

[TRANSLATION]

(Securities Code: 8714)

June 9, 2017

To Shareholders and Investors:

Company name: Senshu Ikeda Holdings, Inc.
Representative: Hirohisa Fujita,
Representative Director and
President

**Supplementary Explanation Concerning Proposal No. 4 of
the 8th Annual General Shareholders Meeting of the Company**

We have obtained information that Institutional Shareholder Services Inc. has recommended opposing some of the candidates listed under Proposal No. 4 “Election of Four (4) Audit & Supervisory Board Members” proposed at the 8th Annual General Shareholders Meeting of Senshu Ikeda Holdings Inc. (hereinafter “the Company”) scheduled to be held on June 28, 2017.

The reason for opposition is that candidate No. 4 (Mr. Kohei Nakanishi) is not sufficiently independent as an Outside Audit & Supervisory Board Member. In accordance, we would like to give a supplementary explanation regarding this proposal as follows.

We kindly request that all shareholders and investors review the content of this Supplementary Explanation in order to gain understanding of this proposal.

Proposal No. 4: Election of Four (4) Audit & Supervisory Board Members

Supplementary items concerning the independence of candidate for Outside Audit & Supervisory Board Member Mr. Kohei Nakanishi, candidate No. 4

While a Business Cooperation Agreement has been concluded between the Japan Bank for International Cooperation, which had employed Mr. Kohei Nakanishi, and the Company’s subsidiary Senshu Ikeda Bank Co., Ltd., Mr. Kohei Nakanishi resigned from the Japan Bank for International Cooperation in June 2013, and 4 years have lapsed since his resignation.

Regarding the details of the Business Cooperation Agreement between Senshu Ikeda Bank Co., Ltd. and the Japan Bank for International Cooperation, the purpose is to support Japanese companies expanding overseas as follows, and is not a Business Cooperation Agreement involving an exchange of consideration.

[For reference: Details of the Business Cooperation Agreement]

- (1) Exchange information on a wide range of matters such as the management environment and overseas business activities of Japanese companies
- (2) Exchange as much information as possible on the overseas investment environment, etc.
- (3) Co-host joint seminars on the overseas investment environment, etc.
- (4) Provide information on the status of activities including the financing system of the Japan Bank for International Cooperation, as well as jointly consider and develop a financing system for new overseas business
- (5) Exchange information and coordinate on projects in which loans and guarantees are being provided under cooperation between the two banks
- (6) In addition, exchange information and coordinate relating to businesses expanding globally

From the above, the Company believes that Mr. Kohei Nakanishi will not be influenced by the Japan Bank for International Cooperation, that he is sufficiently independent from the Company, and that he is qualified as an Outside Audit & Supervisory Board Member of the Company.

End