

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities identification code: 1835
June 5, 2017

To our shareholders:

Naomichi Yagishita
President, Representative Director
TOTETSU KOGYO CO., LTD.
4th Floor, JR Shinanomachi Building,
34 Shinanomachi, Shinjuku-ku, Tokyo

NOTICE OF CONVOCATION OF THE 74th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 74th Ordinary General Meeting of Shareholders of Totetsu Kogyo Co., Ltd. (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 by either one of the following two methods. Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders.

[Exercise of Voting Rights in Writing]

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it to the Company, ensuring that the form reaches us no later than 5:30 p.m., Monday, June 26, 2017 (Japan Standard Time).

[Exercise of Voting Rights via the Internet]

Enter your vote for or against the proposals on the website for exercise of voting rights designated by the Company (<http://www.it-soukai.com>), and exercise your voting rights by 5:30 p.m., Monday, June 26, 2017 (Japan Standard Time).

Meeting Details

- 1. Date and Time:** 10:00 a.m., Tuesday, June 27, 2017 (Japan Standard Time)
- 2. Venue:** Meeting Room, Head Office of the Company
4th Floor, JR Shinanomachi Building, 34 Shinanomachi, Shinjuku-ku, Tokyo
- 3. Purposes:**

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 74th Term (from April 1, 2016 to March 31, 2017), as well as the results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 74th Term (from April 1, 2016 to March 31, 2017)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of ten (10) Directors
- Proposal 3:** Election of one (1) Audit & Supervisory Board Member
- Proposal 4:** Election of one (1) Substitute Audit & Supervisory Board Member

4. Exercise of Voting Rights, etc.:

Please refer to “Exercise of Voting Rights, etc.” (Japanese only).

- For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.
- Of the documents that should be submitted along with this Notice of Convocation, as the Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements have been published on the website of the Company (<http://www.totetsu.co.jp/ir/meeting.html>), pursuant to the law and the provisions of Article 15 of the Company’s Articles of Incorporation, these have not been included in the attached documents. Therefore, the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board, in addition to the documents attached to this Notice of Convocation, include the Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements published on the Company’s website. (prepared in Japanese only)
- Any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements will be posted on the website of the Company (<http://www.totetsu.co.jp/ir/meeting.html>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

With regard to distribution of profits, the Company's basic policy is to continue to offer stable dividends, to maintain internal reserves for enhancing shareholders' equity and investment, and to grant dividends proportional to revenue.

Based on this policy and in consideration of the Group's results for the fiscal year, as well as future business development, the Company proposes the year-end dividends for this term and other appropriation of surplus as follows:

1. Matters related to year-end dividends

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

27 yen per common share of the Company

Total amount of dividends: 945,766,287 yen

Accordingly, including the interim dividend of 21 yen per share, the annual dividend for the fiscal year is 48 yen per share, which is 8 yen increase from the previous fiscal year.

(3) Effective date of distribution of dividends of surplus

June 28, 2017

2. Matters related to other appropriation of surplus

(1) Item of surplus to be increased and amount of increase thereof

General reserve: 6,500,000,000 yen

(2) Item of surplus to be decreased and amount of decrease thereof

Retained earnings brought forward: 6,500,000,000 yen

Proposal 2: Election of ten (10) Directors

The terms of office of ten (10) Directors, Masahiko Ogura, Naomichi Yagishita, Junji Miyamoto, Akira Kitazawa, Choichi Ito, Kazuo Inoue, Hitoshi Koike, Osamu Sekine, Takashi Suetsuna, and Katsumi Ise, will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests that ten (10) Directors be elected.

