

Securities Code: 8584

June 7, 2017

To our shareholders:

Yasuyoshi Itagaki, President
JACCS CO., LTD.
2-5 Wakamatsu-cho, Hakodate, Hokkaido
(Principal Executive Office: 1-18 Ebisu 4-chome,
Shibuya-ku, Tokyo)

Notice of the 86th Annual General Meeting of Shareholders

You are cordially invited to attend the 86th Annual General Meeting of Shareholders of JACCS CO., LTD. (the “Company”), which will be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights using one of the methods below. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights.

[Voting in writing]

Indicate your vote of approval or disapproval on the enclosed voting form, and send it to arrive no later than 6:00 p.m. on Wednesday, June 28, 2017 (JST).

[Voting via the internet]

Enter your vote of approval or disapproval on the voting site designated by the Company (<http://www.evotep.jp/>) no later than 6:00 p.m. on Wednesday, June 28, 2017 (JST).

1. Date and Time: Thursday, June 29, 2017 at 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)

2. Venue: “Camellia I,” 3rd floor, Four Points By Sheraton Hakodate
14-10 Wakamatsu-cho, Hakodate, Hokkaido
Please note that the hotel is the same as last year, but the name has changed.

3. Purpose of the Meeting

Matters to be reported:

1. Business Report, Consolidated Financial Statements and Reports of Audit on Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board for the 86th fiscal year (April 1, 2016 to March 31, 2017)
2. Non-consolidated Financial Statements for the 86th fiscal year (April 1, 2016 to March 31, 2017)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Consolidation of Shares |
| Proposal No. 3 | Partial Amendments to the Articles of Incorporation |
| Proposal No. 4 | Election of 11 Directors |
| Proposal No. 5 | Election of One Audit & Supervisory Board Member |
| Proposal No. 6 | Election of One Substitute Audit & Supervisory Board Member |

4. Information Regarding the Exercise of Voting Rights

- (1) If you exercise your voting rights both in writing and via the internet, then only the vote cast via the internet shall be deemed valid.
- (2) If you exercise your voting rights via the internet multiple times, then only the last vote cast shall be deemed valid.

- When attending the meeting in person, please submit the enclosed voting form to reception.

- Please be aware that persons who are not shareholders such as proxies and accompanying persons may not attend the General Meeting of Shareholders.
- The meeting will be conducted in light attire (cooler business attire with no neckties), and shareholders are requested to wear light attire as well.
- Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on the Company's website.
- The following matters among documents to be provided with this Notice of the General Meeting of Shareholders are posted on the Company's website on the internet, pursuant to the relevant laws and regulations and the provision of Article 16 of the Company's Articles of Incorporation, and are not included to this notice. Therefore, the documents provided with this notice constitute a part of the documents audited by the Audit & Supervisory Board Members and the Financial Auditor when preparing audit reports.
 1. Systems to ensure that Directors perform their duties in compliance with relevant laws and regulations and the Articles of Incorporation, and other systems to ensure properness of operations of the Company
 2. Notes to Consolidated Financial Statements
 3. Notes to Non-consolidated Financial Statements

The Company website: (<http://www.jaccs.co.jp/corporate/ir/stock/meeting/index.html>)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company positions returning profits to shareholders as one of its most important management issues, and its basic policy is to provide dividends based on comprehensive consideration of continued stable dividends and business performance.

The Company has given consideration to the business performance of the current fiscal year, its financial condition and future business expansion, and it proposes to pay a year-end dividend of ¥7.5 per share for the current fiscal year.

As the Company has already paid an interim dividend of ¥7.5 per share, the annual dividend will be ¥15 per share.

