

Translation:

Please note that the following purports to be a translation from the Japanese original Notice of the 8th Annual General Shareholders Meeting of IT Holdings Corporation prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

(Securities Code: 3626)
May 30, 2016

To Our Shareholders:

IT Holdings Corporation

17-1, Nishi-shinjuku 8-chome, Shinjuku-ku, Tokyo
President and Representative Director: Norio Maenishi

Notice of the 8th Annual General Meeting of Shareholders

We all express our heartfelt sympathy to people who were affected by the earthquakes that occurred in the Kumamoto area of Kumamoto Prefecture on April 2016.

We are pleased to invite you to attend the 8th Annual General Meeting of Shareholders of IT Holdings Corporation (the "Company") to be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights by means of either of the methods described in next page. We would appreciate it if you could review the "Reference Materials for the General Meeting of Shareholders" (attached below) and exercise your voting rights no later than 5:30 p.m. JST on Thursday, June 23, 2016.

Schedule of the Annual General Meeting of Shareholders

1. Date & Time Friday, June 24, 2016 at 10 a.m. JST

2. Place Meeting room on the 1st floor of the Bellesalle Shinjuku Ground
17-3, Nishi-shinjuku 8-chome, Shinjuku-ku, Tokyo

3. Agenda:**Matters for Report:**

1. Business Report, Consolidated Financial Statements and Accounting Auditor's Report and the Audit & Supervisory Board's Report on the Audit of the Consolidated Financial Statements for the 8th Fiscal Year of the Company (from April 1, 2015 to March 31, 2016)
2. Non-Consolidated Financial Statements for the 8th Fiscal Year of the Company (from April 1, 2015 to March 31, 2016)

Matters for Approval:

- | | |
|--------------------------|--|
| Proposition No. 1 | Appropriation of Retained Earnings |
| Proposition No. 2 | Partial Amendments to the Articles of Incorporation |
| Proposition No. 3 | Election of Ten (10) Directors |
| Proposition No. 4 | Election of Five (5) Audit & Supervisory Board Members |

4. Exercising Voting Rights

If you are unable to attend the meeting, you may exercise your voting rights by means of either of the methods described below.

[Exercising Voting Rights via Mail]

Please indicate your approval or disapproval for the propositions below on the enclosed form, and return the form to the Company no later than 5:30 p.m. JST on Thursday, June 23, 2016.

[Exercising Voting Rights via Internet, etc.]

Please check the description entitled "Guidance for the Exercise of Voting Rights via the Internet, etc." in the "Guidance for the Exercise of Voting Rights" on page 53 to 54, access the designated site for exercising your voting rights (<http://www.evotep.jp/>; available only in Japanese), and indicate your approval or disapproval of each of the items no later than 5:30 p.m. JST on Thursday, June 23, 2016.

5. Matters to be determined at the Meeting

Please refer to the "Guidance for Exercising Voting Rights" on page 53 to 54. *(This paragraph intentionally omitted as the Internet voting service is only available in Japan with the Japanese language.)*

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- * Please present the enclosed voting form at the reception on the day of the meeting.
 - * A shareholder who is unable to attend the meeting may exercise his/her voting rights by authorizing another shareholder with voting rights to act as his/her proxy, provided that a document evidencing his/her power of representation for each general meeting of shareholders must be submitted.
 - * The following matters are not stated in the documents attached to this Notice of the 8th Annual General Meeting of Shareholders since they are posted on our website, based on relevant laws, regulations and Article 16 of the Articles of Incorporation.
 - (1) Notes to Consolidated Financial Statements
 - (2) Notes to Non-Consolidated Financial StatementsTherefore, the documents attached to this Notice of the 8th Annual General Meeting of Shareholders are a portion of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditors during the course of preparing accounting audit reports, and a portion of the Consolidate Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Board Members during the course of preparing auditing reports.
 - * Please note that any amendments to the Reference Materials for the General Meeting of Shareholders, and the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements will be provided on the Company's website (<http://www.itholdings.co.jp/>).

Reference Materials for the General Meeting of Shareholders

Propositions and Reference Matters

Proposition No. 1 Appropriation of Retained Earnings

The Company strives for a sustainable and stable dividend payout in consideration of consolidated business performance while maintaining a level of retained earnings appropriate for business development over a mid to long-term management perspective.

Based on this policy, we have set our consolidated total return ratio, which includes treasury shares, at approximately 35% from the current fiscal year, and thus we would like to propose a year-end dividend of 22 yen per share as follows. Combined with the interim dividend, which has already been paid out, this will bring the annual dividend to 33 yen per share.