Our policy for nominating candidates for Director is that candidates must be able to fulfill all duties as Director having received a mandate from shareholders, and possess extensive experience and specialist knowledge in their respective fields, while also possessing exceptional character and discernment, as well as good judgment. Based on this policy, final selection is made after deliberation and approval of the Board of Directors having heard the opinion of the Management Advisory Committee (half of which comprises Independent Outside Directors), which is a non-binding advisory body to the Board of Directors for particularly important matters relating to corporate governance.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Masahiko Ogura (February 3, 1952) [Reelection]	<p>Apr. 1974 Joined Japanese National Railways</p> <p>Apr. 1987 Joined East Japan Railway Company Manager of Track Maintenance Division, Facilities Department, Tokyo Transport Headquarters</p> <p>Apr. 1988 Deputy General Manager of Engineering Division, Morioka Branch Office, East Japan Railway Company</p> <p>Apr. 1990 Senior Manager of Transport Safety Department, Railway Operations Headquarters, East Japan Railway Company</p> <p>Feb. 1991 Manager of Track Maintenance Division, Track & Structures and Electric Engineering Department, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 1993 Manager of Planning Division, Planning Department, Affiliated Enterprises Headquarters, East Japan Railway Company</p> <p>June 1997 Manager of Planning & Environment Preservation Division, Facilities Department, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 1998 General Manager of Facilities Department, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2000 General Manager of Facilities Department, Railway Operations Headquarters, East Japan Railway Company Outside Director of the Company (until June 2002)</p> <p>June 2002 Director and General Manager of Yokohama Branch Office, East Japan Railway Company</p> <p>June 2004 Executive Director and Deputy Director General of Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2008 Joined the Company. President, Representative Director</p> <p>June 2016 Chairman of the Board of Directors (present position)</p>	24,800
<p>Reasons for nomination as candidate for Director</p> <p>Masahiko Ogura has extensive experience and insight in the railway construction business in general, and as a company manager, due to his tenure as Executive Director and Deputy Director General of Railway Operations Headquarters, East Japan Railway Company, and as President, Representative Director of the Company. He has been Chairman of the Board of Directors since June 2016, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Naomichi Yagishita (December 6, 1955) [Reelection]	Apr. 1979 Joined Japanese National Railways Apr. 1987 Joined East Japan Railway Company Chief of Ofuna Track Section, Tokyo Transport Headquarters, East Japan Railway Company Apr. 1991 Manager of Personnel Section, General Affairs Division, Morioka Branch Office, East Japan Railway Company Dec. 1993 Senior Manager of Management Administration Department, Corporate Planning Headquarters, East Japan Railway Company Feb. 1996 Deputy General Manager of Engineering Division, Niigata Branch Office, East Japan Railway Company Jan. 2003 Manager of Planning & Environment Preservation Division, Facilities Department, Railway Operations Headquarters, East Japan Railway Company Apr. 2003 Deputy General Manager of Facilities Department (Planning & Environment Preservation), Railway Operations Headquarters, East Japan Railway Company June 2007 General Manager of Transport Safety Department, Railway Operations Headquarters, East Japan Railway Company June 2008 Director and General Manager of Facilities Department, Railway Operations Headquarters, East Japan Railway Company Outside Director of the Company (until June 2010) June 2010 Executive Director, Deputy Director General of Railway Operations Headquarters, East Japan Railway Company June 2014 Executive Vice President and Representative Director, East Japan Railway Company June 2016 Joined the Company. President, Representative Director (present position)	1,000
<p>Reasons for nomination as candidate for Director</p> <p>Naomichi Yagishita has extensive experience and insight in the railway construction business in general, and as a company manager, due to his tenure as Executive Director and Deputy Director General of Railway Operations Headquarters, East Japan Railway Company, and as Executive Vice President and Representative Director of said company. He has been President, Representative Director of the Company since June 2016, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p style="text-align: center;">Junji Miyamoto (June 27, 1951)</p> <p style="text-align: center;">[Reelection]</p>	<p>Apr. 1974 Joined The Fuji Bank, Limited</p> <p>May 1989 Deputy General Manager, Treasury & Securities Planning Division, The Fuji Bank, Limited</p> <p>Apr. 1992 Seconded to Fuji International Investment Management Co., Ltd., Senior Vice President, Planning Division</p> <p>Nov. 1994 Joint General Manager, London Branch, The Fuji Bank, Limited</p> <p>May 1998 Seconded to Fuji International Finance PLC (London), Managing Director & Chief Executive</p> <p>May 2001 General Manager, Corporate Banking Division II, The Fuji Bank, Limited</p> <p>Apr. 2002 General Manager, Otemachi Corporate Banking Division No.4, Mizuho Corporate Bank, Ltd.</p> <p>Apr. 2003 Deputy Director General, Mizuho Bank, Ltd. Seconded to the Company, Project General Manager, Planning Department of the Company</p> <p>June 2003 General Manager, Corporate Planning Department of the Company</p> <p>July 2004 Joined the Company. Executive Officer, General Manager, Corporate Planning Department</p> <p>Jan. 2006 Executive Officer, General Manager, Corporate Planning Department, Finance & Corporate Planning Group</p> <p>June 2006 Managing Director & Executive Officer, Head, Finance & Corporate Planning Group</p> <p>June 2013 Senior Managing Director & Executive Officer, Head, Finance & Corporate Planning Group (present position)</p>	22,900
<p>Reasons for nomination as candidate for Director</p> <p>Junji Miyamoto has extensive experience and insight in the global international finance industry, and in the construction business in general, due to his tenure as Managing Director & Chief Executive, Fuji International Finance PLC (London), General Manager, Corporate Banking Division II, The Fuji Bank, Limited, and General Manager, Otemachi Corporate Banking Division No.4, Mizuho Corporate Bank, Ltd. He is currently serving in the position of Chief Financial Officer (CFO) as Senior Managing Director & Executive Officer, Head, Finance & Corporate Planning Group, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Choichi Ito (March 14, 1950) [Reelection]	<p>Apr. 1972 Joined Japanese National Railways</p> <p>Apr. 1987 Joined East Japan Railway Company</p> <p>June 2003 Deputy General Manager of Facilities Division, Omiya Branch Office, East Japan Railway Company</p> <p>June 2006 Omiya Branch Office, East Japan Railway Company Seconded to the Company, Deputy General Manager, Hachioji Branch of the Company</p> <p>June 2006 Executive Officer, General Manager, Hachioji Branch</p> <p>Apr. 2007 Joined the Company. Executive Officer, General Manager, Hachioji Branch</p> <p>Oct. 2008 Executive Officer, Head, Railway Safety Development Group</p> <p>Apr. 2009 Executive Officer, Head, Railway Safety Development Group, and Head, Safety & Technology Development Group</p> <p>June 2011 Managing Director & Executive Officer, Head, Railway Track Maintenance Business Group (present position)</p>	19,000
<p>Reasons for nomination as candidate for Director</p> <p>Choichi Ito has extensive experience and insight in the railway construction business in general, due to his tenure as Deputy General Manager of Facilities Division, Omiya Branch Office, East Japan Railway Company and Executive Officer, Head, Railway Safety Development Group of the Company. He is currently serving in the position of Managing Director & Executive Officer, Head, Railway Track Maintenance Business Group, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to continue serving as a Director.</p>			