Year-end dividends

- Type of dividend property
Cash
- Allotment of dividend property to shareholders and their aggregate amount
¥7.5 per common share of the Company
Total dividends: ¥1,298,175,727
- Effective date of dividends of surplus
June 30, 2017

Proposal No. 2 Consolidation of Shares

1. Reasons for the consolidation of shares

Pursuant to the Action Plan for Consolidating Trading Units, Stock exchanges nationwide have established a target of establishing standard trading units of 100 shares for all domestic listed companies. As a company listed on Tokyo Stock Exchange, Inc., the Company shall respect this intention, change the number of shares constituting one trading unit of the Company's shares from 1000 shares to 100 shares, and consolidate shares in order to avoid any impact on investment unit levels or shareholder rights, to the extent possible.

2. Details of the consolidation of shares

(1) Class and ratio of shares to be consolidated

Common shares of the Company will be consolidated at a ratio of one share for every five shares.

If fractional shares of less than one share arise as a result of the consolidation of shares, all such shares will be disposed of in accordance with the provisions of the Companies Act and proceeds from the disposal will be paid to shareholders of the fractional shares in proportion to the fractional shares.

(2) Effective date of the consolidation of shares

October 1, 2017

(3) Total number of shares authorized to be issued as of the effective date

78,910,000 shares

3. Others

The consolidation of shares in respect of this proposal is subject to the approval and adoption of Proposal 3 "Partial Amendment to the Articles of Incorporation."

Any other procedural issues that may need to be addressed shall be entrusted to the Board of Directors.

Note: The total number of shares authorized to be issued will decrease to one-fifth of the current number as a result of the consolidation of shares, but there will be no impact on net assets, and consequently, net assets per share will increase by five times. Therefore, except changes in stock market conditions and other such factors, there will be no change to the asset value of the Company's shares.

Proposal No. 3 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) To adjust the total number of shares authorized to be issued to a suitable level following a decrease in the total number of issued shares, provided that Proposal 2 “Consolidation of Shares” is approved and takes effect, the Company proposes to change total number of shares authorized to be issued as prescribed in Article 6 (Total Number of Shares Authorized to Be Issued) of the current Articles of Incorporation from 394,550,000 shares to 78,910,000 shares.
- (2) Similarly, in order to make trading the Company’s shares more convenient, thereby improving their liquidity, provided Proposal 2 “Consolidation of Shares” is approved and takes effect, the Company proposes to change the number of shares per share unit as prescribed in Article 8 (Number of Shares per Share Unit) of the current Articles of Incorporation, from 1,000 shares to 100 shares.
- (3) The Company proposes to establish a supplementary provision stating that changes to Article 6 (Total Number of Shares Authorized to Be Issued) and Article 8 (Number of Shares per Share Unit) shall take effect on the effective date of the consolidation of shares, and to delete the supplementary provision from the Articles of Incorporation after the day the consolidation of shares takes effect.
- (4) With regard to Article 2 (Purpose) of the current Articles of Incorporation, the Company proposes to separate the credit card business from the intermediation of credit purchases business, and add a new item to clarify the business so that the Articles of Incorporation are in accord with the Company Group’s current business conditions. In accordance with the establishment of new Articles, the subsequent Articles will be moved down.
- (5) In association with the enforcement of the “Act for Partial Amendment of the Companies Act” (Act No. 90 of 2014) on May 1, 2015, the conclusion of limited liability agreements with Directors who are not Executive Directors, etc. and Audit & Supervisory Board Members who are not outside Audit & Supervisory Board Members has been newly allowed. Accordingly, the Company proposes to make partial amendments to Article 28, paragraph 2 and Article 38, paragraph 2 of the current Articles of Incorporation, including the revision of the maximum amount of liability for damages, so that these Directors and Audit & Supervisory Board Members are able to fully perform the duties expected of them. The consent has been obtained from each Audit & Supervisory Board Member for the amendment to Article 28, paragraph 2 of the current Articles of Incorporation.

2. Details of the amendments

Details of the amendments are as follows:

(The underlined sections indicate amendments.)