(1) Dividend Type

Cash dividend

(2) Allotment of Dividend and Total Amount of Dividends

22 yen per common share in the Company for a total sum of 1,912,337,130 yen

(3) Effective Date for the Payment of Dividend from Retained Earnings

June 27, 2016

(Reference) Transition of annual dividends etc. per share

Category	The 5th Fiscal year ended March 31, 2013	The 6th Fiscal year ended March 31, 2014	The 7th Fiscal year ended March 31, 2015	The 8th Fiscal year ended March 31, 2016 (current fiscal year)
Annual dividend per share (Yen)	21	25	30	33
Annual dividends paid (Millions of yen)	1,843	2,194	2,624	2,874
Payout ratio (%)	31.4	27.7	25.6	22.7
Total return ratio (%)	31.4	27.7	30.4	35.3

(Note)

While it has been the Company's basic policy for appropriation of retained earnings to continue making sustained and stable dividend payout at a level of approximately 30% in the consolidated payout ratio until the 7th fiscal year ended March 31, 2015, we revised the aforesaid policy to set our consolidated total return ratio, which includes treasury shares, at approximately 35% from the 8th fiscal year ended March 31, 2016 (the current fiscal year) to strengthen shareholder returns furthermore.

Proposition No. 2 Partial Amendments to the Articles of Incorporation

We would like to propose partial amendments to the Articles of Incorporation as follows:

1. Reasons for the Amendments

(1) Article 1 (Trade Name)

Effective as of July 1, 2016, an absorption-style merger will take effect with the Company being the surviving company and TIS Inc., the Company's wholly-owned subsidiary, being the absorbed company, according to the Company's Group reorganization plan. This absorption-style merger will change the Company's corporate status from a pure holding company, the role of which is to manage the Group companies and perform related duties, to an operating holding company. Since "TIS Inc." is widely known as an operating company, the Company's name will be changed to TIS Inc.

(2) Article 2 (Purpose)

In conjunction with the transition to an operating holding company system, necessary amendments will be required.

(3) Article 35 (Number of Audit & Supervisory Board Members)

To further strengthen and enhance both an audit system and the Group governance associated with the transition to an operating holding company, we would like to add one (1) more member to the Audit & Supervisory Board.

(4) Addition and Deletion of Supplementary Provision

As the change described in (1) above will become effective as of July 1, 2016, a new supplementary provision will be required, provided that this new provision shall be deleted subsequent to the effective date.

2. Content of the Amendments

Content of the Amendments to Articles of Incorporation is as follows.

(Changes are underlined)

Existing Articles of Incorporation	Proposed amendments
<p>(Trade name) Article 1: The name of the Company is <u>IT Holdings Kabushiki Kaisha</u>, and shall be indicated in English as <u>IT Holdings Corporation</u>.</p> <p>(Purpose) Article 2: The purpose of the Company is to (i) control and manage the business activities of companies engaging in the following business activities or of the foreign companies engaging in the equivalent businesses through ownership of their shares or equity interests; <u>and (ii) to engage in such business activities:</u></p> <p>(1) - (8) (text omitted)</p> <p>(New)</p> <p>(9) - (24) (text omitted)</p> <p>Article 3 - 34 (text omitted)</p> <p>(Number of Audit & Supervisory Board Members) Article 35: The Audit & Supervisory Board shall have no more than <u>four (4)</u> members</p> <p>Article 36 - 52 (text omitted)</p> <p>(New)</p>	<p>(Trade name) Article 1: The name of the Company is <u>TIS Kabushiki Kaisha</u>, and shall be indicated in English as <u>TIS Inc.</u></p> <p>(Purpose) Article 2: The purpose of the Company is to (i)<u>engage in the following business activities and</u> (ii) control and manage the business activities of companies engaging in the following business activities or of the foreign companies engaging in the equivalent businesses through ownership of their shares or equity interests:</p> <p>(1) - (8) (no changes)</p> <p><u>(9)Telecommunication business under the Telecommunications Business Act</u></p> <p><u>(10) – (25)</u> (no changes)</p> <p>Article 3 - 34 (no changes)</p> <p>(Number of Audit & Supervisory Board Members) Article 35: The Audit & Supervisory Board shall have no more than <u>five (5)</u> members</p> <p>Article 36 - 52 (no changes)</p> <p><u>Supplementary provision</u></p> <p><u>The amendment to Article 1 shall take effect as of July 1, 2016. This supplementary provision shall be deleted after Article 1 takes effect.</u></p>

Proposition No. 3 Election of Ten (10) Directors

The term of office of all nine (9) current Directors will expire at the close of this Annual General Meeting of Shareholders. To strengthen and enhance corporate governance, we would like to add one (1) external director and propose that ten (10) Directors be elected.

The candidates for Directors are as follows:

List of candidates for Directors

Candidate No.	Name of Candidates for Directors	Current Position and Responsibility at the Company	Rate of Attendance at the Board Meeting (Number of Attendances)
1	Norio Maenishi (Reappointed)	President and Representative Director	100% (Attended all 16 meetings)
2	Toru Kuwano (Reappointed)	Director	100% (Attended all 16 meetings)
3	Mitsushi Nishida (Newly-appointed)	-	-
4	Josaku Yanai (Newly-appointed)	Managing Executive Officer and Division Manager of Corporate Planning Division	-
5	Katsuki Kanaoka (Reappointed)	Chairman and Representative Director	100% (Attended all 16 meetings)
6	Shigeki Kusaka (Reappointed)	Director	100% (Attended all 11 meetings)
7	Yoshiyuki Suzuki (Newly-appointed)	-	-
8	Shingo Oda (Reappointed, External, Independent)	Director (External Director)	100% (Attended all 16 meetings)
9	Yoshinobu Ishigaki (Reappointed, External, Independent)	Director (External Director)	100% (Attended all 16 meetings)
10	Koichi Sano (Newly-appointed, External, Independent)	-	-

