

Securities code: 8283

June 1, 2017

To our shareholders:

Kiyotaka Kimura  
Representative Director, President  
**PALTAC CORPORATION**  
2-46 Honmachibashi, Chuo-ku  
Osaka City, Osaka Prefecture

### **Notice of Convocation of the 89th Ordinary General Meeting of Shareholders**

You are cordially invited to attend the 89th Ordinary General Meeting of Shareholders of PALTAC CORPORATION (the “Company”), which will be held as described below.

If you are unable to attend the Meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the appended Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Thursday, June 22, 2017.

### **Meeting Details**

- 1. Date and time:** Friday, June 23, 2017 at 10:00 a.m.  
(Reception desk opens at 9:00 a.m.)
- 2. Venue:** Meeting room “Shun” on the second floor, CITY PLAZA OSAKA  
2-31 Honmachibashi, Chuo-ku, Osaka City, Osaka Prefecture
- 3. Purposes:**
  - Matters to be reported:**  
Business Report and Non-Consolidated Financial Statements for the 89th Term (from April 1, 2016 to March 31, 2017)
  - Matters to be resolved:**
    - Proposal No. 1:** Partial Amendment to the Articles of Incorporation
    - Proposal No. 2:** Election of Ten (10) Directors
    - Proposal No. 3:** Election of One (1) Audit & Supervisory Board Member

#### **4. Instructions concerning exercise of voting rights:**

##### **[Exercise of voting rights by postal mail]**

Please indicate your vote “for” or “against” with respect to each proposal on the enclosed voting form and ensure that you send it in time for us to receive it by 5:30 p.m. on Thursday, June 22, 2017.

##### **[Exercise of voting rights via the Internet]**

Please access our voting website (<http://www.evotc.jp/>) using the login ID and temporary password indicated on the enclosed voting form, and enter your vote “for” or “against” with respect to each proposal by following the instructions on the screen, no later than 5:30 p.m. on Thursday, June 22, 2017.

When exercising voting rights via the Internet, please refer to the “Instructions concerning the exercise of voting rights via the Internet” (Japanese only).

<For institutional investors>

You are, by making an application for using the voting platform in advance, entitled to use the Electronic Voting Platform operated by ICJ, Inc. established by the Tokyo Stock Exchange, etc., as a method for exercising your voting rights.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Partial Amendment to the Articles of Incorporation

1. Reason for the amendments

A partial amendment will be made to Article 20 (Representative Director, Directors with titles) of the current Articles of Incorporation so that it is possible to appoint Directors and Senior Advisors as needed. The goal of this amendment is to allow the management of the Company to benefit from skilled individuals' extensive experience and far-ranging insight as managers, regardless of whether they are from within the Company or not.

2. Details of the Amendments

Details of the amendments are as follows.

(Underlined portions indicate amended parts.)

Current Article	Proposed Amendments
(Representative Director, Directors with titles) Article 20 The Board of Directors shall appoint Representative Director(s) by its resolution.	(Representative Director, Directors with titles) Article 20 The Board of Directors shall appoint Representative Director(s) by its resolution.
2. The Board of Directors, by its resolution, may appoint Director, President, and if necessary, one or a small number of Director, Chairman <u>and</u> Director, Vice Chairman.	2. The Board of Directors, by its resolution, may appoint Director, President, and if necessary, one or a small number of Director, Chairman, <u>Director, Vice Chairman and Director, Senior Advisor.</u>

**Proposal No. 2: Election of Ten (10) Directors**

The terms of office of all ten (10) Directors will expire at the conclusion of this General Meeting. Therefore, the Company proposes the election of ten (10) Directors.