Current Articles of Incorporation	Proposed Amendment
(Purpose) Article 2. The purpose of the Company shall be to engage in the following business activities: 1. (Omitted) (Newly established) <u>2. to 32.</u> (Omitted)	(Purpose) Article 2. The purpose of the Company shall be to engage in the following business activities: 1. (Unchanged) 2. <u>Business related to credit cards</u> <u>3. to 33.</u> (Unchanged)
Articles 3. to 5. (Omitted)	Articles 3. to 5. (Unchanged)
(Total Number of Shares Authorized to Be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>394,550,000</u> .	(Total Number of Shares Authorized to Be Issued) Article 6. The total number of shares authorized to be issued by the Company shall be <u>78,910,000</u> .
Article 7. (Omitted)	Article 7. (Unchanged)
(Number of Shares per Share Unit) Article 8. The number of shares constituting one unit of shares of the Company shall be <u>1,000</u> .	(Number of Shares per Share Unit) Article 8. The number of shares constituting one unit of shares of the Company shall be <u>100</u> .

Current Articles of Incorporation	Proposed Amendment
Articles 9. to 27. (Omitted)	Articles 9. to 27. (Unchanged)
(Exemption of Directors From Liability) Article 28. (i) (Omitted) (ii) Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with <u>an outside Director</u> limiting <u>his/her</u> liability for damages under Article 423, paragraph 1 of the Companies Act. However, the maximum amount of liability for damages under this agreement shall be <u>either an amount specified in advance that is not less than ¥8 million or</u> an amount provided for under laws and regulations, <u>whichever is higher.</u>	(Exemption of Directors From Liability) Article 28. (i) (Unchanged) (ii) Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with <u>a Director (excluding Director who is an executive director, etc.)</u> limiting liability for damages under Article 423, paragraph 1 of the Companies Act. However, the maximum amount of liability for damages under this agreement shall be an amount provided for under laws and regulations.
Articles 29. to 37. (Omitted)	Articles 29. to 37. (Unchanged)
(Exemption of Audit & Supervisory Board Members From Liability) Article 38. (i) (Omitted) (ii) Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with <u>an outside Audit & Supervisory Board Member</u> limiting <u>his/her</u> liability for damages under Article 423, paragraph 1 of the Companies Act. However, the maximum amount of liability for damages under this agreement shall be <u>either an amount specified in advance that is not less than ¥8 million or</u> an amount provided for under laws and regulations, <u>whichever is higher.</u>	(Exemption of Audit & Supervisory Board Members From Liability) Article 38. (i) (Unchanged) (ii) Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with <u>an Audit & Supervisory Board Member</u> limiting liability for damages under Article 423, paragraph 1 of the Companies Act. However, the maximum amount of liability for damages under this agreement shall be an amount provided for under laws and regulations.
Articles 39. to 42. (Omitted)	Articles 39. to 42. (Unchanged)
Supplementary Provision	Supplementary Provision <u>The effective date for changes to Article 6 and Article 8 of the Articles of Incorporation shall be the date on which the consolidation of shares pertaining to the proposal of the 86th Annual General Meeting of Shareholders held on June 29, 2017 takes effect. This supplementary provision shall be deleted after the effective day the consolidation of shares takes effect.</u>

Proposal No. 4 Election of 11 Directors

The terms of office of all ten Directors will expire at the conclusion of this meeting. In that regard, the Company proposes the election of 11 Directors, increasing the number of Directors by one to enhance the management system.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibilities in the Company	
1	Yasuyoshi Itagaki	President (Representative Director, CEO and COO)	Reelection
2	Hidechika Kobayashi	Director and Senior Managing Executive Officer (Manager of Business Strategy Department)	Reelection
3	Minekazu Sugano	Director and Managing Executive Officer (Supervisor of Accounting and Finance and Information Systems)	Reelection
4	Noboru Kawakami	Director and Managing Executive Officer (Supervisor of Compliance, General Affairs and Personnel, and Credit Management)	Reelection
5	Kojun Sato	Director and Managing Executive Officer (Supervisor of International Business and Group Strategic Business)	Reelection
6	Toru Yamazaki	Director and Senior Executive Officer (Supervisor of Corporate Planning)	Reelection
7	Shigeki Ogata	Director and Senior Executive Officer (Supervisor of Credit Screening and Operation)	Reelection
8	Takashi Saitou	Candidate for Director	New election
9	Haruo Kamioka	Director	Reelection Outside Independent
10	Kuniaki Hara	Director	Reelection Outside Independent
11	Michiko Kuboyama	Candidate for Director	New election Outside Independent