(Notes)

- (Reappointed) refers to candidates reappointed as Directors, (Newly-appointed) refers to candidates newly appointed as Directors, (External) refers to candidates for External Directors, and (Independent) refers to Directors filed with the Tokyo Stock Exchange as Independent Officers.
- The rate of attendance for Mr. Shigeki Kusaka is based on all Board meetings held after he assumed office on June 24, 2015.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
1	Norio Maenishi (April 19, 1949) <Reappointment Candidate>	<p>April 1972 Joined Toyo Information Systems Co., Ltd. (currently TIS Inc.)</p> <p>June 1996 Director of TIS Inc.</p> <p>June 2001 Executive Director of TIS Inc.</p> <p>April 2004 Representative Director and Executive Managing Director of TIS Inc.</p> <p>April 2008 Executive Vice-President and Representative Director of TIS Inc.</p> <p>April 2010 Director of TIS Inc. Executive Vice President and Executive Officer of IT Holdings Corporation</p> <p>June 2010 Director and Executive Vice-President of IT Holdings Corporation</p> <p>June 2013 President and Representative Director of IT Holdings Corporation (to present)</p>	53,952

[Reasons for the Selection of Candidate for Director]

Mr. Norio Maenishi was involved for a long time in the planning and development of industrial systems at TIS Inc., the Company's major subsidiary, and after working in the Corporate Department, he assumed the office of Executive Vice-President and Representative Director of TIS Inc., as well as Director and Executive Vice-President of the Company. Since June 2013 to present, he has been serving as President and Representative Director of the Company. He has a wealth of experience in the Company Group's business, as well as in business administration. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
2	Toru Kuwano (May 3, 1952) <Reappointment Candidate>	<p>April 1976 Joined Toyo Information Systems Co., Ltd. (currently TIS Inc.)</p> <p>June 2000 Director of TIS Inc.</p> <p>April 2004 Executive Director of TIS Inc.</p> <p>April 2008 Executive Managing Director of TIS Inc.</p> <p>April 2010 Executive Vice-President and Representative Director and General Manager of Financial Industry HQ. of TIS Inc.</p> <p>April 2011 President and Representative Director of TIS Inc.</p> <p>April 2013 Chairman, President and Representative Director of TIS Inc.(to present)</p> <p>June 2013 Director of IT Holdings Corporation (to present)</p>	44,900

[Reasons for the Selection of Candidate for Director]

Mr. Toru Kuwano was involved for a long time in the planning and development of financial systems at TIS Inc., the Company's major subsidiary. Since April 2011 to present, he has been serving as President and Representative Director of TIS Inc., and since June 2013, he has been co-assuming the office of Director of the Company. He has a wealth of experience in the Company Group's business, as well as in business administration. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
3	Mitsushi Nishida (September 29, 1951) <New Candidate>	<p>April 1977 Joined Toyo Information Systems Co., Ltd. (currently TIS Inc.)</p> <p>June 2001 Director and Department Manager of Corporate Planning & Control Dept., Corporate Planning & Control Div. of TIS Inc.</p> <p>April 2003 Director and Department Manager of Corporate Planning & Control Dept. and Section Manager of Business Development and Planning Office of TIS Inc.</p> <p>April 2004 Director and Division Manager of Financial Card Systems Div.1 of TIS Inc.</p> <p>October 2005 Director and Division Manager of Card Systems Div. 2 of TIS Inc.</p> <p>April 2006 Director and Division Manager of Card Systems Div. 2, Business Group of TIS Inc.</p> <p>April 2008 President and CEO of QUALICA Inc.</p> <p>April 2013 Executive Vice-President and Representative Director of TIS Inc.</p> <p>April 2016 Executive Vice-President and Representative Director and Executive Officer of TIS Inc. (to present)</p>	39,652

[Reasons for the Selection of Candidate for Director]

