

Please note that the following is an English translation of the original Japanese version of the Notice of The 42nd Annual General Meeting of Shareholders, Reference Documents for the General Meeting of Shareholders and Guidance on Exercising Voting Rights, prepared only for the convenience of shareholders residing outside Japan. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

Securities Code:4812  
March 6, 2017

To Our Shareholders

Setsuo Kamai,  
President and Representative Director  
2-17-1, Konan, Minato-ku, Tokyo, Japan  
**Information Services International-Dentsu, Ltd.**

## NOTICE OF THE 42ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 42nd Annual General Meeting of Shareholders of Information Services International-Dentsu, Ltd. (the “Company” or “ISID, Ltd.”) to be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders given below, read “Guidance on Exercising Voting Rights” on page 11 and “Guidance on Exercising Voting Rights via the Internet” on page 12 and exercise your voting rights by 5:30 p.m. on Thursday, March 23, 2017, using either of the following methods: indicate your approval or disapproval on the enclosed Voting Rights Exercise Form and send it by mail, or indicate your approval or disapproval via the website for exercising voting rights designated by the Company (<http://www.evotep.jp/>).

### Meeting Details

|                                     |   |
|-------------------------------------|---|
| <b>1 Date and Time:</b>             | <b>Friday, March 24, 2017, at 10:00 a.m. (Doors open at 9:00 a.m.)</b>  |
| <b>2 Place:</b>                     | <b>3F Hall, Head Office of the Company</b><br>Keio Shinagawa Building<br>2-17-1, Konan, Minato-ku, Tokyo, Japan   |
| <b>3 Objectives of the Meeting:</b> | <p><b>Matters to be reported:</b></p> <ol style="list-style-type: none"> <li>1. Business Report, Consolidated Financial Statements and Audit Reports on the Consolidated Financial Statements by the Accounting Auditor and the Audit &amp; Supervisory Board for the 42nd Fiscal Term (From January 1, 2016 to December 31, 2016)</li> <li>2. Non-consolidated Financial Statements for the 42nd Fiscal Term (From January 1, 2016 to December 31, 2016)</li> </ol> <p><b>Matters to be resolved:</b></p> <p>Proposal 1: Appropriation of Surplus</p> <p>Proposal 2: Election of 11 Directors</p> <p>Proposal 3: Election of One Audit &amp; Supervisory Board Member</p> <p>Proposal 4: Election of One Substitute Audit &amp; Supervisory Board Member</p> <p>Proposal 5: Election of Accounting Auditor</p> |

Attendees are kindly requested to submit the enclosed Voting Rights Exercise Form at the reception desk at the venue. Of the documents that must be provided along with the original Japanese version of this notice of the Annual General Meeting of Shareholders, the “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” have been posted (in Japanese only) on the Company’s website (<http://www.isid.co.jp/>) in accordance with the laws and regulations and stipulations of Article 16 of the Company’s articles of incorporation, and thus they have not been included in the documents attached to the original Japanese version of the this notice.

Therefore, the documents attached with the original Japanese version of this notice make up but a part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor during the preparation of the Audit Report.

Any amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements will be posted (in Japanese only) on the Company’s website (<http://www.isid.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of Surplus

The Company regards the return of profits to shareholders as a vital management issue. While securing internal reserves to achieve sustainable growth, the Company has a basic policy to continue payment of appropriate and stable dividends to all shareholders.

Based on this policy, the Company proposes to pay a year-end dividend for the current fiscal term of 29 yen per share, 8 yen higher than the Company's forecast of 21 yen per share.

Moreover, combined with an interim dividend of 21 yen per share already paid out, the total dividends for the fiscal term shall amount to 50 yen per share.

#### Year-end dividends

- (1) Type of dividend property  
Cash
- (2) Allocation of dividend property and total amount of allocation  
29 yen per share of the Company  
Total amount: 944,900,330 yen
- (3) Effective date of dividends of surplus  
March 27, 2017

## Proposal 2: Election of 11 Directors

The terms of office of all 11 Directors of the Company will expire at the conclusion of this meeting. In that regard, the Company proposes the election of 11 Directors.