The candidates for Director are as follows:

No.	Name		Current positions and responsibilities in the Company
1	[ Reelection ]	Kunio Mikita	Representative Director, Chairman, CEO
2	[ Reelection ]	Tadashi Morinaga	Director, Vice Chairman
3	[ Reelection ]	Kiyotaka Kimura	Representative Director, President, COO
4	[ Reelection ]	Kunio Ninomiya	Representative Director, Vice President, Executive Officer
5	[ Reelection ]	Yoshiaki Miyai	Director, Senior Managing Executive Officer, General Manager of Merchandise Headquarters
6	[ Reelection ]	Masahiko Tashiro	Director, Senior Managing Executive Officer, General Manager of Financial Headquarters
7	[ New election ]	Seiichi Kasutani	Managing Executive Officer, General Manager of Sales Headquarters
8	[ Reelection ]	Katsutoshi Yogo	[ Outside Director ] [ Independent Officer ] Outside Director
9	[ New election ]	Ryu Matsumoto	[ Outside Director ] [ Independent Officer ] –
10	[ New election ]	Kaori Oishi	[ Outside Director ] [ Independent Officer ] –

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	[ Reelection ]  Kunio Mikita (October 23, 1943)	<p>March 1966      Joined Daisho Co., Ltd. (current PALTAC CORPORATION)</p> <p>December 1990    Director, Sales Manager of First Sales Department of Sales Division of the Company</p> <p>October 1995      Managing Director, General Manager of Sales Headquarters of the Company</p> <p>December 1996    Representative Director, Vice President, General Manager of Sales Headquarters of the Company</p> <p>December 1998    Representative Director, President of the Company</p> <p>October 2005      Representative Director, Vice President of Mediceo Paltac Holdings Co., Ltd. (current MEDIPAL HOLDINGS CORPORATION)</p> <p>June 2008        Director, Chairman of Mediceo Paltac Holdings Co., Ltd.</p> <p>June 2009        Director and Senior Advisor of Mediceo Paltac Holdings Co., Ltd.</p> <p>June 2010        Representative Director, Chairman and Chief Executive Officer of the Company</p> <p>June 2012        Representative Director, Chairman, CEO of the Company (incumbent)</p>	144,524 shares
		<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Kunio Mikita has engaged in various important posts of the Company's Sales Division, and after assuming the position of Director in 1990, he then served as Representative Director, President from 1998 to 2010, and has served as Representative Director, Chairman since 2010. He possesses extensive experience and far-ranging insight as a manager, as well as strong leadership abilities. The Company has nominated Mr. Kunio Mikita as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	[ Reelection ] Tadashi Morinaga (May 1, 1948)	<p>March 1967      Joined Daisho Co., Ltd. (current PALTAC CORPORATION)</p> <p>December 1998    Director, Executive Manager of Tokyo Branch Office Resource Management Division, Deputy Executive Manager of Resource Management Division of Yokohama Branch Office of the Company</p> <p>December 2003    Managing Director, General Manager of General Affairs Headquarters of the Company</p> <p>October 2006      Director, Senior Managing Executive Officer, Senior General Manager of Administrative Affairs Headquarters of the Company</p> <p>June 2012        Representative Director, Vice President, Executive Officer, In charge of Administration and CSR of the Company</p> <p>April 2014        Representative Director, Vice President, Executive Officer, In charge of Administration of the Company</p> <p>April 2017        Director, Vice Chairman of the Company (incumbent)</p>	57,778 shares
		<p>[Reasons for nomination as candidate for Director] Mr. Tadashi Morinaga has engaged in various important posts of the Company's Administrative Division, and after assuming the position of Director in 1998, he has overseen the General Affairs Division and Financial Division as Representative Director, Vice President from 2012 to 2017. He possesses extensive experience and far-ranging insight as a manager. The Company has nominated Mr. Tadashi Morinaga as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	
3	[ Reelection ] Kiyotaka Kimura (April 18, 1954)	<p>March 1973      Joined Daisho Co., Ltd. (current PALTAC CORPORATION)</p> <p>December 2000    Director, General Manager of Kyushu Branch Office of the Company</p> <p>December 2005    Director, Managing Executive Officer, General Manager of Tokyo Branch Office of the Company</p> <p>June 2012        Director, Senior Managing Executive Officer, General Manager of East Japan Sales Headquarters, Operating Officer of Tokyo Metropolitan District of the Company</p> <p>October 2013      Director, Vice President, Executive Officer, Senior General Manager of Sales Headquarters of the Company</p> <p>April 2014        Representative Director, President, COO, Senior General Manager of Sales Headquarters of the Company</p> <p>April 2015        Representative Director, President, COO of the Company (incumbent)</p>	42,274 shares