5	Hitoshi Koike (March 3, 1953) [Reelection]	<p>Apr. 1977 Joined the Company.</p> <p>Apr. 2000 Project General Manager, Railway Track Maintenance Business Department, and Project General Manager, Safety Development Department, Railway Track Maintenance Business Group</p> <p>Apr. 2001 General Manager, Railway Track Maintenance Business Department, Saitama Branch</p> <p>June 2003 General Manager, Saitama Branch</p> <p>July 2004 Executive Officer, General Manager, Tokyo Branch (Railway Track Maintenance Business)</p> <p>June 2006 Executive Officer, General Manager, Takasaki Branch</p> <p>Dec. 2007 Executive Officer, Deputy Head, Business Administration Group, General Manager, General Affairs Department</p> <p>Oct. 2008 Executive Officer, Deputy Head, Railway Track Maintenance Business Group</p> <p>Nov. 2013 Executive Officer, Deputy Head, Railway Track Maintenance Business Group, General Manager, Technology Development Department</p> <p>June 2015 Director & Executive Officer, Head, Business Administration Group (present position)</p>	18,000
<p>Reasons for nomination as candidate for Director</p> <p>Hitoshi Koike has extensive experience and insight in the construction business in general, due to his tenure as Executive Officer, General Manager, Tokyo Branch (Railway Track Maintenance Business), Executive Officer, Deputy Head, Business Administration Group, and Executive Officer, Deputy Head, Railway Track Maintenance Business Group. He is currently serving in the position of Director & Executive Officer, Head, Business Administration Group, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Katsumi Suga (August 28, 1953) [New election]	<p>Apr. 1977 Joined the Company.</p> <p>June 2003 General Manager, Civil Engineering Business Department, Tokyo Branch and General Manager, Civil Estimation Department</p> <p>Nov. 2003 General Manager, Civil Engineering Business Department, Civil Engineering Business Group</p> <p>May 2005 President, Representative Director of Toko Yamanote Co., Ltd. (currently Totetsu Maintenance Koji Co., Ltd.)</p> <p>June 2006 Executive Officer, General Manager, Chiba Branch</p> <p>Dec. 2007 Executive Officer, General Manager, Takasaki Branch</p> <p>Mar. 2013 Managing Executive Officer, Presidential Project Manager, Ochanomizu Disaster Prevention JV Construction Site, Tokyo Branch (Civil Engineering Business)</p> <p>June 2016 Managing Executive Officer, Deputy Head, Civil Engineering Business Group and General Manager, Civil Engineering & Design Department (present position)</p>	8,400
<p>Reasons for nomination as candidate for Director</p> <p>Katsumi Suga has extensive experience and insight in the construction business in general, due to his tenure as Executive Officer, General Manager, Chiba Branch, Executive Officer, General Manager, Takasaki Branch, and Managing Executive Officer, Presidential Project Manager, Ochanomizu Disaster Prevention JV Construction Site, Tokyo Branch (Civil Engineering Business). He is currently serving in the position of Managing Executive Officer, Deputy Head, Civil Engineering Business Group, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to serve as a Director.</p>			
7	Hideo Ogashiwa (January 30, 1954) [New election]	<p>Apr. 1972 Joined the Company.</p> <p>July 2003 Project General Manager, Architecture Department, Takasaki Branch</p> <p>Jan. 2005 Project General Manager, Construction Department, Tokyo Branch (Architectural Business)</p> <p>Apr. 2006 Project General Manager, Architecture Department, Tokyo Branch (Architectural Business)</p> <p>July 2007 General Manager, Architecture Department, Saitama Branch</p> <p>June 2011 General Manager, Architectural Planning Department, Architectural Business Group</p> <p>June 2013 Executive Officer, Deputy Head, Architectural Business Group and General Manager, Architectural Planning Department (present position)</p>	7,000
<p>Reasons for nomination as candidate for Director</p> <p>Hideo Ogashiwa has extensive experience and insight in the construction business in general, due to his tenure as General Manager, Architecture Department, Saitama Branch, and General Manager, Architectural Planning Department, Architectural Business Group. He is currently serving in the position of Executive Officer, Deputy Head, Architectural Business Group, and as he is an indispensable human resource for the further improvement of the corporate value of the Company, he has been nominated as a candidate to serve as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Osamu Sekine (June 14, 1942) [Reelection] [Outside Director] [Independent Officer]	Apr. 1969 Registered as attorney-at-law May 1974 Completed Harvard Law School LL.M. June 1974 Lovejoy, Wasson, Lundgren & Ashton (New York) Jan. 1987 Established Tsunematsu Yanase & Sekine Jan. 2000 Partner at Nagashima Ohno & Tsunematsu due to merger with Nagashima & Ohno Jan. 2008 Adviser, Nagashima Ohno & Tsunematsu (until December 2012) June 2008 Outside Director of the Company (present position) Apr. 2013 Of Counsel of Aoyama Law Offices (present position) [Significant concurrent positions outside the Company] Outside Corporate Auditor, The Tokyo Tanshi Co., Ltd. Outside Corporate Auditor, Mitsui Chemicals, Inc.	—
<p>Reasons for nomination as candidate for Outside Director</p> <p>Osamu Sekine has extensive experience and insight as an attorney and professor at a graduate law school. As the Board of Directors is currently receiving beneficial and active advice from him with the aim of the sustainable growth of the Company and the improvement of corporate value in the medium to long term, he has been nominated as a candidate to continue serving as an Outside Director.</p>			
9	Takashi Suetsuna (March 8, 1949) [Reelection] [Outside Director] [Independent Officer]	Apr. 1974 Joined National Police Agency Feb. 1994 Chief of the Kochi Prefectural Police Headquarters Sept. 1997 Director, Finance Division of Commissioner General's Secretariat, National Police Agency Sept. 2001 Chief Inspector General of Commissioner General's Secretariat, National Police Agency Aug. 2002 Chief of the Kanagawa Prefectural Police Headquarters Aug. 2004 Deputy Superintendent General, Tokyo Metropolitan Police Department Sept. 2005 Chief Chamberlain of the Board of the Crown Prince's Household, Imperial Household Agency Apr. 2009 Ambassador Extraordinary and Plenipotentiary of Japan to Grand Duchy of Luxembourg June 2012 Resigned from above ambassadorial position June 2015 Outside Director of the Company (present position) [Significant concurrent positions outside the Company] Outside Audit & Supervisory Board Member, Marubeni Corporation Outside Audit & Supervisory Board Member, Kandenko Co., Ltd. Outside Statutory Auditor, Keikyu Corporation Outside Audit & Supervisory Board Member, JCR Pharmaceuticals Co., Ltd.	—
<p>Reasons for nomination as candidate for Outside Director</p> <p>Takashi Suetsuna has extensive experience and insight in the government sector. As the Board of Directors is currently receiving beneficial and active advice from him with the aim of the sustainable growth of the Company and the improvement of corporate value in the medium to long term, he has been nominated as a candidate to continue serving as an Outside Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
10	Katsumi Ise (February 12, 1965) [Reelection] [Outside Director]	<p>Apr. 1988 Joined East Japan Railway Company</p> <p>Oct. 2003 Manager of Facilities Department (Track Maintenance), Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2006 Manager of Facilities Department (Planning & Environment Preservation), Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2008 Deputy General Manager of Facilities Division, Yokohama Branch Office, East Japan Railway Company</p> <p>Apr. 2009 Deputy General Manager of Facilities Department (Track Maintenance), Railway Operations Headquarters, East Japan Railway Company</p> <p>Nov. 2013 Facilities Department, Railway Operations Headquarters, East Japan Railway Company Seconded to Hokkaido Railway Company (Deputy Director General of Railway Operations Headquarters)</p> <p>May 2015 General Manager of Facilities Department, Railway Operations Headquarters, East Japan Railway Company</p> <p>June 2015 Executive Officer and General Manager of Investment Planning Department, Corporate Planning Headquarters, East Japan Railway Company</p> <p>June 2016 Executive Officer and General Manager of Facilities Department, Railway Operations Headquarters, East Japan Railway Company (present position)</p> <p>June 2016 Outside Director of the Company (present position)</p>	-
<p>Reasons for nomination as candidate for Outside Director</p> <p>Katsumi Ise has extensive experience and insight at East Japan Railway Company. As the Board of Directors is currently receiving beneficial and active advice from him with the aim of the sustainable growth of the Company and the improvement of corporate value in the medium to long term, he has been nominated as a candidate to continue serving as an Outside Director.</p>			