Mr. Mitsushi Nishida was involved for a long time in the planning and development of financial and industrial systems at TIS Inc., the Company's major subsidiary. After having assumed the office of President and CEO of the Company's Group company, he has been serving as Executive Vice-President and Representative Director of TIS Inc. since April 2013. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
4	<p style="text-align: center;">Josaku Yanai (November 14, 1963)</p> <p style="text-align: center;"><New Candidate></p>	<p>April 1987 Joined the Long-Term Credit Bank of Japan, Limited</p> <p>January 2000 Joined Toyo Information Systems Co., Ltd. (currently TIS Inc.)</p> <p>December 2006 Department Manager of Card Systems Sales Dept., Card Systems Div.1 of TIS Inc.</p> <p>April 2009 Executive Officer and Department Manager of Corporate Planning & Control Dept., Corporate Planning & Control Div. of TIS Inc.</p> <p>October 2010 Executive Officer and Department Manager of Corporate Planning & Control Dept., Corporate Planning & Control Div. and Section Manager of Merger Promotion Office of TIS Inc.</p> <p>April 2011 Executive Officer and Division Manager of Corporate Planning Division of IT Holdings Corporation</p> <p>May 2015 Managing Executive Officer and Division Manager of Corporate Planning Division of IT Holdings Corporation (to present)</p> <p>April 2016 Managing Executive Officer and Division Manager of Corporate Planning SBU. of TIS Inc. (to present)</p>	13,500
<p>[Reasons for the Selection of Candidate for Director]</p> <p>Mr. Josaku Yanai has worked in the Corporate Planning Department, etc., at TIS Inc., the Company's major subsidiary. Since April 2011 to present, he has been working as an Executive Officer and General Manager of the Corporate Planning Division of the Company, and has a wealth of experience in the Company Group's business, as well as in business administration from a management perspective. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
5	Katsuki Kanaoka (February 24, 1956) <Reappointment Candidate>	May 1985 Joined INTEC Inc. June 2000 Director of INTEC Inc. President and Representative Director of AT TOKYO Corporation June 2003 Managing Director of INTEC Inc. April 2005 Director, Senior Managing Executive Officer of INTEC Inc. April 2007 Representative Director, President and Executive Officer of INTEC Inc. June 2007 Representative Director, President and Executive Officer of INTEC Inc., Director of INTEC Holdings Ltd. April 2008 Director of IT Holdings Corporation President, Representative Director and Executive Officer of INTEC Inc. June 2009 Director of IT Holdings Corporation President and Representative Director of INTEC Inc. June 2012 Chairman and Representative Director of IT Holdings Corporation (to present) Director and Corporate Advisor of INTEC Inc. May 2015 Chairman of INTEC Inc. (to present) (Other Important Concurrent Positions) External Director of the First Bank of Toyama, Ltd.	164,928

[Reasons for the Selection of Candidate for Director]

Mr. Katsuki Kanaoka has worked in the Corporate Department, Financial System Department, Infrastructure Department, etc., at INTEC Inc., the Company's major subsidiary. After having assumed the office of President and Representative Director of INTEC Inc., he has been serving as Chairman and Representative Director of the Company since June 2012 to present, and has a wealth of experience in the Company Group's business, as well as in business administration. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
6	Shigeki Kusaka (November 26, 1952) <Reappointment Candidate>	<p>April 1977 Joined Mitsubishi Corporation</p> <p>April 2007 Senior Vice President of Mitsubishi Corporation</p> <p>April 2009 Representative Director, Executive Officer, President and COO of IT Frontier Corporation</p> <p>April 2011 Managing Director of INTEC Inc.</p> <p>May 2015 President and Representative Director of INTEC Inc. (to present)</p> <p>June 2015 Director of IT Holdings Corporation (to present)</p>	9,500

[Reasons for the Selection of Candidate for Director]

Mr. Shigeki Kusaka was involved in the management of the industrial system business division at INTEC Inc., the Company's major subsidiary. He has been serving as President and Representative Director of INTEC Inc. since May 2015 to present, while concurrently serving as Director of the Company since June 2015, and has a wealth of experience in the Company Group's business, as well as in business administration. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
7	Yoshiyuki Suzuki (May 25, 1952) <New Candidate>	<p>April 1975 Joined INTEC Inc.</p> <p>April 2003 Director of INTEC Inc.</p> <p>April 2005 Executive Officer of INTEC Inc.</p> <p>June 2007 Managing Executive Officer of INTEC Inc.</p> <p>June 2009 Managing Director of INTEC Inc. President and Representative Director of INTEC Systems Institute, Inc.</p> <p>April 2011 Senior Managing Director of INTEC Inc.</p> <p>June 2014 Director and Executive Vice-President of INTEC Inc.</p> <p>May 2015 Executive Vice-President and Representative Director of INTEC Inc. (to present)</p> <p>(Other Important Concurrent Positions) External Director of Startia, Inc.</p>	16,275

[Reasons for the Selection of Candidate for Director]