The Director candidates are as follows:

| Candidate No.   | Name<br>(Date of Birth)<br>Number of the Company's Shares Owned  | Career Summary, and Position and Responsibility in the Company<br>(Significant Concurrent Positions Outside the Company) |  |
|---|--|--|--|
| 1   | [Reelection]<br><br><b>Setsuo Kamai</b><br>(May 23, 1952)<br><br>2,000 shares  | Apr. 1975  | Joined DENTSU INC.   |
|   |  | Jun. 2002  | Managing Director of DENTSU INC.   |
|   |  | Jun. 2004  | Director of DENTSU INC.<br>Outside Director of ISID, Ltd.  |
|   |  | Jun. 2006  | Senior Director of DENTSU INC.   |
|   |  | Jun. 2009  | Executive Director of ISID, Ltd.   |
|   |  | Apr. 2010  | President and Representative Director, and Chief Operating Officer of ISID, Ltd.<br><current position>                             |
|   |  | Apr. 2011  | Chief Executive Officer of ISID, Ltd. <current position>   |
|   |  | (Reasons for nomination as Director candidate)   |  |
|   | After joining DENTSU INC. in 1975, he was involved mainly in financial and accounting work. He was promoted to Managing Director in 2002, then Director and Chief Financial Officer in 2004. From 2006, he was Senior Director and Chief Financial Officer. He assumed the office of Executive Director of ISID, Ltd. in 2009, and in 2010 he became President and Representative Director, and Chief Operating Officer. He has also been Chief Executive Officer since 2011, and held other positions, giving him a wealth of operational and management experience. He is currently President and Representative Director, Chief Executive Officer and Chief Operating Officer, and acts as Chairman of the Board, executing resolutions at Board of Directors meetings and fulfilling his role appropriately in overseeing the overall management of ISID, Ltd.'s group (the "ISID Group"). Therefore, he has been nominated again as a Director candidate. |  |  |
|   | 2  | [Reelection]<br><br><b>Akihiro Fukuyama</b><br>(September 25, 1953)<br><br>10,040 shares                                 | Apr. 1976  |
| Jun. 2004   |  |  | Director of ISID, Ltd.   |
| Jun. 2005   |  |  | Senior Director of ISID, Ltd.  |
| Jun. 2008   |  |  | Executive Director of ISID, Ltd.   |
| Apr. 2010   |  |  | Director, Executive Vice President, Sales Manager of ISID, Ltd. <current position>   |
| Apr. 2015   |  |  | Segment Director of Engineering Solutions<br>In charge of Strategic Business Development Division of ISID, Ltd. <current position> |
| Jan. 2017   |  |  | In charge of Business Promotion and Management Division of ISID, Ltd. <current position>   |
| (Reasons for nomination as Director candidate)  |  |  |  |
| Since joining ISID, Ltd., he has been involved mainly in sales work, and he was placed in charge of business departments involved in financial and logistics service operations. He was also President and Representative Director of a subsidiary involved in system development, and held various other positions, giving him a wealth of operational and management experience. As Executive Vice President he currently oversees the ISID Group's sales, and is responsible for the segment that handles manufacturing operations, business promotion and management and the IoT/big data business. Since assuming the office of Director in 2004, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate. |  |  |  |

| Candidate No. | Name<br>(Date of Birth)<br>Number of the<br>Company's Shares<br>Owned                | Career Summary, and Position and Responsibility in the Company<br>(Significant Concurrent Positions Outside the Company)  |   |
|---------------|--|---|---|
| 3             | [Reelection]<br><br><b>Kenji Ichikawa</b><br>(February 23, 1957)<br><br>6,600 shares | Apr. 1980   | Joined ISID, Ltd.   |
|               |  | Jun. 2006   | Director of ISID, Ltd.  |
|               |  | Jun. 2008   | Senior Director of ISID, Ltd.   |
|               |  | Jun. 2009   | Executive Director of ISID, Ltd.  |
|               |  | Apr. 2010   | Director, Senior Managing Director of ISID, Ltd. <current position>   |
|               |  | Apr. 2014   | President and Representative Director of ISID Advanced Outsourcing, Ltd. <current position>                 |
|               |  | Apr. 2015   | Segment Director of Business Solution of ISID, Ltd. <current position>                                      |
|               |  | (Reasons for nomination as Director candidate)<br>Since joining ISID, Ltd., he has been involved mainly in technical work, such as the development of systems, including being placed in charge of technology, giving him a wealth of operational experience. As Senior Managing Director, he is currently responsible for the segment providing core systems. Since assuming the office of Director in 2006, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate.  |   |
| 4             | [Reelection]<br><br><b>Nobuo Uehara</b><br>(August 17, 1954)<br><br>9,500 shares     | Nov. 1980   | Joined ISID, Ltd.   |
|               |  | Jun. 2005   | Director of ISID, Ltd.  |
|               |  | Jun. 2008   | Senior Director of ISID, Ltd.   |
|               |  | Oct. 2009   | President and Representative Director of ISID Assist, Ltd. <current position>                               |
|               |  | Apr. 2010   | Director, Senior Managing Director, Administrative Manager of ISID, Ltd. <current position>                 |
|               |  | Apr. 2011   | In charge of Integrated Risk Management Department of ISID, Ltd. <current position>                         |
|               |  | Apr. 2012   | Manager of Group Companies of ISID, Ltd. <current position>   |
|               |  | Apr. 2013   | In charge of Corporate Planning Division of ISID, Ltd. <current position>                                   |
|               |  | Jan. 2017   | In charge of Global Business Division, Branch Offices, of ISID, Ltd. <current position>                     |
|               |  | (Reasons for nomination as Director candidate)<br>Since joining ISID, Ltd., he has been involved mainly in sales and corporate planning work. He has a wealth of operational experience, having been placed in charge of administration, corporate planning, etc. As Senior Managing Director, he currently oversees administration of the ISID Group, and is responsible for corporate planning, risk management, global business and administration of branch offices of ISID, Ltd. Since assuming the office of Director in 2005, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate. |   |
| 5             | [Reelection]<br><br><b>Konosuke Umezawa</b><br>(March 21, 1958)<br><br>1,000 shares  | Apr. 1982   | Joined EBARA CORPORATION  |
|               |  | Feb. 1990   | Joined ISID, Ltd.   |
|               |  | Oct. 2005   | Executive Officer of ISID, Ltd.   |
|               |  | Jun. 2008   | Director of ISID, Ltd. <current position>   |
|               |  | Apr. 2010   | Managing Director of ISID, Ltd. <current position>  |
|               |  | Apr. 2011   | Development and Technology Manager<br>In charge of Administrative Division of ISID, Ltd. <current position> |
|               |  | Apr. 2013   | In charge of Technology Headquarters of ISID, Ltd. <current position>                                       |
|               |  | May 2014  | Representative Director of ISID Engineering, Ltd. <current position>  |
|               |  | (Reasons for nomination as Director candidate)<br>Since joining ISID, Ltd., he has been involved mainly in technical work, such as the development of systems, including being placed in charge of the business department that handles business with DENTSU INC.'s group (the "DENTSU Group"), giving him a wealth of operational experience. As Managing Director, he currently oversees technology of the ISID Group, and is responsible for administration of ISID, Ltd. Since assuming the office of Director in 2008, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate.          |   |