- Notes:
1. Osamu Sekine, Takashi Suetsuna, and Katsumi Ise are candidates for Outside Director.
 2. Candidates for Director Osamu Sekine, Takashi Suetsuna, and Katsumi Ise are currently Directors of the Company, and their respective tenures as Outside Directors will have been nine (9) years for Osamu Sekine, two (2) years for Takashi Suetsuna, and one (1) year for Katsumi Ise upon the conclusion of this Ordinary General Meeting of Shareholders.
 3. Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered liability limitation agreements with Osamu Sekine, Takashi Suetsuna, and Katsumi Ise that limit the maximum amount of liability provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability in accordance with the agreements shall be the minimum liability amount stipulated by laws and regulations. If the reelection of Osamu Sekine, Takashi Suetsuna, and Katsumi Ise is approved, the Company plans to continue such agreements with them.
 4. The Company has provided notice that Osamu Sekine and Takashi Suetsuna are Independent Officers according to the stipulations of the Tokyo Stock Exchange.
 5. Candidate for Director Katsumi Ise concurrently serves in the position of Executive Officer and General Manager of Facilities Department, Railway Operations Headquarters of East Japan Railway Company. East Japan Railway Company is a major shareholder and specified related business operator of the Company.
(There is no special interest between any of the other candidates for Directors and the Company.)