Mr. Yoshiyuki Suzuki worked in the Corporate Department, Technology Department, etc., at INTEC Inc., the Company's major subsidiary. Since May 2015 to present, he has been serving as Executive Vice-President and Representative Director of INTEC Inc. Based on these experiences, he is nominated as a candidate for Director since he is highly expected to fulfill the duties of significant decision-making for the Company Group and the oversight of management.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
8	<p style="text-align: center;">Shingo Oda (November 8, 1944)</p> <p style="text-align: center;"><Reappointment Candidate> External Director Candidate Independent Officer Candidate</p>	<p>July 1970 Joined Yokogawa-Hewlett-Packard Japan, Ltd. (currently Hewlett-Packard Japan, Ltd.)</p> <p>January 1997 Director of Hewlett-Packard Japan, Ltd.</p> <p>January 1999 Executive Director of Hewlett-Packard Japan, Ltd.</p> <p>November 2002 Executive Vice-President and Director of Hewlett-Packard Japan, Ltd.</p> <p>February 2005 Executive Vice-President and Representative Director of Hewlett-Packard Japan, Ltd.</p> <p>May 2005 President and Representative Director of Hewlett-Packard Japan, Ltd.</p> <p>February 2007 President and Representative Director, Executive Officer of Hewlett-Packard Japan Ltd.</p> <p>December 2007 Executive Advisor of Hewlett-Packard Japan, Ltd.</p> <p>April 2008 Director of IT Holdings Corporation (to present)</p> <p>(Other Important Concurrent Positions) Outside Director of Internet Initiative Japan Inc.</p>	-
<p>[Reasons for the Selection of Candidate for External Director]</p> <p>Mr. Shingo Oda served as President and Representative Director of Hewlett-Packard Japan, Ltd. and has a wealth of experience and deep insight on industry trends and global corporate management, especially in the area of IT. Based on these experiences, his advice and suggestions from an independent perspective will ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate. For this reason, he is nominated as a candidate for an External Director.</p> <p>Mr. Oda has assumed the office of an External Director since April 2008, and shall have served eight (8) years and three (3) months at the conclusion of this Annual General Meeting of Shareholders.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
9	Yoshinobu Ishigaki (October 6, 1946) <Reappointment Candidate> External Director Candidate Independent Officer Candidate	<p>April 1969 Joined IBM Japan Ltd.</p> <p>April 1998 Executive Director of IBM Japan Ltd.</p> <p>October 2001 Retired from IBM Japan Ltd.</p> <p>November 2001 President and CEO of Sapient K.K.</p> <p>October 2004 President and CEO of AT TOKYO Corporation</p> <p>June 2009 Board Chairman of AT TOKYO Corporation</p> <p>June 2010 Director of IT Holdings Corporation (to present)</p>	-

[Reasons for the Selection of Candidate for External Director]

Mr. Yoshinobu Ishigaki holds extensive experience and broad insight as a corporate executive with wide-ranging experience and a wealth of expertise in the IT service industries. His advice and suggestions from an independent perspective will ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate. For this reason, we nominated him a candidate for an External Director.

Our Group companies have business transactions with IBM Japan, representing 1.17% of our consolidated sales. Although Mr. Ishigaki had stayed with IBM Japan Ltd. until the end of October 2001, fourteen (14) years and seven (7) months have passed since he left IBM Japan, and IBM Japan has no influence on the management decision-making of the Company. Therefore, we believe that Mr. Ishigaki shall have no conflict of interest with the general shareholders of the Company.

Mr. Ishigaki assumed the office of an External Director in June 2010, and shall have served six (6) years at the conclusion of this Annual General Meeting of Shareholders.

Candidate No.	Name (Date of Birth)	Career Summary, Position, and Responsibility at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
10	Koichi Sano (August 30, 1948) <New Candidate> External Director Candidate Independent Officer Candidate	<p>April 1971 Joined Mitsui Petrochemical Industries, Ltd. (currently, Mitsui Chemicals, Inc.)</p> <p>June 2003 Executive Officer and Manager of Finance Department of Mitsui Chemicals, Inc.</p> <p>June 2005 Executive Director of Mitsui Chemicals, Inc.</p> <p>June 2009 Executive Vice-President and Representative Director of Mitsui Chemicals, Inc.</p> <p>June 2013 Special Councilor of Mitsui Chemicals, Inc.</p> <p>(Other Important Concurrent Positions) Outside Director of Nippon Yakin Kogyo Co., Ltd. (to be appointed as of June 2016)</p>	-

[Reasons for the Selection of Candidate for External Director]

Mr. Koichi Sano worked mainly in the Finance and Accounting Departments, and served as Executive Vice-President and Representative Director of Mitsui Chemicals, Inc., and has a wide range of experience and a wealth of expertise in corporate management. Based on these experiences, he is nominated as a candidate for External Director since his advice and suggestions from an independent perspective will ensure that the decisions to be made by the Company's Board of Directors will be reasonable and appropriate and is expected to be highly beneficial to the enforcement of corporate governance.

(Notes)

- None of the Director candidates above has any special interest with the Company.
- Messrs. Shingo Oda, Yoshinobu Ishigaki and Koichi Sano are candidates for External Directors as set forth under Item 7, Paragraph 3, Article 2 of the Regulations for the Enforcement of the Companies Act.

In accordance with the procedures, the Company has designated Messrs. Shingo Oda and Yoshinobu Ishigaki as independent officers and filed accordingly with the Tokyo Stock Exchange. If the re-election proposal for Messrs. Shingo Oda and Yoshinobu Ishigaki is approved, the Company will renew this filing. As for Mr. Koichi Sano, a new candidate for External Director, he also meets the independence criteria of the Company. If he is elected as an External Director by shareholders' approval, the Company will file his status as an independent officer with the Tokyo Stock Exchange. The Company's independence standards for External Officers are described on page 20.

3. Limited Liability Agreement with External Directors

The Company has entered into an agreement with Messrs. Shingo Oda and Yoshinobu Ishigaki to limit their liability for damages as outlined under Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act and Article 33 of the Articles of Incorporation, thus the maximum amount of liability under said agreement is the minimum liability amount as provided in laws and regulations. If the reappointment of both individuals is approved at this Annual General Meeting of Shareholders, the Company will renew the agreement with each of them. If Mr. Koichi Sano is elected, the Company will enter into the same agreement with him.

4. The number of shares of the Company that are held by each of the candidates for Directors includes the unit shares held by each candidate in the Directors' Shareholdings Association of IT Holdings Corporation.