| Candidate No. | Name<br>(Date of Birth)<br>Number of the<br>Company's Shares<br>Owned                          | Career Summary, and Position and Responsibility in the Company<br>(Significant Concurrent Positions Outside the Company)  |   |
|---------------|--|---|---|
| 6             | <p>[Reelection]</p> <p><b>Atsushi Yoshimoto</b><br/>(February 6, 1958)</p> <p>1,560 shares</p> | <p>Apr. 1980    Joined Osaka Seimitsu Kikai Co., Ltd.</p> <p>Aug. 1991    Joined ISID, Ltd.</p> <p>Apr. 2006    Executive Officer of ISID, Ltd.</p> <p>Jun. 2008    Director of ISID, Ltd. &lt;current position&gt;</p> <p>Apr. 2010    Managing Director of ISID, Ltd. &lt;current position&gt;</p> <p>Apr. 2011    President and CEO of iTiD Consulting, Ltd. &lt;current position&gt;</p> <p>Apr. 2015    Segment Deputy Director of Engineering Solutions of ISID, Ltd. &lt;current position&gt;</p> <p>Jun. 2015    Representative Director of ESTECH Corporation &lt;current position&gt;</p> <p>Jan. 2017    Deputy to the person in charge of Strategic Business Development Division of ISID, Ltd. &lt;current position&gt;</p>  | <p>(Reasons for nomination as Director candidate)</p> <p>Since joining ISID, Ltd., he has been involved mainly in consulting for manufacturing operations, such as being placed in charge of the business department that handles manufacturing operations, giving him a wealth of operational experience. He is currently Managing Director, Deputy to the person in charge of the segment that handles manufacturing operations and Deputy to the person in charge of the IoT/big data business, and he is also Representative Director of a subsidiary that provides consulting services for manufacturing operations. Since assuming the office of Director in 2008, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate.</p> |
| 7             | <p>[Reelection]</p> <p><b>Akira Kobayashi</b><br/>(February 28, 1959)</p> <p>10,600 shares</p> | <p>Apr. 1982    Joined ISID, Ltd.</p> <p>Apr. 2005    Executive Officer of ISID, Ltd.</p> <p>Jun. 2009    Director of ISID, Ltd. &lt;current position&gt;</p> <p>Apr. 2010    Managing Director, Segment Director of Financial Solution of ISID, Ltd. &lt;current position&gt;</p> <p>Jan. 2016    Deputy to the person in charge of Global Business Division of ISID, Ltd. &lt;current position&gt;</p>  | <p>(Reasons for nomination as Director candidate)</p> <p>Since joining ISID, Ltd., he has been involved mainly in technical work, such as the development of systems, including being placed in charge of the business department involved in financial operations, giving him a wealth of operational experience. As Managing Director, he is currently responsible for the segment that handles financial operations, and is also Deputy to the person in charge of the global business. Since assuming the office of Director in 2009, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate.</p>  |
| 8             | <p>[Reelection]</p> <p><b>Yasuo Morioka</b><br/>(December 17, 1954)</p> <p>200 shares</p>      | <p>Apr. 1978    Joined DENTSU INC.</p> <p>Apr. 2002    Deputy Director of Sales Integrated Accounts Planning Division of DENTSU INC.</p> <p>May 2006    Director of Group Management Promotion Division, Group Business Headquarters of DENTSU INC.</p> <p>Apr. 2012    Director of Business Management Division of DENTSU INC.</p> <p>Jan. 2013    Executive Officer, Deputy Senior Manager of Administrative Division of ISID, Ltd.</p> <p>Apr. 2013    Senior Executive Officer, Senior Manager of Administrative Division of ISID, Ltd.</p> <p>Jun. 2015    Director, Managing Director, and Assistant Sales Manager<br/>Segment Director of Communication IT<br/>In charge of 2020 Technology &amp; Business Development Office of ISID, Ltd. &lt;current position&gt;</p> | <p>(Reasons for nomination as Director candidate)</p> <p>After joining DENTSU INC. in 1978, he was involved mainly in sales and sales support work and placed in charge of administration of group companies. Since 2013, he has been placed in charge of administration of ISID, Ltd. as Senior Executive Officer, giving him a wealth of operational experience at both DENTSU INC. and ISID, Ltd. As Managing Director, he is currently Assistant Sales Manager of the ISID Group, and is also responsible for the segment that handles business with the DENTSU Group. Since assuming the office of Director in 2015, he has proven himself to be capable of fulfilling his role appropriately in decision-making on important management matters, supervising the execution of operations, etc. Therefore, he has been nominated again as a Director candidate.</p>  |

