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(Stock Exchange Code 9003)
June 7, 2017

To Shareholders with Voting Rights:

Hidekazu Hayashi
Representative Director, President
Sotetsu Holdings, Inc.
3-23, Kitasaiwai 1-chome, Nishi-ku,
Yokohama-shi, Kanagawa

NOTICE OF THE 149TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are cordially invited to attend the 149th Annual General Meeting of Shareholders of Sotetsu Holdings, Inc. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights via either of the methods below. Please review the Reference Documents for the General Meeting of Shareholders herein and exercise your voting rights by Wednesday, June 28, 2017 at 5:30 p.m. (Japan Time).

[If exercising voting rights in writing (mail)]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it such that it arrives by the above exercise deadline.

[If exercising voting rights via the Internet, etc.]

Please review the “Guide to exercising voting rights via the Internet, etc.” on page 4 and input your vote for or against the proposals by the above exercise deadline.

1. Date and Time: Thursday, June 29, 2017 at 10:00 a.m. (Japan Time)
(The venue will open at 9:00 a.m. Congestion is expected immediately before opening, so your early arrival is requested.)

2. Place: NICHIRIN, 5F, Yokohama Bay Sheraton Hotel & Towers,
3-23, Kitasaiwai 1-chome, Nishi-ku, Yokohama-shi, Kanagawa

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 149th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 149th Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Consolidation of Shares
Proposal 3: Election of 7 Directors

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1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Additionally, to preserve resources, please bring this document with you.
 2. Aside from each document in this Notice of Convocation, the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board include the Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements that are posted on the Company's website (<http://www.sotetsu.co.jp/ir/index.html>). Furthermore, the Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements are not included in this Notice of Convocation pursuant to laws and regulations and Article 17 of the Articles of Incorporation of the Company.
 3. Should revisions be required to the attached documents or the Reference Documents for the General Meeting of Shareholders, revised versions will be posted on the Company's website (<http://www.sotetsu.co.jp/ir/index.html>).

Guide to Exercise of Voting Rights, etc.

Voting rights may be exercised by the following three methods.

If attending the General Meeting of Shareholders:

Submission to the reception desk

Please submit the Voting Rights Exercise Form at the reception. (No stamp is required.)

Date and time: Thursday, June 29, 2017 at 10:00 a.m. Japan time (reception begins at 9:00 a.m.)

If not attending the General Meeting of Shareholders:

Via mail

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and mail it without affixing postage.

Exercise deadline: Arrival by Wednesday, June 28, 2017 at 5:30 p.m.

Via the Internet, etc.

Use the voting rights exercise website and QR code, etc., on page 4, use the “voting rights exercise code” and “password” indicated on the enclosed Voting Rights Exercise Form, and input your vote for or against the proposals.

Exercise deadline: Until Wednesday, June 28, 2017 at 5:30 p.m.

How to use the Voting Rights Exercise Form

Please indicate your vote for or against the proposal here.

Proposal 1 and Proposal 2

- If for the proposal: Mark a circle on the “賛” field
- If against the proposal: Mark a circle on the “否” field

Proposal 3

- If for all of the candidates: Mark a circle on the “賛” field
- If against all of the candidates: Mark a circle on the “否” field
- If for or against some of the candidates: Mark a circle on the “賛” field and indicate the candidate numbers that you are against, or mark a circle on the “否” field and indicate the candidate numbers that you are for.

The voting rights exercise code and password are shown, which are required to exercise voting rights via the Internet.

Guide to exercising voting rights via the Internet, etc.

Please access the voting rights exercise website (<http://www.web54.net>) from a personal computer, smartphone, or mobile phone.

Please confirm the following matters prior to exercise of voting rights.

1. About the voting rights exercise website

- (1) Exercise of voting rights via the Internet is only available by accessing the voting rights exercise website designated by the Company from a personal computer, etc.
- (2) It is also possible to use a smartphone or mobile phone with barcode reading capabilities to read the QR code and access the voting rights exercise website.
- (3) If firewalls, etc., antivirus software, or proxy servers are in use, etc., for the Internet connection, or depending upon the Internet user environment, it may not be possible to use the voting rights exercise website.