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Yasuyoshi Itagaki (Feb. 25, 1955) Reelection	June 1979	Joined the Company	53,000 shares
		June 2005	Executive Officer and General Manager of Kyushu Area	
		June 2008	Senior Executive Officer and Supervisor of Credit Card Business	
		Oct. 2008	Senior Executive Officer and Supervisor of Sales Planning of Business Strategy Department	
		June 2010	Director and Senior Executive Officer (Supervisor of General Affairs and Personnel)	
		June 2011	Director and Senior Executive Officer (Supervisor of Corporate Planning)	
		June 2012	President (Representative Director, CEO and COO) (to present)	
	[Reasons for nomination as candidate for Director] Mr. Itagaki was appointed as Director in 2010 and as President in 2012, and has achieved significant results by leading the JACCS Group and exhibiting strong leadership and outstanding managerial ability. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.			
2	Hidechika Kobayashi (Jan. 12, 1956) Reelection	Apr. 1978	Joined the Company	23,000 shares
		Sept. 2000	General Manager of West Japan Sales Promotion Department	
		Oct. 2003	General Manager of Sales Promotion Department	
		June 2006	Senior Executive Officer and General Manager of Shopping Credit Promotion Department	
		June 2011	Managing Executive Officer and General Manager of Shutoken Area	
		June 2013	Director and Managing Executive Officer (Manager of Business Strategy Department and Supervisor of Credit & Credit Card Business)	
		June 2014	Director and Senior Managing Executive Officer (Manager of Business Strategy Department and Supervisor of Credit & Credit Card Business)	
	June 2015	Director and Senior Managing Executive Officer (Manager of Business Strategy Department and Supervisor of Credit & Credit Card Business and Financing Business)		
June 2016	Director and Senior Managing Executive Officer (Manager of Business Strategy Department) (to present)			
[Reasons for nomination as candidate for Director] Mr. Kobayashi was appointed as Director of the Company in 2013 and has contributed to the Company's performance based on his wealth of sales experience and broad knowledge accumulated over many years. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Minekazu Sugano (Aug. 5, 1956) Reelection	Apr. 1979	Joined the Company	42,000 shares
		Oct. 2005	General Manager of Accounting Department	
		Apr. 2007	General Manager of Revenue Management Department	
		June 2011	Director and Senior Executive Officer (Supervisor of Revenue Management and General Manager of Revenue Management Department)	
		Oct. 2011	Director and Senior Executive Officer (Supervisor of Accounting and Finance and General Manager of Finance Department)	
		June 2013	Director and Senior Executive Officer (Supervisor of Information Systems)	
		June 2014	Director and Managing Executive Officer (Supervisor of Information Systems)	
		June 2016	Director and Managing Executive Officer (Supervisor of Accounting and Finance and Information Systems) (to present)	
[Reasons for nomination as candidate for Director] Mr. Sugano was appointed as Director of the Company in 2011, has been in charge of accounting and finance divisions and information system division, and has contributed to the establishment of the Company's revenue base and system infrastructure. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.				
4	Noboru Kawakami (Feb. 28, 1957) Reelection	Oct. 1981	Joined the Company	29,000 shares
		July 2005	General Manager of Corporate Planning Department	
		June 2008	Executive Officer and General Manager of Corporate Planning Department	
		June 2009	Director and Senior Executive Officer (Supervisor of Corporate Planning and General Manager of Corporate Planning Department)	
		June 2010	Senior Executive Officer and General Manager of Chubu Area	
		June 2012	Senior Executive Officer and Supervisor of Financing Business of Business Strategy Department	
		June 2013	Director and Managing Executive Officer (Supervisor of General Affairs and Personnel)	
		June 2014	Director and Managing Executive Officer (Supervisor of General Affairs and Personnel, and Compliance)	
June 2016	Director and Managing Executive Officer (Supervisor of Compliance, General Affairs and Personnel, and Credit Management) (to present)			
[Reasons for nomination as candidate for Director] Mr. Kawakami was appointed as Director of the Company in 2009, has been involved in many corporate divisions including Corporate Planning Department, and has contributed to the Company's performance based on his wealth of experience and broad knowledge. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Kojun Sato (May 6, 1957) Reelection	Apr. 1980	Joined the Company	22,000 shares
		Oct. 2007	General Manager of Auto Loans Promotion Department	
		Oct. 2010	Executive Officer and General Manager of Hokkaido Area	
		June 2012	Director and Senior Executive Officer (Supervisor of Corporate Planning)	
		June 2015	Director and Managing Executive Officer (Supervisor of Corporate Planning)	
		June 2016	Director and Managing Executive Officer (Supervisor of International Business and Group Strategic Business) (to present)	
[Reasons for nomination as candidate for Director] Mr. Sato was appointed as Director of the Company in 2012 and has promoted the establishment of new businesses, such as development of new businesses and strengthening of the international business, in corporate planning division and others. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.				
6	Toru Yamazaki (June 17, 1959) Reelection	Apr. 1982	Joined the Company	7,000 shares
		Oct. 2009	Executive Officer and General Manager of First Sales Promotion Department of Business Strategy Department	
		Oct. 2011	Executive Officer and General Manager of Shopping Credit Promotion Department of Business Strategy Department	
		June 2012	Executive Officer and General Manager of Chubu Area	
		June 2013	Senior Executive Officer and General Manager of Kinki Area	