| Candidate No. | Name<br>(Date of Birth)<br>Number of the<br>Company's Shares<br>Owned  | Career Summary, and Position and Responsibility in the Company<br>(Significant Concurrent Positions Outside the Company)   |  |
|---------------|--|--|--|
| 9             | <p>[Reelection/<br/>Outside Director/<br/>Independent Officer]</p> <p><b>Kazuo Ichijo</b><br/>(October 13, 1958)</p> <p>0 shares</p>   | <p>Oct. 1993 Associate Professor of Faculty of Social Sciences at Hitotsubashi University</p> <p>Apr. 2001 Professor of Graduate School of Social Sciences, and International Corporate Strategy at Hitotsubashi University</p> <p>Jun. 2001 Outside Audit &amp; Supervisory Board Member of ISID, Ltd.</p> <p>Mar. 2005 Outside Director of SHIMANO INC. &lt;current position&gt;</p> <p>Apr. 2007 Professor of Graduate School of International Corporate Strategy at Hitotsubashi University &lt;current position&gt;</p> <p>Apr. 2014 Dean of Graduate School of International Corporate Strategy at Hitotsubashi University &lt;current position&gt;</p> <p>Jun. 2015 Outside Director of PanaHome Corporation &lt;current position&gt;<br/>Outside Director of ISID, Ltd. &lt;current position&gt;</p>   |  |
|               | <p>(Reasons for nomination as Director candidate)</p> <p>He was appointed Outside Director in 2015 so that he could contribute directly to the improvement of corporate value of ISID, Ltd., in light of his experience since assuming the office of Outside Audit &amp; Supervisory Board Member in 2001, a position in which he has proven himself to be capable of fulfilling his role appropriately in supervising the execution of duties by Directors, etc. He has knowledge and experience as an expert researcher in corporate strategies, innovation and corporate governance, fulfilling the "Requirements for Independence as Outside Director/Outside Audit &amp; Supervisory Board Member" established by ISID, Ltd. He also has extensive experience as outside officer of other listed companies for which he has been deemed capable of continuing to offer useful advice to the management of ISID, Ltd. Therefore, he has been nominated again as an Outside Director candidate. He has so far never had experience of being involved in corporate management except as an outside officer, but due to the reasons described above, he has been deemed capable of appropriately executing his duties as Outside Director.</p>  |  |  |
| 10            | <p>[Reelection/<br/>Outside Director/<br/>Independent Officer]</p> <p><b>Yukari Murayama</b><br/>(August 4, 1972)</p> <p>0 shares</p>  | <p>Apr. 2000 Registered as an attorney at law</p> <p>Attorney at law at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise (former Sakai Hideyuki Law Office)</p> <p>Jan. 2010 Seconded to Supervisory Bureau of Financial Services Agency (NonBank Financial Companies Office and Financial System Stabilization Management Office)</p> <p>Apr. 2012 Returned to Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise</p> <p>Counsel at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise</p> <p>Jan. 2013 Partner at Bingham McCutchen Murase, Sakai Mimura Aizawa – Foreign Law Joint Enterprise</p> <p>Apr. 2015 Partner at Anderson Mori &amp; Tomotsune &lt;current position&gt;</p> <p>Jun. 2015 Outside Audit &amp; Supervisory Board Member of ISID, Ltd.</p> <p>Mar. 2016 Outside Director of ISID, Ltd. &lt;current position&gt;</p> |  |
|               | <p>(Reasons for nomination as Director candidate)</p> <p>She was appointed Outside Director in 2016 so that she could contribute directly to the improvement of corporate value of ISID, Ltd., in light of her experience since assuming the office of Outside Audit &amp; Supervisory Board Member in 2015, a position in which she has proven herself to be capable of fulfilling her role appropriately in supervising the execution of duties by Directors, etc. She has extensive specialist knowledge and practical experience in corporate law as an attorney at law, as well as practical experience in financial supervisory administration, as the result of being seconded to the Supervisory Bureau of the Financial Services Agency. She also fulfills the "Requirements for Independence as Outside Director/Outside Audit &amp; Supervisory Board Member" established by ISID, Ltd. and has been deemed capable of continuing to offer useful advice to the management of ISID, Ltd. Therefore, she has been nominated again as an Outside Director candidate. She has so far never had experience of being involved in corporate management except as an outside officer, but due to the reasons described above, she has been deemed capable of appropriately executing her duties as Outside Director.</p> |  |  |