		<p>[Reasons for nomination as candidate for Director] Mr. Kiyotaka Kimura has engaged in various important posts of the Company's Sales Division, and after assuming the position of Director in 2000, he has served as Representative Director, President since 2014. He possesses extensive experience and far-ranging insight as a manager. The Company has nominated Mr. Kiyotaka Kimura as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	[ Reelection ]  Kunio Ninomiya (February 22, 1956)	<p>April 1978      Joined the Company</p> <p>December 2004      Executive Officer, General Manager of Merchandise Headquarters of the Company</p> <p>April 2008      Managing Executive Officer, General Manager of Chugoku Branch Office of the Company</p> <p>June 2010      Senior Managing Executive Officer, General Manager of Kinki Branch Office of the Company</p> <p>June 2012      Director, Senior Managing Executive Officer, General Manager of General Affairs Headquarters of the Company</p> <p>April 2014      Director, Vice President, Executive Officer, General Manager of West Japan Sales Headquarters, General Manager of Merchandise Headquarters of the Company</p> <p>April 2015      Director, Vice President, Executive Officer, Senior General Manager of Sales Headquarters of the Company</p> <p>June 2016      Director of MEDIPAL HOLDINGS CORPORATION (incumbent)</p> <p>April 2017      Representative Director, Vice President, Executive Officer of the Company (incumbent)</p> <p>(Significant concurrent positions outside the Company) Director of MEDIPAL HOLDINGS CORPORATION</p>	27,304 Shares
		<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Kunio Ninomiya has engaged in various important posts of the Company's Sales Division, and after assuming the position of Director in 2012, he is currently working to enhance the overall management as Representative Director, Vice President. He possesses extensive experience and far-ranging insight as a manager. The Company has nominated Mr. Kunio Ninomiya as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	[ Reelection ] Yoshiaki Miyai (February 9, 1952)	<p>March 1976      Joined Daisho Co., Ltd. (current PALTAC CORPORATION)</p> <p>December 2005    Executive Officer, Manager of LC Business Department of the Company</p> <p>June 2011        Managing Executive Officer, General Manager of LC Business Headquarters of the Company</p> <p>June 2012        Director, Senior Managing Executive Officer, In charge of LC Business and Overseas Operations of the Company</p> <p>April 2015        Director, Senior Managing Executive Officer, General Manager of Overseas Business Headquarters of the Company, Representative Director and President of HABA CREATION Co., Ltd.</p> <p>April 2016        Director, Senior Managing Executive Officer, General Manager of Merchandise Headquarters of the Company (incumbent)</p>	32,229 shares
		<p>[Reasons for nomination as candidate for Director] Mr. Yoshiaki Miyai has engaged in various important posts of the Company's Sales Division, and after assuming the position of Director in 2012, he is currently in charge of overall procurement operations as Director, Senior Managing Executive Officer, General Manager of Merchandise Headquarters. He possesses extensive experience and far-ranging insight as a manager. The Company has nominated Mr. Yoshiaki Miyai as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	
6	[ Reelection ] Masahiko Tashiro (August 22, 1956)	<p>April 1979        Joined Sanseido Co., Ltd. (current MEDIPAL HOLDINGS CORPORATION)</p> <p>April 2007        General Manager of Sales Division of Chubu Branch Office of the Company</p> <p>April 2008        Executive Officer, Deputy General Manager of Financial Headquarters of the Company</p> <p>June 2011        Managing Executive Officer, General Manager of Financial Headquarters of the Company</p> <p>April 2014        Senior Managing Executive Officer, General Manager of Financial Headquarters of the Company</p> <p>June 2014        Director, Senior Managing Executive Officer, General Manager of Financial Headquarters of the Company (incumbent)</p>	24,456 Shares
		<p>[Reasons for nomination as candidate for Director] Mr. Masahiko Tashiro has engaged in various important posts of the Company's Sales Division and Financial Division, and after assuming the position of Director in 2014, he is currently in charge of financial strategy as Director, Senior Managing Executive Officer, General Manager of Financial Headquarters. He possesses extensive experience and far-ranging insight as a manager. The Company has nominated Mr. Masahiko Tashiro as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to play a full role in the oversight of management as a whole, as well as in decision-making.</p>	