Proposition No. 4 Election of Five (5) Audit & Supervisory Board Members

The term of office for three (3) Audit & Supervisory Board Members, Messrs. Masaru Sasakura, Taigi Ito and Muneaki Ueda, will expire at the end of this Annual General Meeting of Shareholders, and one (1) Audit & Supervisory Board Member, Mr. Nobuyuki Yonezawa, will resign from his position. On the condition that Proposition No. 2 "Partial Amendments to the Articles of Incorporation" is approved as proposed, we would like to add one (1) member to the Audit & Supervisory Board to further strengthen and enhance both the audit system and the Group governance associated with the transition to an operating holding company, and to propose the election of five (5) Audit & Supervisory Board Members.

The Audit & Supervisory Board has already agreed to the submission of this proposition in advance.

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

List of Candidates for Audit & Supervisory Board Members

Candidate No.	Name of Candidates for Audit & Supervisory Board Members	Current Position at the Company	Rate of Attendance at the Board Meetings (Number of Attendances)	Rate of Attendance at Audit & Supervisory Board Meetings (Number of Attendances)
1	Takuho Shimodaira (Newly-appointed)	-	-	-
2	Katsuhiko Ishii (Newly-appointed)	-	-	-
3	Taigi Ito (Reappointed, External, Independent)	Audit & Supervisory Board Member (External)	93.8% (Attended 15 out of 16 meetings)	93.3% (Attended 14 out of 15 meetings)
4	Muneaki Ueda (Reappointed, External, Independent)	Audit & Supervisory Board Member (External)	93.8% (Attended 15 out of 16 meetings)	100% (Attended all 15 meetings)
5	Sadahei Funakoshi (Newly-appointed, External, Independent)	-	-	-

(Note)

(Reappointed) refers to candidates reappointed as Audit & Supervisory Board Members, (Newly-appointed) refers to candidates newly appointed as Audit & Supervisory Board Members, (External) refers to candidates for External Audit & Supervisory Board Members, and (Independent) refers to Audit & Supervisory Board Members filed as Independent Officers with the Tokyo Stock Exchange.

Candidate No.	Name (Date of Birth)	Career Summary, Position at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
1	Takuho Shimodaira (January 19, 1952) <New Candidate>	<p>April 1975 Joined the Sanwa Bank, Limited (currently, the Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>May 2003 Executive Officer of UFJ Bank Limited (currently, the Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>June 2003 Director and Executive Officer of UFJ Bank Limited</p> <p>May 2004 Executive Officer of UFJ Bank Limited</p> <p>June 2004 Full-time Advisor at kokusai motorcars, Co., Ltd.</p> <p>May 2005 Audit & Supervisory Board Member at The Daiei, Inc.</p> <p>June 2007 Director of The Midori kai, Co., Ltd.</p> <p>February 2008 Executive Director and Tokyo Branch Manager of The Midori-kai, Co., Ltd.</p> <p>June 2010 President and Representative Director of T&T ADVERTISING CO., LTD.</p> <p>June 2013 Full-time Audit & Supervisory Board Member of TIS Inc. (to present)</p>	-

[Reasons for the Selection of Candidate of Audit & Supervisory Board Member]

Mr. Takuho Shimodaira served as president and representative director and audit and supervisory board member etc. at various companies including a financial institution, and since June 2013 to present, has been serving as a full-time Audit & Supervisory Board Member of TIS, Inc., the Company's major subsidiary. Based on these experiences, he is nominated as a candidate for Audit & Supervisory Board Member since he is highly expected to oversee the execution of duties of the Company's Directors in a fair and appropriate manner.

Candidate No.	Name (Date of Birth)	Career Summary, Position at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
2	Katsuhiko Ishii (November 5, 1953) <New Candidate>	<p>April 1976 Joined the Long-Term Credit Bank of Japan, Limited</p> <p>October 2001 Joined SORUN Corporation</p> <p>June 2007 Director and Executive Officer of SORUN Corporation</p> <p>April 2011 Managing Executive Officer, Division Director of the Financial Industry SBU. 2, Financial Industry HQ. and Division Manager of the Financial Systems Div. 3 of TIS Inc.</p> <p>October 2011 Managing Executive Officer and Deputy Division Manager of Financial Industry SBU. of TIS Inc.</p> <p>April 2012 Managing Executive Officer and Deputy Division Manager of Corporate SBU. of TIS Inc.</p> <p>June 2012 Director of IT Holdings Corporation Managing Executive Officer and Deputy Division Manager of Corporate SBU. of TIS Inc.</p> <p>June 2013 Managing Executive Officer and Deputy Division Manager of Corporate SBU. of TIS Inc.</p> <p>April 2014 Managing Executive Officer and Division Manager of Corporate SBU. of TIS Inc.</p> <p>April 2016 Advisor to TIS Inc. (to present)</p>	9,300

[Reasons for the Selection of Candidate of Audit & Supervisory Board Member]

Mr. Katsuhiko Ishii worked for a financial institution and served as a General Manager of the Corporate Department of TIS Inc., the Company's major subsidiary. He currently serves as an advisor of TIS Inc. Based on these experiences, he is nominated as a candidate for Audit & Supervisory Board Member since he is highly expected to oversee the execution of duties of the Company's Directors in a fair and appropriate manner.