| Candidate No. | Name<br>(Date of Birth)<br>Number of the<br>Company's Shares<br>Owned  | Career Summary, and Position and Responsibility in the Company<br>(Significant Concurrent Positions Outside the Company)  |  |
|---------------|--|---|--|
| 11            | [New election/<br>Non-Executive<br>Director]<br><br><b>Norihiro Kuretani</b><br>(December 3, 1965)<br><br>0 shares | Apr. 1988   | Joined DENTSU INC.   |
|               |  | Jul. 2012   | Deputy Director of MC Planning Division of DENTSU INC.   |
|               |  | Jun. 2016   | Director of cyber communications inc. <current position><br>Director of D2C Inc. <current position>  |
|               |  | Jul. 2016   | Director of Dentsu Digital Inc.<br>Director of Digital Platform Center of DENTSU INC.  |
|               |  | Jan. 2017   | Executive Officer of DENTSU INC. <current position><br>Representative Director and CEO of Dentsu Digital Inc. <current position><br>Outside Director of Video Research Interactive Inc. <current position> |
|               |  | Mar. 2017   | Director of Dentsu Aegis Japan Inc. <scheduled to assume office>   |
|               |  | (Reasons for nomination as Director candidate)<br>Since joining DENTSU INC. in 1988, he has been involved mainly in media and content development work, and the digital business related work. He is currently in charge of the digital department as Executive Officer. He also serves as officer for several other digital-related DENTSU Group companies, having a wealth of operational and management experience. He is expected to be capable of offering useful advice to the management of ISID, Ltd. based on his extensive experience and knowledge in group management. He is also deemed capable of contributing to promotion of cooperation with the DENTSU Group. Therefore, he has been nominated as a Director candidate. |  |

Notes:

- There is no special interest between any of the candidates and the Company.
- The Sales Manager is responsible for maintaining and expanding relationships with customers, and for managing the overall business activities of the Company and the rest of its group companies, in the best interests of the entire group.
- The Administrative Manager is responsible for managing matters related to administration of the Company and the rest of its group companies, in the best interests of the entire group.
- The Manager of Group Companies is responsible for managing matters related to the business management of the Company and the rest of its group companies, in the best interests of the entire group.
- The Development and Technology Manager is responsible for managing the optimization of technological resources of the Company and the rest of its group companies such as the personnel required by the technology department, in the best interests of the entire group.
- Mr. Kazuo Ichijo is currently Outside Director of the Company. At the conclusion of this meeting, his tenure as Outside Director will have been one year and nine months. Moreover, his tenure as Audit & Supervisory Board Member was 14 years.
- Mr. Kazuo Ichijo is currently Outside Director of the Company, and the Company has entered into a limited liability agreement with him for the liability amount of 6 million yen, or the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act, whichever is higher. If his reelection is approved, the Company plans to renew the aforementioned agreement with him.
- Ms. Yukari Murayama is currently Outside Director of the Company. At the conclusion of this meeting, her tenure as Outside Director will have been one year. Moreover, her tenure as Audit & Supervisory Board Member was nine months.
- Ms. Yukari Murayama is currently Outside Director of the Company, and the Company has entered into a limited liability agreement with her for the liability amount of 6 million yen, or the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act, whichever is higher. If her reelection is approved, the Company plans to renew the aforementioned agreement with her.
- Mr. Kazuo Ichijo and Ms. Yukari Murayama satisfy the requirements for independent officers as provided for by the Tokyo Stock Exchange and the "Requirements for Independence as Outside Director/Outside Audit & Supervisory Board Member" established by the Company. The Company has submitted notification to the said exchange that Mr. Kazuo Ichijo and Ms. Yukari Murayama have been appointed as independent officers. If their reelection is approved, the Company plans to notify the said exchange again of their appointment as independent officers.
- Mr. Norihiro Kuretani is Executive Officer of DENTSU INC., the parent company of the Company.
- If the election of Mr. Norihiro Kuretani is approved, the Company plans to enter into a limited liability agreement with him for the liability amount of 6 million yen, or the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act, whichever is higher.