No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company		Number of the Company's shares owned
7	[ New election ]  Seiichi Kasutani (September 22, 1962)	April 1985 June 2011  April 2013 June 2014  June 2016	Joined the Company Executive Officer, General Manager of Yokohama Branch Office of the Company Managing Executive Officer, General Manager of Yokohama Branch Office of the Company Director, Managing Executive Officer, General Manager of Yokohama Branch Office of the Company Managing Executive Officer, General Manager of Sales Headquarters of the Company (incumbent)	12,952 shares
		[Reasons for nomination as candidate for Director] Mr. Seiichi Kasutani has engaged in various important posts of the Company's Sales Division, and is currently working to enhance the Sales Division as Managing Executive Officer, General Manager of Sales Headquarters. He possesses extensive experience and far-ranging insight. The Company has nominated Mr. Seiichi Kasutani as a candidate for Director as the Company has determined that he will be able to utilize his extensive experience and track records and play a full role in the oversight of management as a whole, as well as in decision-making.		
8	[ Reelection ]  Katsutoshi Yogo (July 18, 1945)  [ Outside Director ] [ Independent Officer ]	April 1968 June 1996 June 1999 June 2004 June 2006 June 2011	Joined Toyota Motor Sales Co., Ltd. (current TOYOTA MOTOR CORPORATION) Manager of Vehicle Sales District 5 of Toyota Motor Sales Co., Ltd. Executive Director of OSAKA TOYOPET Corporation Representative Director, Vice President of TOYOTA FINANCE CORPORATION Representative Director, President of TOYOTA TOKYO COROLLA CORPORATION Outside Director of the Company (incumbent)	5,548 shares
		[Reasons for nomination as candidate for Outside Director] As a former manager of a leading Japanese automotive manufacturing company, Mr. Katsutoshi Yogo possesses extensive experience and far-ranging insight, and he has served as an Outside Director since 2011. The Company has nominated Mr. Katsutoshi Yogo as a candidate for Outside Director as the Company has determined that he will be able to utilize his extensive experience and track records and continue to supervise the executive operations of the Company and participate in the decision-making from an independent standpoint.		

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	[ New election ]  Ryu Matsumoto (June 26, 1952)  [ Outside Director ] [ Independent Officer ]	<p>April 1975      Joined The Seibu Department Stores, Limited (current Sogo &amp; Seibu Co., Ltd.)</p> <p>August 2009      Director &amp; Executive Officer of Sogo &amp; Seibu Co., Ltd.</p> <p>January 2010      Director &amp; Managing Executive Officer of Sogo &amp; Seibu Co., Ltd.</p> <p>February 2011      Director &amp; Senior Managing Executive Officer of Sogo &amp; Seibu Co., Ltd.</p> <p>March 2013      President and Representative Director of Sogo &amp; Seibu Co., Ltd. (Retired in October 2016)</p> <p>(Significant concurrent positions outside the Company) Councilor of Waseda University Councilor of Japan Institute of Design Promotion</p> <p>[Reasons for nomination as candidate for Outside Director] After joining a major department store, Mr. Ryu Matsumoto served as a President and Representative Director from 2013 to 2016, and possesses extensive experience and far-ranging insight as a manager in the retail sector. The Company has nominated Mr. Ryu Matsumoto as a candidate for Outside Director as the Company has determined that he will be able to utilize his extensive experience and track records and supervise the executive operations of the Company and participate in the decision-making from an independent standpoint.</p>	— shares
10	[ New election ]  Kaori Oishi (April 21, 1977)  [ Outside Director ] [ Independent Officer ]	<p>October 2001      Registered as Attorney at Law</p> <p>October 2001      Joined Kitahama Law Office</p> <p>January 2013      Partner of Kitahama Law Office (incumbent)</p> <p>(Significant concurrent positions outside the Company) Attorney at Law</p> <p>[Reasons for nomination as candidate for Outside Director] Ms. Kaori Oishi possesses expert knowledge and extensive experience gained as an Attorney at Law and is well versed in corporate legal affairs. Although Ms. Kaori Oishi has not been involved in past corporate management, the Company has nominated her as a candidate for Outside Director as the Company has determined that she will be able to supervise the executive operations of the Company and participate in the decision-making from an independent standpoint as well as with a woman's perspective.</p>	— shares