2. About handling of the voting rights exercise code and the password

- (1) The password is important information to verify that the person exercising the voting rights is the shareholder, so please handle it with care.
- (2) Failure to correctly enter the password more than a certain number of times will make the password invalid. For shareholders wishing to obtain a reissuance of the password, please follow the procedures of the on-screen guidance.
- (3) The voting rights exercise code and password indicated on the Voting Rights Exercise Form are valid only for this General Meeting.

3. About handling of multiple exercise of voting rights

If voting rights are exercised multiple times, the last voting rights exercised shall be deemed the valid exercise of voting rights. Additionally, if voting rights are exercised both via the Voting Rights Exercise Form and the Internet, the final voting rights to arrive shall be deemed the valid exercise of voting rights. Furthermore, if the Voting Rights Exercise Form and the exercise via the Internet arrive on the same date, the voting rights exercised via the Internet shall be deemed the valid exercise of voting rights.

4. About fees arising from accessing the voting rights exercise website

Internet service provider and communications provider fees (connection fees, etc.) for accessing the voting rights exercise website shall be borne by the shareholder.

5. About inquiries regarding how to use the personal computer, etc.

If how to use the personal computer, smartphone, or mobile phone, etc., regarding the exercise of voting rights via the Internet is unclear, please contact the following.

Inquiries regarding the system, etc.:

Sumitomo Mitsui Trust Bank Limited, Stock Transfer Agency Department “Web Support” (dedicated line)
Telephone: 0120-652-031 (Hours of operation: 9:00 a.m. to 9:00 p.m.)

About the Electronic Voting Platform

Nominal shareholders (including standing proxies) of management trust banks, etc., may use the Electronic Voting Platform operated by ICJ, Inc., established by the Tokyo Stock Exchange, Inc. and others, if registration was made in advance. As a method to exercise voting rights via electromagnetic method for this General Meeting of Shareholders, said platform may be used in addition to the exercise of voting rights via the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Sotetsu Group is in a highly public industry with the railway business as its core business, and as healthy management over an extended period is desirable, the Company holds as a basic policy to consider the management environment and capital investment plans, etc., and work to enrich internal reserves while making distribution of profits corresponding to business results. Specifically, the Company works toward distribution of profits with a consolidated dividend payout ratio of about 30%, corresponding to business results.

Regarding year-end dividends for the fiscal year under review, the Company proposes ordinary dividends based on the above policy, combined with commemorative dividends to mark the 100th anniversary of the Sotetsu Group's founding, as follows.

1. Matters concerning the allotment of dividend property to shareholders and the total amount

6.50 yen per share of common stock of the Company

(Ordinary dividends: 5 yen, Commemorative dividends: 1.50 yen)

Total amount: 3,184,731,843 yen

Additionally, as 4 yen per share was paid as an interim dividend, annual dividends for the fiscal year under review will be 10.50 yen per share (ordinary dividends of 9 yen, commemorative dividends of 1.50 yen).

2. Effective date of distribution of surplus

June 30, 2017

Proposal 2: Consolidation of Shares

1. Reasons for the proposal

Japanese stock exchanges have announced the “Action Plan for Consolidating Trading Units,” which aims to unify the trading units for common stock of all domestically listed companies to 100 shares by October 1, 2018.

The Company, listed on the Tokyo Stock Exchange, respects the effect. It resolved at the meeting of the Board of Directors held on May 25 2017, on changing the number of shares constituting one trading unit from 1,000 shares to 100 shares, subject to the approval of this Proposal as originally proposed. In line with this, the Company proposes a consolidation of shares taking into account medium- to long-term stock price fluctuation, to achieve an investment unit deemed appropriate.

2. Ratio of consolidation

For common stock of the Company, the consolidation will be at a rate of one share for every five shares.

Additionally, if fractional shares of less than one share arise as a result of the consolidation of shares, such shares shall be subject to a bulk sale in accordance with the Companies Act, and the proceeds shall be distributed to shareholders who hold the fractional shares in proportion to the number of fractional shares they hold.

3. Effective date

October 1, 2017

4. Total number of authorized shares as of the effective date

240,000,000 shares

Additionally, pursuant to Article 182, Paragraph 2 of the Companies Act, in conducting the consolidation of shares, the amendments to the Articles of Incorporation regarding the total number of authorized shares shall be made on the effective date.

(Reference)

If this Proposal is approved as originally proposed, the Articles of Incorporation of the Company shall be partially amended as follows, effective October 1, 2017.