### Proposal 3: Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member, Mr. Atsushi Tani, will resign at the conclusion of this meeting. Therefore, the Company proposes the election of one Audit & Supervisory Board Member.

The term of office of the elected Audit & Supervisory Board Member shall be in accordance with the articles of incorporation of the Company, and shall be effective until the expiration of the term of office of the predecessor (until the conclusion of the Annual General Meeting of Shareholders for the fiscal term ending December 31, 2019). The consent of the Audit & Supervisory Board has been obtained for this proposal.

The Audit & Supervisory Board Member candidate is as follows:

| Name<br>(Date of Birth)<br>Number of the Company's Shares<br>Owned  | Career Summary and Position in the Company<br>(Significant Concurrent Positions Outside the Company)  |
|---|---|
| <p>[New election]</p> <p><b>Tatsuhiko Ueji</b><br/>(February 24, 1965)</p> <p>0 shares</p>  | <p>Apr. 1988    Joined DENTSU INC.</p> <p>Jan. 2008    Group Account Director of 12th Sales Division of DENTSU INC.</p> <p>Apr. 2011    Senior Manager of Project Produce Division of DENTSU INC.</p> <p>Apr. 2012    Senior Manager of CPM Department of CR Planning Management Division of DENTSU INC.</p> <p>Jul. 2013    Senior Manager of Customer Business Development Office of Business Management Division of DENTSU INC.</p> <p>Jun. 2015    Director of Build Creativehaus Inc. &lt;current position&gt; &lt;schedule to retire from office in March, 2017&gt;<br/> Director of Shingata Inc. &lt;current position&gt; &lt;schedule to retire from office in March, 2017&gt;<br/> Director of Shingata Azabu Inc. &lt;current position&gt; &lt;schedule to retire from office in March, 2017&gt;<br/> Director of One Sky Inc. &lt;current position&gt; &lt;schedule to retire from office in March, 2017&gt;</p> <p>Mar. 2016    Director of Battery Inc. &lt;current position&gt; &lt;schedule to retire from office in March, 2017&gt;</p> <p>Jan. 2017    Senior Manager of Group Auditor Department of Audit Division of DENTSU INC. &lt;current position&gt;</p> <p>Mar. 2017    Audit &amp; Supervisory Board Member of DENTSU MEITETSU COMMUNICATIONS INC. &lt;scheduled to assume office&gt;<br/> Audit &amp; Supervisory Board Member of 3P CORPORATION &lt;scheduled to assume office&gt;<br/> Audit &amp; Supervisory Board Member of The Goal Inc. &lt;scheduled to assume office&gt;<br/> Audit &amp; Supervisory Board Member of Dentsu tempo Inc. &lt;scheduled to assume office&gt;<br/> Audit &amp; Supervisory Board Member of Dentsu ScienceJam Inc. &lt;scheduled to assume office&gt;<br/> Audit &amp; Supervisory Board Member of ignite, inc. &lt;scheduled to assume office&gt;</p> |
| <p>(Reasons for nomination as Audit &amp; Supervisory Board Member candidate)</p> <p>Since joining DENTSU INC. in 1988, he has been involved mainly in sales and sales support work. He is currently assigned to Group Auditor Department of Audit Division. He has been deemed capable of making use of his abundant experience and knowledge in group management, in auditing for ISID, Ltd. Therefore, he has been nominated as an Audit &amp; Supervisory Board Member candidate.</p> |   |

#### Notes:

1. There is no special interest between the candidate and the Company.
2. Mr. Tatsuhiko Ueji is Senior Manager of Group Auditor Department of Audit Division at DENTSU INC., the parent company of the Company.
3. If the election of Mr. Tatsuhiko Ueji is approved, the Company plans to enter into a limited liability agreement with him for the liability amount of 6 million yen, or the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act, whichever is higher.



#### Proposal 4: Election of One Substitute Audit & Supervisory Board Member

The Company proposes to elect one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

The appointment of the said substitute Audit & Supervisory Board Member requires that the number of Audit & Supervisory Board Members falls below the number required by laws and regulations. The term for the substitute Audit & Supervisory Board Member shall be the remaining term of the predecessor. In addition, this resolution shall remain effective until the opening of the next Annual General Meeting of Shareholders. The consent of the Audit & Supervisory Board has been obtained for this proposal.