		June 2015	Senior Executive Officer and General Manager of Shutoken Area	
		June 2016	Director and Senior Executive Officer (Supervisor of Corporate Planning) (to present)	
[Reasons for nomination as candidate for Director] Mr. Yamazaki was appointed as Director of the Company in 2016 and has contributed to the Company's performance for many years as the administrative head of the Company's sales division. He has been nominated as a candidate for Director because the Company deems that continuously reflecting his wealth of sales experience in management is necessary.				
7	Shigeki Ogata (Feb. 4, 1960) Reelection	Oct. 1985	Joined the Company	27,000 shares
		June 2010	Executive Officer and General Manager of Corporate Planning Department	
		June 2013	Director and Senior Executive Officer (Supervisor of Accounting and Finance and General Manager of Finance Department)	
		Apr. 2015	Director and Senior Executive Officer (Supervisor of Accounting and Finance)	
		June 2016	Director and Senior Executive Officer (Supervisor of Credit Screening and Operation) (to present)	
[Reasons for nomination as candidate for Director] Mr. Ogata was appointed as Director of the Company in 2013 and has contributed to maintaining and strengthening sound financial structure based on his wealth of experience and achievements in the finance division as well as to the development of next-generation credit screening systems. He has been nominated as a candidate for Director because the Company deems that he continues to be essential for the Company's management.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
8	Takashi Saitou (February 13, 1960) New election	Apr. 1983	Joined The Mitsubishi Bank, Limited (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	- shares
		May 2003	General Manager of the Kanda Branch of The Bank of Tokyo-Mitsubishi, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	
		May 2005	General Manager of the Umeda Branch	
		Oct. 2006	Manager of CSR Promotion Office, Planning Division of The Bank of Tokyo-Mitsubishi UFJ, Ltd.	
		June 2008	Manager of Retail Banking Business Promotion Division	
		June 2010	Executive Officer in charge of East Japan Area Branches	
		May 2011	Executive Officer and Manager of Corporate Administration Division	
		June 2012	Director and President of Chitose Kosan Co., Ltd.	
		June 2016	Adviser of the Company	
		June 2016	Senior Executive Officer and General Manager of Audit Office	
[Reasons for nomination as candidate for Director] Mr. Saitou has experience at key positions in The Bank of Tokyo-Mitsubishi UFJ, Ltd. and its affiliated companies and has utilized his wealth of knowledge and experience in operations of the Company. He has been nominated as a new candidate for Director because the Company deems that his skills are necessary for the Company's management.				
9	Haruo Kamioka (Mar. 14, 1947) Reelection Outside Independent	Sept. 1977	Joined Sony Shoji Corporation	- shares
		June 1995	Director of Sony Finance International, Inc.	
		June 2005	Representative Director, Executive Officer and President	
		June 2010	Director	
		Nov. 2010	Representative Director and President of SFI Leasing Company, Limited	
		June 2013	Director of the Company (to present)	
[Reasons for nomination as candidate for outside Director] Mr. Kamioka has been nominated as a candidate for Director because he has utilized his wealth of business experience and knowledge he has accumulated in corporate management to date in the management of the Company, and the Company deems that he continues to be essential for the Company's management.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company’s shares owned
10	Kuniaki Hara (Jan. 8, 1947) Reelection Outside Independent	Apr. 1971	Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)	- shares
		Sept. 1978	Passed the third stage examination of Certified Public Accountant Examination and registered as Certified Public Accountant	
		June 1997	General Manager of Corporate Planning Division of Tokyo Office	
		June 2001	General Manager of Management and Finance Division (CFO)	
		June 2007	General Manager of Reputation & Risk Division (CRO) Global Board Member of Deloitte Touche Tohmatsu Ltd.	
		July 2012	Established Kuniaki Hara Accounting Office (to present)	
		May 2014	Outside Corporate Auditor of Ryohin Keikaku Co., Ltd. (to present)	
		June 2014	Director of the Company (to present)	
		(Significant concurrent positions outside the Company) Outside Corporate Auditor of Ryohin Keikaku Co., Ltd.		
		[Reasons for nomination as candidate for outside Director] Mr. Hara has been nominated as a candidate for Director because he has utilized his wealth of knowledge, experience and broad insight as a CPA in Japan and overseas in the management of the Company, and the Company deems that he continues to be essential for the Company’s management.		
11	Michiko Kuboyama (April 16, 1956) New election Outside Independent	Apr. 1980	Joined Kao Soap Co., Ltd. (currently Kao Corporation)	- shares
		Apr. 2006	Manager of Product Public Relation Department	
		Apr. 2011	Head of Product Public Relation Center	
		Sept. 2011	Visiting Professor of TAMA GRADUATE SCHOOL OF BUSINESS (to present)	
		May 2016	Communication Fellow at Lifestyle Research Center of Kao Corporation (to present)	
		(Significant concurrent positions outside the Company) Communication Fellow at Lifestyle Research Center of Kao Corporation		
		[Reasons for nomination as candidate for outside Director] Ms. Kuboyama has never in the past been involved in the management of a company. However, she has been nominated as a candidate for Director because the Company deems that she will provide appropriate advice pertinent to the Company’s management and will provide valuable and appropriate oversight of operations from an independent perspective, based on her diverse knowledge gained from her experience at Kao Corporation and as a visiting professor at TAMA GRADUATE SCHOOL OF BUSINESS.		