Proposal 3: Election of one (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Masayoshi Kurihara will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests that one (1) Audit & Supervisory Board Member be elected.

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 and position in the Company (Significant concurrent positions outside the Company)		Number of the Company's shares owned
Masayoshi Kurihara (January 5, 1957) [Reelection] [Outside Audit & Supervisory Board Member] [Independent Officer]	Apr. 1979 Oct. 2000 July 2004 Oct. 2005 Apr. 2007 June 2013	Joined Tekken Corporation. Accounting Group Leader of General Affairs Department, Tokyo Branch, Tekken Corporation General Manager of General Affairs Department, Higashi- kanto Branch, Tekken Corporation General Manager of General Affairs Department, Tokyo Branch, Tekken Corporation General Manager of General Affairs Department, Tokyo Railway Branch, Tekken Corporation Full-Time Audit & Supervisory Board Member of the Company (present position)	1,600
Reasons for nomination as candidate for Outside Audit & Supervisory Board Member Masayoshi Kurihara has extensive experience and insight in the construction business in general, due to his tenure as General Manager of General Affairs Department, Tokyo Railway Branch, Tekken Corporation, and as he also has knowledge in finance and accounting, it has been determined that he is able to perform the duties of Audit & Supervisory Board Member, and has therefore been nominated to continue serving as an Outside Audit & Supervisory Board Member.			