The substitute Audit & Supervisory Board Member candidate is as follows:

| Name<br>(Date of Birth)<br>Number of the Company's Shares<br>Owned | Career Summary and Position in the Company<br>(Significant Concurrent Positions Outside the Company)                          |
|--|---|
| <b>Koichiro Tanaka</b><br>(July 6, 1965)<br><br>0 shares           | Oct. 1987    Joined Tohmatsu Awoki & Sanwa (currently Deloitte Touche Tohmatsu LLC)   |
|  | Mar. 1991    Registered as a certified public accountant  |
|  | Aug. 1998    Assigned to U.S. Deloitte Touche Tohmatsu's Dalian Office  |
|  | Resident Representative of U.S. Deloitte Touche Tohmatsu's Dalian Office (Office Head)  |
|  | Sep. 2002    Assigned to Deloitte Touche Tohmatsu's Shenzhen Office in China  |
|  | Managing Director of the Japanese Operations Department in South China of Deloitte Touche Tohmatsu's Shenzhen Office in China |
|  | Jun. 2003    Office Partner at Deloitte Touche Tohmatsu's Shenzhen Office in China  |
|  | Sep. 2003    Returned to the Auditor Division at the Tokyo Office of Deloitte Touche Tohmatsu                                 |
|  | Dec. 2003    Partner in the Corporate Finance Department of Deloitte Touche Tohmatsu  |
|  | May 2005    Registered as a certified public tax accountant   |
|  | Jul. 2014    Founder and Head of Tanaka Sogo Kaikei Jimusho <current position>  |
|  | Mar. 2015    Outside Auditor of Toyo Tanso Co., Ltd. <current position>   |
|  | Apr. 2015    Outside Auditor of Saitama Industrial Co., Ltd. <current position>   |

(Reasons for nomination as substitute Audit & Supervisory Board Member candidate)

He has been deemed capable of making use of his extensive knowledge of finance and accounting as a certified public accountant and certified public tax accountant, as well as knowledge and overseas experience gained through extensive operational experience at a major auditing firm, in auditing for ISID, Ltd. Therefore, he has been nominated as a substitute Outside Audit & Supervisory Board Member candidate.

Notes:

1. There is no special interest between the candidate and the Company.
2. Mr. Koichiro Tanaka is a substitute Outside Audit & Supervisory Board Member candidate.
3. Mr. Koichiro Tanaka was Partner at Deloitte Touche Tohmatsu LLC, with whom the Company has an audit contract, but he retired from office on June 30, 2014.
4. In the event that Mr. Koichiro Tanaka assumes the office of Audit & Supervisory Board Member of the Company, the Company plans to enter into a limited liability agreement with him for the liability amount of 6 million yen, or the minimum liability amount provided for under Article 425, paragraph 1 of the Companies Act, whichever is higher.

## Proposal 5: Election of Accounting Auditor

The term of office of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, will expire at the conclusion of this meeting. In this regard, it is proposed that the Accounting Auditor in question be not reappointed, and that a new Accounting Auditor be elected.

This proposal is based on the decision of the Audit & Supervisory Board.

The Audit & Supervisory Board nominated KPMG AZSA LLC for Accounting Auditor for the following reason. The DENTSU Group, including the Company, have up until now had the accounting audits of domestic subsidiaries and overseas subsidiaries carried out by audit firms belonging to different networks. Aiming to eliminate these discrepancies, perform more effective and efficient audits, and reduce audit costs, DENTSU INC., the parent company of the Company, studied the feasibility of globally unifying the accounting audits. Specifically, proposals were received from multiple member firms belonging to global networks, including Deloitte Touche Tohmatsu LLC, and each of these proposals, which included discussions and presentations, were evaluated from various angles. The Company, against the backdrop of these activities, performed its own evaluation of each of the member firms, and made a timely confirmation of DENTSU INC.'s evaluation results. As a result, the decision was reached to not reappoint Deloitte Touche Tohmatsu LLC, but instead nominate KPMG AZSA LLC for Accounting Auditor, which had excellent credentials from the perspective of their global network.

The Company judges that KPMG AZSA LLC is able to provide the expertise, independence, suitability, etc. required to be Accounting Auditor of the ISID Group, that it possesses the system to perform an integrated audit of all global activities, and that it is capable of carrying out effective and efficient audits.