(Underlines indicate amended portions)

(Total number of authorized shares) Article 7 The total number of authorized shares of the Company shall be <u>1,200,000,000 shares</u> .	(Total number of authorized shares) Article 7 The total number of authorized shares of the Company shall be <u>240,000,000 shares</u> .
(Number of shares constituting one trading unit) Article 9 The number of shares constituting one trading unit of the Company’s stock shall be <u>1,000 shares</u> .	(Number of shares constituting one trading unit) Article 9 The number of shares constituting one trading unit of the Company’s stock shall be <u>100 shares</u> .

Proposal 3: Election of 7 Directors

The term of office of Directors Makoto Torii, Hidekazu Hayashi, Hiroshi Kojima, Takamasa Kato, Masamune Suzuki, Yorihiro Osuga, and Mitsuko Kagami will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 7 Directors is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Number of shares of the Company held	
1	Makoto Torii (January 31, 1949) [Reelection]	April 1971 July 1994 June 1998 July 2000 June 2001 June 2003 June 2003 June 2007 June 2007 June 2007 June 2007 June 2013	Joined the Company General Manager, Planning Department, Real Estate Business Headquarters Director Division Manager, Corporate Administration Division Managing Director Director, President, Sotetsu Building Management Co., Ltd. General Manager, Building Business Headquarters Director (to the present) Representative Director (to the present) President Executive President Chairman (to the present)	478,889
		Reasons for selection as a candidate for Director Mr. Makoto Torii has been involved in the management of the Company as Representative Director, Chairman of the Board of Directors, while appropriately conducting supervision of management and determination of important matters, etc. at the Company and its subsidiaries for many years, and as he has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.		
2	Hidekazu Hayashi (January 15, 1949) [Reelection]	April 1972 November 1996 July 1998 June 2000 April 2005 April 2005 June 2007 June 2007 July 2010 June 2011 June 2012 June 2013 June 2013	Joined the Company General Manager, Corporate Planning Division (New Business Department) General Manager, Corporate Planning Division (Related Business Department) Director (to the present) Managing Executive Officer Deputy Division Manager, Group Strategy Division Senior Managing Executive Officer Division Manager, Group Strategy Division Division Manager, Corporate Strategy Division Executive Vice President Representative Director (to the present) President (to the present) Executive President (to the present)	102,089
		Reasons for selection as a candidate for Director Mr. Hidekazu Hayashi has been involved in the management of the Company as Representative Director, President while belonging to the group strategy section of the Company for many years, and as he has a wealth of achievements regarding management and has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.		