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
 2. Haruo Kamioka, Kuniaki Hara and Michiko Kuboyama are candidates for outside Director.
 3. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Haruo Kamioka and Kuniaki Hara have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection and the election of Michiko Kuboyama is approved and adopted, the Company plans to submit notification that they are appointed as independent officers.
 4. Haruo Kamioka and Kuniaki Hara are currently outside Directors of the Company, and at the conclusion of this meeting, their tenure as outside Directors will have been four years for Haruo Kamioka and three years for Kuniaki Hara.
 5. The Company has entered into a limited liability agreement with the current outside Directors. If the reelection of Haruo Kamioka and Kuniaki Hara is approved and adopted, the Company plans to renew the limited liability agreement of the same content with them.
 6. If the election of Michiko Kuboyama is approved and adopted, the Company plans to enter into a limited liability agreement with her.
 7. The name of Michiko Kuboyama in the family register is Michiko Iwasaki.

Proposal No. 5 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Takayuki Hiroi will resign at the conclusion of this meeting. Therefore, the Company proposes the election of one new Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for 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
Hideo Yoshino (December 6, 1957) New election	<p>Apr. 1980 Joined The Mitsubishi Bank, Limited (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>Mar. 2005 General Manager of Manila Branch of The Bank of Tokyo-Mitsubishi, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>Sept. 2007 Regional Manager in Vietnam and General Manager of Ho Chi Minh City Branch of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Apr. 2010 Joined the Company as General Manager of International Business Planning Department</p> <p>June 2012 Senior Executive Officer and General Manager of International Business Planning Department</p> <p>Aug. 2014 Senior Executive Officer Representative Director of PT Mitra Pinasthika Mustika Finance</p> <p>Mar. 2016 Senior Executive Officer and General Manager of International Business Planning Department of the Company</p> <p>Apr. 2017 Senior Executive Officer and General Manager of International Business Department (to present)</p>	11,000 shares