Notes:

1. There are no special interests between any of the candidates for Director and the Company.
2. MEDIPAL HOLDINGS CORPORATION is the Company's parent company. The positions and responsibilities that Mr. Kunio Mikita and Mr. Kunio Ninomiya currently hold, or have held in the past, as executives of the parent company are as described in the "Career summary, positions and responsibilities, and significant concurrent positions outside the Company" column.
3. Mr. Katsutoshi Yogo, Mr. Ryu Matsumoto and Ms. Kaori Oishi are candidates for Outside Director.
4. The Company has entered into an agreement under Article 427, Paragraph 1 of the Companies Act with Mr. Katsutoshi Yogo, to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If his election is approved, the Company plans to renew this agreement with him. If the election of Mr. Ryu Matsumoto and Ms. Kaori Oishi is approved, the Company plans to enter into the same limited liability agreement with them.
5. Mr. Katsutoshi Yogo is currently serving as Outside Director of the Company, and at the conclusion of this Meeting, he will have served in this role for six years.
6. The Company has provided notice that Mr. Katsutoshi Yogo is Independent Officer according to the stipulations of the Tokyo Stock Exchange. If the election of Mr. Katsutoshi Yogo is approved, he will continue to be designated as Independent Officer. If the election of Mr. Ryu Matsumoto and Ms. Kaori Oishi is approved, the Company will register them as Independent Officers stipulated by the Tokyo Stock Exchange.

**Proposal No. 3: Election of One (1) Audit & Supervisory Board Member**

The term of office of Audit & Supervisory Board Member, Mr. Yosuke Hagiwara will expire at the conclusion of this General Meeting. Therefore, the Company proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its consent to this proposal.

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

Name (Date of birth)	Career summary, positions, and significant concurrent positions outside the Company	Number of the Company's shares owned
[ New election ]  Kazunori Toyota (June 16, 1954)	April 1978      Joined Sanseido Co., Ltd. (current MEDIPAL HOLDINGS CORPORATION)  July 2004      Executive Officer of Sanseido Co., Ltd. April 2011      Senior Managing Executive Officer, General Manager of Management Planning Headquarters of the Company June 2012      Director, Senior Managing Executive Officer, General Manager of Management Planning Headquarters of the Company April 2014      Director, Senior Managing Executive Officer, General Manager of CSR Promotion Headquarters of the Company (incumbent)	18,124 shares
	[Reasons for nomination as candidate for Audit & Supervisory Board Member] Mr. Kazunori Toyota has engaged in various important posts of the Company's Management Planning Division, and after assuming the position of Director in 2012, he is currently worked on reinforcing overall CSR activities as Director, Senior Managing Executive Officer, General Manager of CSR Promotion Headquarters. The Company has nominated Mr. Kazunori Toyota as a candidate for Audit & Supervisory Board Member as the Company has determined that he will be able to utilize his extensive experience and far-ranging insight as a manager to play a full role in strengthening the Company's auditing system.	

Note: There are no special interests between the candidate for Audit & Supervisory Board Member and the Company.