not provided in appendices to this Convocation Notice.  
“Consolidated Statement of Changes in Stockholders’ Equity” in the Consolidated Financial Statements and “Notes to Consolidated Financial Statements”  
“Non-Consolidated Statement of Changes in Stockholders’ Equity” in the Non-Consolidated Financial Statements and “Notes to Non-Consolidated Financial Statements”  
Moreover, the Consolidated Financial Statements and Non-Consolidated Financial Statements, which have been audited by the Accounting Auditor and the Audit & Supervisory Board Members at the time of preparation of the audit reports, include not only documents appended to this Convocation Notice, but also items listed above, which are posted on the Company’s website (<https://www.trancy.co.jp>).
- In the event revisions are made to the contents of the Business Report, Consolidated and Non-Consolidated Financial Statements or the Reference Documents for the General Meeting of Shareholders, the revised contents will be posted on the Company’s website (<https://www.trancy.co.jp>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and reference matters

#### Proposal 1 Disposition of retained earnings

The Company regards stable dividends as fundamental, and while preparing for future changes in the management environment and reinforcing the Company's financial structure, the Company intends to implement dividends based on a long-term, comprehensive perspective.

With regard to the year-end dividend for the fiscal year under review, the Company hereby proposes as follows, taking into account the profit level for the fiscal year under review and the Company's desire to express its appreciation for the ongoing support of its shareholders.

##### Year-end dividends

- (1) Type of dividend property:  
Cash
- (2) Matters related to the distribution of dividends to stockholders and the total dividend amount thereof:  
¥5 per share of the Company's common stock  
Total amount: ¥320,675,255  
Together with the interim dividend of ¥5 per share, the total annual dividend for the fiscal year under review becomes ¥10 per share.
- (3) Effective date of dividend from retained earnings:  
June 29, 2020

**Proposal 2****Election of four Audit & Supervisory Board Members**

The terms of office of four Audit & Supervisory Board Members Hisaya Ito, Shigeo Watanuki, Akio Nagata, and Tadashi Aburaya will expire at the conclusion of this General Meeting of Shareholders; therefore, the Company proposes the election of four Audit & Supervisory Board Members.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

The candidates for Audit & Supervisory Board Member are as follows:			
Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of shares of the Company owned
1	Hisaya Ito (April 21, 1960)	Apr. 1983      Joined the Company July 2009      General Manager; Assigned to Central Japan Economic Federation July 2010      Seconded to Yokkaichi Port Service Co., Ltd.; Executive Director of Yokkaichi Port Service Co., Ltd. June 2013      General Manager of the Secretarial Dept. of the Company June 2016      Audit & Supervisory Board Member (full-time) (current position) <Significant concurrent positions outside the Company> Outside Auditor of Toabo Corporation	22,618 shares
		[Reasons for nomination as Audit & Supervisory Board Member] Hisaya Ito has abundant experience and broad insight, engaged in financial and accounting operations in the accounting division of the Company for many years, and serving in key managerial positions at not only the Company and its subsidiary but also an economic organization. The Company has determined that he is able to appropriately fulfill his duties as Audit & Supervisory Board Member, and proposes his election as an Audit & Supervisory Board Member.	
2	Akio Nagata (September 15, 1948)	Feb. 1973      Joined (former) Tokai Daiichi Audit Co. Mar. 1976      Registered as certified public accountant Aug. 1988      Representative Partner of (former) Chuo Shinko Audit Corporation Aug. 2007      Representative Partner of (former) KPMG AZSA & Co. (currently, KPMG AZSA LLC) June 2011      Resigned from KPMG AZSA LLC Jul. 2011      Established Certified Public Accountant Office June 2012      Audit & Supervisory Board Member of the Company (current position) <Significant concurrent positions outside the Company> Outside Director of PALEMO HOLDINGS Co., Ltd. Outside Auditor of TAKEDA PRINTING CO., LTD.	1,622 shares
		[Reasons for nomination as outside Audit & Supervisory Board Member] Akio Nagata has never been directly involved in the management of a company; however, he has specialized expertise and experience as a certified public accountant and is also knowledgeable about finance and accounting. On this basis, the Company has determined that he is able to appropriately fulfill his duties as outside Audit & Supervisory Board Member, and proposes his election as an outside Audit & Supervisory Board Member.	