[Reasons for nomination as candidate for Audit & Supervisory Board Member]

Mr. Yoshino has many years of international experience at The Bank of Tokyo-Mitsubishi UFJ, Ltd. and he has contributed to the development of the Company's overseas business from a perspective based on specialized knowledge and a wealth of experience. He has been nominated as a new candidate for Audit & Supervisory Board Member because the Company deems that he will play a role in ensuring the suitability and appropriateness of management based on his experience.

- Notes:
1. There is no special interest between the candidate for outside Audit & Supervisory Board Member, Hideo Yoshino and the Company.
 2. If Mr. Yoshino assumes the office of Audit & Supervisory Board Member, the Company plans to enter into a limited liability agreement with him, subject to the approval and adoption of Proposal No. 3.

Proposal No. 6 Election of One Substitute Audit & Supervisory Board Member

The effect of the election of substitute Audit & Supervisory Board Member Takao Ono elected at the 82nd Annual General Meeting of Shareholders held on June 27, 2013 will expire as of the commencement of this meeting. Accordingly, the Company proposes the election of one substitute Audit & Supervisory Board Member as a substitute for outside Audit & Supervisory Board Members, Satoru Fujimura and Shinji Murakami, 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 effectiveness of election pursuant to this proposal shall be until the commencement of Annual General Meeting of Shareholders four years hence.

The consent of the Audit & Supervisory Board has been obtained for this proposal, and the effectiveness of election pursuant to this proposal can be nullified by a resolution of the Board of Directors if the consent of the Audit & Supervisory Board has been obtained; provided, however, that it is only in a time before assuming office.

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

The candidate for substitute outside 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 Ono (June 10, 1943)	Apr. 1974 Jan. 1978 July 2008	Registered as an attorney at law Established Takao Ono Law Office Established ONO SOGO LEGAL PROFESSION CORPORATION as Representative Partner (to present)	- shares
Reelection Outside	June 2011	Substitute Audit & Supervisory Board Member of the Company (to present)	
[Reasons for nomination as candidate for substitute outside Audit & Supervisory Board Member] Mr. Ono has never in the past been directly involved in the management of a company. However, the Company deems that he is suitable as a candidate for outside Audit & Supervisory Board Member because he has extensive specialized knowledge related to corporate legal affairs as an attorney and can be expected primarily to enhance monitoring function of corporate management from a compliance perspective.			

- Notes:
1. There is no special interest between the candidate for substitute outside Audit & Supervisory Board Member, Takao Ono and the Company.
 2. If Mr. Ono assumes the office of outside Audit & Supervisory Board Member, the Company plans to enter into a limited liability agreement with him.