- Notes:
1. There is no special interest between Masayoshi Kurihara, a candidate for Audit & Supervisory Board Member and the Company.
 2. Masayoshi Kurihara is a candidate for Outside Audit & Supervisory Board Member.
 3. Masayoshi Kurihara is currently an Outside Audit & Supervisory Board Member of the Company, and his tenure as an Audit & Supervisory board Member will have been four (4) years upon the conclusion of this Ordinary General Meeting of Shareholders.
 4. Based on the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered liability limitation agreements with Masayoshi Kurihara that limit the maximum amount of liability provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability in accordance with the agreements shall be the minimum liability amount stipulated by laws and regulations. If the reelection of Masayoshi Kurihara is approved, the Company plans to continue such agreements with him.
 5. The Company has provided notice to the Tokyo Stock Exchange that Masayoshi Kurihara has been designated as an Independent Officer as provided for by the aforementioned exchange. If the reelection of Masayoshi Kurihara is approved, the Company plans for his appointment as an Independent Officer to continue.

Proposal 4: Election of one (1) Substitute Audit & Supervisory Board Member

The Company requests approval for one (1) 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 Audit & Supervisory Board has given its consent to this proposal.

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

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
Takao Igarashi (January 2, 1946)	Oct. 2000	Joined Kotsu Transport Construction & Engineering Corporation General Manager of Accounting Department	-
[Reelection]	June 2001	Director and General Manager of Accounting Department, Kotsu Transport Construction & Engineering Corporation	
[Outside Audit & Supervisory Board Member]	June 2004	Substitute Audit & Supervisory Board Member of the Company (present position)	
[Independent Officer]	June 2011	Full-Time Audit & Supervisory Board Member, Kotsu Transport Construction & Engineering Corporation (present position)	
Reasons for nomination as candidate for substitute Audit & Supervisory Board Member			
Takao Igarashi has extensive experience and insight in the construction business in general, due to his tenure as Director and General Manager of Accounting Department, Kotsu Transport Construction & Engineering Corporation, and as he also has knowledge in finance and accounting, it has been determined that he is able to perform the duties of Audit & Supervisory Board Member, and has therefore been nominated to continue serving as a substitute Audit & Supervisory Board Member.			

- Notes:
1. There is no special interest between the candidate for substitute Audit & Supervisory Board Member Takao Igarashi and the Company.
 2. Takao Igarashi is a candidate for substitute Outside Audit & Supervisory Board Member.
 3. If Takao Igarashi assumes the office of Audit & Supervisory Board Member, the Company plans to enter liability limitation agreements with him that limit the maximum amount of liability provided in Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability in accordance with the agreements shall be the minimum liability amount stipulated by laws and regulations.