Candidate No.	Name (Date of Birth)	Career Summary, Position at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
3	<p style="text-align: center;">Taigi Ito (October 13, 1946)</p> <p style="text-align: center;"><Reappointment Candidate> External Audit & Supervisory Board Member Candidate Independent Officer Candidate</p>	<p>January 1970 Joined Tsuji Audit Corporation</p> <p>February 1989 Representative Partner of MISUZU Audit Corporation</p> <p>July 2004 Deputy Chairman of the Japanese Institute of Certified Public Accountants</p> <p>August 2007 Chief of Ito CPA Firm(to present)</p> <p>April 2009 Professor at Graduate School of Accountancy, Waseda University</p> <p>June 2012 Audit & Supervisory Board Member of IT Holdings Corporation(to present)</p> <p>(Other Important Concurrent Positions) Chairman of Disciplinary Committee of the Japanese Institute of Certified Public Accountants Outside Statutory Auditor of Idemitsu Kosan Co., Ltd. Outside Director of Mitsubishi Chemical Holdings Corporation</p>	1,500
<p>[Reasons for the Selection of Candidate of External Audit & Supervisory Board Member]</p> <p>Mr. Taigi Ito is a licensed certified public accountant. His expertise and knowledge in the field of finance and accounting and professional experiences are beneficial to the Company in enforcing the audit system of the Company. Although he was not involved in corporate management, he is nominated as a candidate for External Audit & Supervisory Board Member as he is considered to appropriately perform the duties of Audit & Supervisory Board Members for the above credentials.</p> <p>Mr. Ito has assumed the office of an External Audit & Supervisory Board Member since June 2012 and shall have served four (4) years at the conclusion of this Annual General Meeting of Shareholders.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, Position at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
4	Muneaki Ueda (January 1, 1948) <Reappointment Candidate> External Audit & Supervisory Board Member Candidate Independent Officer Candidate	<p>August 1983 Joined Temporary Center Inc. (currently, Pasona Inc.)</p> <p>January 1988 Executive Director and Manager of International Division and Manager of Business Development Dept. of Pasona Inc. President and Representative Director of Pasona N A, Inc.</p> <p>April 1991 Executive Managing Director and General Manager of Sales Division of Pasona Inc.</p> <p>June 1993 Director and Vice-President of Pasona Inc.</p> <p>June 2000 President and Representative Director of Pasona Inc.</p> <p>August 2004 President and Representative Director of Professional Bank Inc.</p> <p>April 2007 Chairman and Representative Director of Professional Bank Inc. (to present)</p> <p>June 2012 Audit & Supervisory Board Member of IT Holdings Corporation(to present)</p>	1,900
<p>[Reasons for the Selection of Candidate of External Audit & Supervisory Board Member]</p> <p>Mr. Muneaki Ueda has a wealth of experience and wide-ranging insight as a corporate manager. He is nominated as a candidate for External Audit & Supervisory Board Member in expectation of obtaining his overall management advisory and management oversight on execution of duties from an external perspective.</p> <p>Mr. Ueda has assumed the office of an External Audit & Supervisory Board Member since June 2012 and shall have served four (4) years at the conclusion of this Annual General Meeting of Shareholders.</p>			

Candidate No.	Name (Date of Birth)	Career Summary, Position at the Company and Important Positions of Other Organizations Concurrently Assumed	No. of Shares Held in the Company
5	Sadahei Funakoshi (August 15, 1954) <New Candidate> External Audit & Supervisory Board Member Candidate Independent Officer Candidate	<p>April 1977 Joined Mitsubishi Corporation</p> <p>March 2003 Transferred to Mitsubishi Corporation Financial & Management Services (Japan) Ltd. as Director and Vice-President</p> <p>April 2009 Transferred to Mitsubishi Corporation LT, Inc. as Advisor</p> <p>June 2009 Director and Managing Executive Officer of Mitsubishi Corporation LT, Inc.</p> <p>June 2011 Director and Senior Managing Executive Officer of Mitsubishi Corporation LT, Inc.</p> <p>January 2013 Representative Director and Senior Managing Executive Officer of Mitsubishi Corporation LT, Inc.</p> <p>May 2013 Statutory Auditor of IT Frontier Corporation</p> <p>July 2014 Statutory Auditor of TATA Consultancy Services Japan, Ltd. (to present)</p>	-
<p>[Reasons for the Selection of Candidate of External Audit & Supervisory Board Member]</p> <p>Mr. Sadahei Funakoshi has a wealth of experience and knowledge in corporate management, with his experience in the management of investment and loan, credit and administrative departments of Mitsubishi Corporation, as well as his service as an auditor at IT companies. He is nominated as a candidate for External Audit & Supervisory Board Member in expectation of obtaining his overall management advisory and management oversight on execution of duties from an external perspective.</p>			

(Notes)