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)		Number of shares of the Company held
3	Hiroshi Kojima (June 11, 1954) [Reelection]	April 1979	Joined the Company	63,240
		July 2001	Transferred to SOTETSU KIGYO Co., Ltd.	
July 2001	General and Personnel Affairs Department, SOTETSU KIGYO Co., Ltd.			
July 2006	Joined the Company			
June 2007	Director, SOTETSU KIGYO Co., Ltd.			
June 2008	Standing Audit & Supervisory Board Member			
June 2012	Director (to the present)			
June 2012	Executive Officer			
June 2012	General Manager, General Affairs Department			
June 2013	Managing Executive Officer (to the present)			
<p>Significant concurrent positions Director, President (Representative Director), SOTETSU WISH Co., Ltd.</p> <p>Reasons for selection as a candidate for Director Mr. Hiroshi Kojima has been involved in business execution as General Manager, General Affairs Department and the Director in charge of the Labor Department of the Company, and subsequent to serving in the administrative division at the Company and subsidiaries, he has experience in the supervision of business execution as a Standing Audit & Supervisory Board Member of the Company, and as he has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.</p>				
4	Takamasa Kato (January 30, 1963) [Reelection]	April 1985	Joined the Company	28,922
		April 2009	General Manager, Group Strategy Division (Department 3)	
June 2013	Executive Officer (to the present)			
June 2014	Director (to the present)			
June 2015	Division Manager, Corporate Strategy Division (to the present)			
<p>Reasons for selection as a candidate for Director Mr. Takamasa Kato has been involved in business execution as Division Manager, Corporate Strategy Division of the Company, and aside from achievements regarding matters related to corporate strategy of the Company and subsidiaries and promoting the “<i>Vision 100</i>” group vision, he has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.</p>				
5	Masamune Suzuki (August 30, 1962) [Reelection]	April 1987	Joined the Company	6,866
		June 2004	Director, Japan Urban Planning Co., Ltd.	
June 2011	Director, Sotetsu Urban Creates Co., Ltd.			
June 2015	Director (to the present)			
June 2015	Executive Officer (to the present)			
June 2015	General Manager, Corporate Strategy Division (Department 3) (to the present)			
<p>Significant concurrent positions Director, President (Representative Director), SOTETSU Next Stage Co., Ltd.</p> <p>Reasons for selection as a candidate for Director Mr. Masamune Suzuki has been involved in business execution as Director of the Company, and aside from having high specialization toward the real estate development business from serving as Director of Sotetsu Urban Creates Co., Ltd., a real estate business company of the Group, he has important qualities as a Director of the Company, his continuous election is requested as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Number of shares of the Company held
6	Mitsuko Kagami (May 18, 1958) [Independent Director] [Reelection]	April 1985 Assistant judge, Tokyo District Court January 1995 Registered as an Attorney-at-law (Dai-Ichi Tokyo Bar Association) (to the present) June 2015 Director, the Company (to the present)	1,000
	<p>Significant concurrent positions Outside Director, MEDIPAL HOLDINGS CORPORATION</p> <p>Reasons for selection as a candidate for Outside Director Ms. Mitsuko Kagami has specialized knowledge and experience, etc., as an attorney, and to utilize these in the management of the Company, her election is requested as Outside Director. Additionally, although she has not been involved in corporate management aside from roles as Outside Director and Outside Audit & Supervisory Board Member, due to the above reasons, the Company believes that she can appropriately execute the duties of Outside Director.</p>		
7	Toshimitsu Yamaki (May 3, 1947) [Independent Director] [New election]	June 1999 Director, Odakyu Electric Railway Co., Ltd. June 2001 Managing Director and Executive Officer, Odakyu Electric Railway Co., Ltd. June 2003 Executive Director and Executive Officer, Odakyu Electric Railway Co., Ltd. June 2005 Vice President and Executive Officer, Odakyu Electric Railway Co., Ltd. June 2011 President & CEO, Odakyu Electric Railway Co., Ltd. April 2017 Chairman and Executive Officer, Odakyu Electric Railway Co., Ltd. (to the present)	3,000
	<p>Significant concurrent positions Chairman (Representative Director) and Executive Officer, Odakyu Electric Railway Co., Ltd. Outside Director of Kanagawa Chuo Kotsu Co., Ltd.</p> <p>Reasons for selection as a candidate for Outside Director Mr. Toshimitsu Yamaki has a wealth of experience and wide knowledge in the area of transportation business. His election is requested as a candidate for Outside Director, since the Company believes that his experience and knowledge will be a valuable asset to its management.</p>		

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. Matters regarding candidates for Outside Director are as follows.
 - (1) Ms. Mitsuko Kagami and Mr. Toshimitsu Yamaki are candidates for Outside Director. Furthermore, the Company has designated Ms. Mitsuko Kagami as Independent Director as defined by the Tokyo Stock Exchange, and submitted her to said Exchange. Additionally, the Company also plans to designate Mr. Toshimitsu Yamaki as Independent Director as defined by the Tokyo Stock Exchange, and submit him to said Exchange.
 - (2) Number of years since candidates for Outside Director assumed office
The term of office of Ms. Mitsuko Kagami as Outside Director is two years as of the conclusion of this General Meeting of Shareholders.
 - (3) Liability limitation agreements with candidates for Outside Director
The Company has concluded a liability limitation agreement with Ms. Mitsuko Kagami to limit the liability for damages of Article 423, Paragraph 1 of the Companies Act, and the limit of liability for damages under said agreement is the minimum amount of liability as stipulated by laws and regulations.
If the election of Mr. Toshimitsu Yamaki is approved, the Company plans to conclude a liability limitation agreement to limit the liability for damages of Article 423, Paragraph 1 of the Companies Act, and the limit of liability for damages under said agreement is the minimum amount of liability as stipulated by laws and regulations.
3. Each candidate for Director approves of the “Countermeasures (Anti-takeover Defenses) Against Large-scale Purchases of the Company's Stock” that have been adopted since June 2007.