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company		Number of shares of the Company owned
3	Tadashi Aburaya (March 5, 1948)	Dec. 1971	Joined Mie Prefectural Government	1,622 shares
		June 2003	Director of Department of Regional Promotion, Mie Prefecture	
			Director and President of Cyber Wave Japan Co., Ltd.	
		Apr. 2005	General Manager of Department of Environment and Forestry, Mie Prefecture	
		Mar. 2007	Retired from Mie Prefectural Government	
		Apr. 2007	Chairman of Mie Prefecture Environmental Conservation Agency Incorporated Foundation	
		July 2014	Advisor of Mie Prefecture Environmental Conservation Agency	
		Mar. 2016	Resigned from Advisor of Mie Prefecture Environmental Conservation Agency	
	June 2016	Audit & Supervisory Board Member of the Company (current position)		
[Reasons for nomination as outside Audit & Supervisory Board Member] Tadashi Aburaya has abundant experience and broad insight, including appointment to prominent positions in Mie Prefecture over many years, having direct involvement in the management of a company, and following his retirement, serving as Chairman of the Mie Prefecture Environmental Conservation Agency. The Company has determined that he is able to appropriately fulfill his duties as outside Audit & Supervisory Board Member, and proposes his election as an outside Audit & Supervisory Board Member.				
4	* Itaru Matsumura (December 16, 1943)	Apr. 1974	Full-time Lecturer of Faculty of Law, Komazawa University	0 shares
		Apr. 1978	Assistant Professor of Faculty of Law, Komazawa University	
		Apr. 1986	Professor of Faculty of Law, Komazawa University	
		Apr. 1990	Part-time Lecturer of Faculty of Law, Chuo University	
		Apr. 1992	Part-time Lecturer of Graduate School, Chuo University	
		Apr. 1995	Professor of Graduate School, Komazawa University	
		Jan. 1997	Registered as attorney at law (Daini Tokyo Bar Association)	
		[Reasons for nomination as outside Audit & Supervisory Board Member] Itaru Matsumura has never been directly involved in the management of a company; however, he has abundant experience and broad insight as an attorney at law and university professor and is also knowledgeable about corporate legal affairs. On this basis, the Company has determined that he is able to appropriately fulfill his duties as outside Audit & Supervisory Board Member, and proposes his election as an outside Audit & Supervisory Board Member.		

- Notes:
1. There are no special conflicts of interest between any of the candidates and the Company.
  2. An asterisk (\*) denotes new candidate for election as Audit & Supervisory Board Member.
  3. Akio Nagata, Tadashi Aburaya, and Itaru Matsumura are candidates for outside Audit & Supervisory Board Member. Moreover, the Company has notified the Tokyo Stock Exchange, Inc. and the Nagoya Stock Exchange, Inc. of the designation of both Akio Nagata and Tadashi Aburaya as independent officers stipulated by the aforementioned exchanges. Itaru Matsumura also satisfies the conditions for independent officer stipulated by the two exchanges, and the Company intends to notify the exchanges of his designation as independent officer.
  4. The Company has entered into limited liability agreements with Akio Nagata and Tadashi Aburaya as stipulated by Article 427, paragraph (1) of the Companies Act. The limit of the liabilities in these agreements is the amount stipulated by law, and the Company intends to renew these agreements if the reelection of both candidates is approved. In addition, the Company intends to enter into a similar limited liability agreement with Itaru Matsumura if his election is approved.
  5. Both Akio Nagata and Tadashi Aburaya currently serve as outside Audit & Supervisory Board Members of the Company, and their tenures will have been eight and four years, respectively, at the conclusion of this General Meeting of Shareholders.