The Accounting Auditor candidate is as follows:

(As of December 31, 2016)

| Name    | KPMG AZSA LLC       |  |                                    |
|---------|---------------------|--|------------------------------------|
| Office  | Main Office (Head): | 1-2, Tsukudo-cho, Shinjuku-ku, Tokyo   |                                    |
|         | Secondary Offices:  | Sapporo, Sendai, Hokuriku, Kitakanto, Yokohama, Nagoya, Kyoto, Osaka, Kobe, Hiroshima, Fukuoka   |                                    |
| History | Jul. 1985           | Asahi Shinwa & Co. was founded.  |                                    |
|         | Oct. 1993           | Merged with Inoue Saito Eiwa Audit Corporation (Founded on Apr. 5, 1978) and renamed Asahi & Co. |                                    |
|         | Jan. 2004           | Merged with KPMG AZSA & Co. (Founded on Feb. 26, 2003) and renamed KPMG AZSA & Co.               |                                    |
|         | Jul. 2010           | Renamed KPMG AZSA LLC, following the shift to a limited liability company.                       |                                    |
| Outline | Capital:            | 3,000 million yen  |                                    |
|         | Personnel:          | Number of Partners<br>(Certified Public Accountant)  | 554 (including 31 senior partners) |
|         |                     | Number of Employees<br>(Certified Public Accountant)   | 2,616                              |
|         |                     | (Junior Certified Public Accountants)  | 10                                 |
|         |                     | (Others)   | 2,460                              |
|         |                     | Total  | 5,640                              |
|         | Number of Client:   | (Audit certification business clients)   | 3,489                              |

## Guidance on Exercising Voting Rights

You may exercise your voting rights by one of the following three methods:

### By attending the General Meeting of Shareholders



Please submit the Voting Rights Exercise Form to the reception desk at the venue.  
(A personal seal will not be required.)

Date and Time

Friday, March 24, 2017, at 10:00 a.m. (doors open at 9:00 a.m.)

Place

3F Hall, Head Office of the Company  
Keio Shinagawa Building  
2-17-1, Konan, Minato-ku, Tokyo, Japan

### By submitting the Voting Rights Exercise Form by mail



Please indicate your approval or disapproval to each of the proposals on the Voting Rights Exercise Form and post it to us without a postage stamp.

Exercise Due Date

To be received no later than 5:30 p.m. on Thursday, March 23, 2017.

### By exercising voting rights via the Internet



Access the website for exercising voting rights (<http://www.evot.jp>) with a personal computer, smartphone or cell phone, and enter the “Login ID” and “Temporary Password” shown on the enclosed Voting Rights Exercise Form. Follow the instructions on the screen to indicate your approval or disapproval to each of the proposals.

Exercise Due Date

No later than 5:30 p.m. on Thursday, March 23, 2017.

- (1) Please note that you will be asked to change your “Temporary Password” on the website for exercising voting rights in order to prevent unauthorized access (spoofing) and alternation of voting by non-shareholders.
- (2) A new “Login ID” and “Temporary Password” will be issued every time a General Meeting of Shareholders is convened.
- (3) Any costs arising from accessing the website for exercising voting rights (Internet connection fees and phone charges, etc.) shall be borne by the shareholder. Similarly, if voting via mobile phone, any connection fees and other phone charges arising from the use of mobile phones shall be borne by the shareholder.

## Guidance on Exercising Voting Rights via the Internet

If you exercise your voting rights via the Internet, please review the following items and exercise your voting rights.

If you attend the General Meeting of Shareholders, voting by mail (Voting Rights Exercise Form) or via the Internet is not necessary.

### 1. Exercising voting rights via the Internet

- (1) You may exercise your voting rights via the Internet only by accessing the following website for exercising voting rights designated by the Company. (The website will be unavailable from 2 a.m. to 5 a.m. every day. Furthermore, you may not be able to use the website depending on the Internet usage environment).

**[Website for exercising voting rights] <http://www.evote.jp/>**

- (2) Enter the “Login ID” and “Temporary Password” shown on the Voting Rights Exercise Form, and then follow the instructions on the screen to exercise your voting rights.
- (3) If you exercise your voting rights both by mail and via the Internet, only the vote exercised via the Internet shall be treated as valid. If voting rights via the Internet multiple times, only the last vote shall be treated as valid.
- (4) Any costs arising from using the website for exercising voting rights (Internet connection fees and phone charges, etc.) shall be borne by the shareholder.
- (5) Voting via the Internet is accepted until 5:30 p.m. on Thursday, March 23, 2017. However, we request that you exercise your voting rights at your earliest convenience. Please contact our Help Desk for any inquiries.

### 2. Handling of passwords

- (1) A new “Login ID” and “Temporary Password” will be issued every time a General Meeting of Shareholders is convened.
- (2) The password is our means by which the identity of the shareholder exercising the vote is verified. Please keep your password safe. Telephone inquiries regarding passwords shall not be answered.

### 3. For inquiries regarding exercising voting rights via the Internet (Help Desk)

Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation  
Telephone: 0120-173-027 (toll-free only within Japan)  
Office hours: 9:00 a.m. to 9:00 p.m.