- None of the candidates for Audit & Supervisory Board Members above has any special interest with the Company.
- Messrs. Taigi Ito, Muneaki Ueda and Sadahei Funakoshi are candidates for External Audit & Supervisory Board Members as set forth under Item 8, Paragraph 3, Article 2 of the Regulations for the Enforcement of the Companies Act. In accordance with the procedures, the Company has designated Messrs. Taigi Ito and Muneaki Ueda as independent officers and filed accordingly with the Tokyo Stock Exchange. If the re-election proposal for Messrs. Taigi Ito and Muneaki Ueda is approved, the Company will renew this filing. As for Mr. Sadahei Funakoshi, a new candidate for External Audit & Supervisory Board Member, he also meets the independence criteria of the Company. If he is elected as an External Audit & Supervisory Board Member by shareholders' approval, the Company will file his status as an independent officer with the Tokyo Stock Exchange.
The Company's independence standards for External Officers are described on page 20.
- Limited Liability Agreement with External Audit & Supervisory Board Members
The Company has entered into an agreement with Messrs. Taigi Ito and Muneaki Ueda to limit their liability for damages as outlined under Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act and Article 44 of the Articles of Incorporation, thus the maximum amount of liability under said agreement is the minimum liability amount as provided in laws and regulations. If the reappointment of both individuals is approved at this Annual General Meeting of Shareholders, the Company will renew the agreement with each of them. If Mr. Sadahei Funakoshi is elected, the Company will enter into the same agreement with him.
- The number of shares of the Company that are held by each of the candidates for Audit & Supervisory Board Members includes the unit shares held by each candidate in the Directors' Shareholdings Association of IT Holdings Corporation.

End

<Reference> Criteria for Independence of External Officers

In order to reinforce the supervisory function of its Board of Directors, the Company has established as follows the judgment criteria for ensuring the independence of its external directors and external audit & supervisory board members (hereafter, the “external officers”) as described below, with reference to the rules of the Tokyo Stock Exchange, etc., in addition to the requirements of the Companies Act.

1. External directors (including candidates) must satisfy the requirements in Item 15, Article 2 of the Companies Act (requirements for external directors) and they can never be an executive director, manager or employee of the Company Group (Note 1) either at present or in the past.
2. External audit & supervisory board members (including their candidates) must satisfy requirements in Item 16, Article 2 of the Companies Act (requirements for external audit & supervisory board members), and they can never be a director, manager or employee of the Company Group either at present or in the past.
3. External officers cannot be any of the parties described below in the current and the past nine (9) fiscal years:
 - (1) A party for whom the Company is a principal business partner (Note 2) or an executing person of such party;
 - (2) A principal business partner of the Company Group (Note 3) or an executing person of such party
 - (3) A consultant, an accounting professional or a legal professional (Note 5) who has received a significant amount of money or other property (Note 4) from the Company other than the compensations for being its officers. Furthermore, if such a party is a corporation, partnership or any other entity, this item shall include a person who belongs to the relevant entity
 - (4) A major shareholder of the Company (Note 6). If such a major shareholder is a corporation, this item shall include the executing person of the relevant corporation
 - (5) An executing person of a business partner of the Company (Note 7) other than the above (1), (2) and (3)
 - (6) A person coming from the entity for which any personnel of the Company serves as external officer
 - (7) An entity to which the Company has made donations or the person coming from such an entity
4. External officers must not be a relative within the second degree of kinship of the person who falls under any of the following items:
 - (1) A person described in (1) through (3) of the preceding paragraph
 - (2) An executing person of a subsidiary of the Company
 - (3) A non-executive director (limited to an external audit & supervisory board member) of a subsidiary of the Company; and
 - (4) A person who fell under the above (2), (3) or an executing person (including a non-executive director when the person is an external audit & supervisory board member) of the Company until recently (in the current fiscal year or the past 4 fiscal years)
5. Other than the above, there must not be any circumstances that are reasonably deemed to prevent the External Officers from performing their duties as the External Officers.

(Note 1) The “Company Group” refers to the Company and its subsidiaries.

(Note 2) “A party for whom the Company is a principal business partner” refers to a business partner that provides the Company with products and services, and shall mainly represent the main bank (The Bank of Tokyo-Mitsubishi UFJ, Ltd.) and managing underwriters (Nomura Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and SMBC Nikko Securities Inc.), as the Company is a pure holding company.

(Note 3) “A principal business partner of the Company Group” refers to a business partner where the Company’s sales to the party represents 2% or higher of the consolidated net sales of the Company.

(Note 4) “A significant amount of money or other property” refers to a monetary value where the aggregate amount totals 10 million yen or larger for a single fiscal year.

(Note 5) Despite Note 4, the following consultants, accounting professionals or legal professionals shall be treated as those falling under the Item (3):

- Ernst & Young ShinNihon LLC, Ernst & Young Tax Co., Yodoyabashi & Yamagami LPC, TMI Associates and ASUKA Corporation of Licensed Tax Account

(Note 6) “A major shareholder of the Company” refers to a person or an entity that directly or indirectly holds 10% or more of the total voting rights of the Company. However, the high-ranking shareholders (through around the 10th largest shareholder) of the Company shall be treated as “major shareholders.”

(Note 7) “A business partner of the Company” refers to a party whose business transaction with the Company totals 10 million yen or higher for a single fiscal year.