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Securities code: 3564

May 31, 2018

To our shareholder

Osamu Watanabe
Representative Director, President
LIXIL VIVA CORPORATION
1-13-1 Kamikizaki, Urawa-ku, Saitama-shi, Saitama

Notice of the 26th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 26th Ordinary General Meeting of Shareholders of LIXIL VIVA CORPORATION (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights through the following method. Please exercise your voting rights having reviewed the Reference Documents for the General Meeting of Shareholders, which follow this notice.

[Exercising voting rights in writing]

To exercise your voting rights in writing, please indicate your approval or disapproval of the proposals in the enclosed voting form and then return it to the Company by postal mail so that your vote is received by 6:00 p.m. on Monday, June 18, 2018 (JST).

1. Date and Time: June 19, 2018 (Tuesday) 10:00 a.m. (JST)
(Reception starts: 9:00 a.m. (JST))

2. Venue: 3-2 Shintoshin, Chuo-ku, Saitama-shi, Saitama
“Momo no Ma,” 5th floor, Hotel Rafre Saitama

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 26th fiscal year (from April 1, 2017 to March 31, 2018), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee.
2. The Non-consolidated Financial Statements for the 26th fiscal year (from April 1, 2017 to March 31, 2018)

Matters to be resolved:

- Proposal 1** Appropriation of the Surplus for the 26th Fiscal Year
- Proposal 2** Election of Six (6) Directors (Excluding Directors Who are Audit and Supervisory Committee Members)
- Proposal 3** Election of Three (3) Directors Who are Audit and Supervisory Committee Members
- Proposal 4** Election of One (1) Substitute Director Who is an Audit and Supervisory Committee Member

Reference Documents for the General Meeting of Shareholders

Proposal 1 Appropriation of the Surplus for the 26th Fiscal Year

While giving overall consideration to securing the required internal reserves for future business developments and enhancement of the financial structure, the Company aims to maintain stable payment of dividends to our shareholders as our basic policy.

In accordance with the basic policy, the Company proposes the year-end dividends for the 26th fiscal year as follows.

Year-end dividends

- (1) Type of dividend property
To be paid by cash
- (2) Allocation of dividend property and total amount thereof
The Company proposes to pay a dividend of ¥41.00 per common share of the Company.
In this event, the total amount of dividends will be ¥1,833,520,000.
- (3) Effective date of dividends of surplus
The Company proposes to pay the dividends on June 20, 2018.

Proposal 2 Election of Six (6) Directors (Excluding Directors Who are Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members. The same shall apply throughout this proposal) will expire at the conclusion of this meeting.

Therefore, to implement rapid decision making, the Company proposes to reduce the members by one (1) by appointing six (6) directors.

Moreover, all of the candidates for Director have been judged as qualified by the Company's Audit and Supervisory Committee with regards to this proposal.

Additionally, the selection of candidates for Director has been passed through a voluntary Nomination and Remuneration Advisory Committee comprised of members with a majority of independent Outside Directors.

Candidates for the role of Director are as follows:

Candidate 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	Osamu Watanabe (September 28, 1954) [Reappointment]	<p>Apr. 1978 Joined The Daiei, Inc.</p> <p>Apr. 1999 President and Representative Director of Shoppers Hirosaki Co., Ltd. (a subsidiary of The Daiei, Inc.)</p> <p>Mar. 2003 Deputy Senior Manager of Product Development Division, The Daiei, Inc.</p> <p>Aug. 2003 Joined the Company Executive Officer and Department Manager assisting the President's Office of the Company</p> <p>Feb. 2004 Managing Executive Officer and Operational Deputy General Manager of the Company</p> <p>Mar. 2006 Senior Managing Executive Officer, Operational Deputy General Manager, and Division Manager of Home Center Division of the Company</p> <p>Jun. 2006 Director, Senior Managing Executive Officer, Operational Deputy General Manager, and Division Manager of Home Center Division of the Company</p> <p>Mar. 2008 Director, Senior Managing Executive Officer, Operational Deputy General Manager, Division Manager of Home Center Division, and Division Manager of Super Viva Home Department of the Company</p> <p>Mar. 2010 Director, Executive Operating Officer, General Manager of Home Improvement Store Business Division, and Division Manager of Super Viva Home Business Division of the Company</p> <p>Apr. 2012 Director, Executive Operating Officer, and Operation General Manager of the Company</p> <p>Apr. 2013 Director, Executive Operating Officer, Operation General Manager, and Division Manager of Store Management Division of the Company</p> <p>Jan. 2014 Director, Executive Operating Officer, and Operation General Manager of the Company</p> <p>Oct. 2014 Representative Director, President and COO of the Company</p> <p>Apr. 2017 Representative Director, President, COO, and Nomination and Remuneration Advisory Committee Member of the Company</p> <p>Jun. 2017 Representative Director, President and Nomination and Remuneration Advisory Committee Member of the Company (current position)</p>	1,119 shares
<p>[Reasons for nomination as a candidate for Director] Since joining the Company, he has made significant contributions to the sustained growth of the Company and the supervision of the operation department for many years, and has been Representative Director and President since October 2014. The Company considers his prominent managerial ability and leadership as indispensable and proposes his reappointment.</p>			

Candidate 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	Yu Ogitani (January 17, 1961) [Reappointment]	<p>Apr. 1983 Joined The Daiei, Inc.</p> <p>Aug. 2007 Seconded to AEON Merchandizing Procurement Co., Ltd. Director and Manager of Merchandizing Strategy Supervisory Department of AEON Merchandizing Procurement Co., Ltd.</p> <p>May 2013 Director, Corporate Officer, and Supervising Officer (Management Strategy Division, Business Management Division, and IR and Public Relations Division) of The Daiei, Inc.</p> <p>Feb. 2015 Director, Corporate Officer in charge of Systems Logistics Supervision and Promotion of Product Logistics Innovation</p> <p>Nov. 2015 Joined the Company Managing Executive Officer and Manager assisting the President of the Company</p> <p>Mar. 2016 Managing Executive Officer and Division Manager of Merchandising Division of the Company</p> <p>May 2017 Managing Executive Officer, Merchandising & Supply Chain Management General Manager, and Division Manager of Merchandising Division of the Company</p> <p>Jun. 2017 Director, Managing Executive Officer, Merchandising & Supply Chain Management General Manager, and Division Manager of Merchandising Division of the Company</p> <p>Apr. 2018 Director, Executive Vice President, and Operation General Manager of the Company (current position)</p>	224 shares
<p>[Reasons for nomination as a candidate for Director] Having engaged in product strategy and logistics reform for many years, he currently supervises the operation department, product department, and logistics department. The Company considers his sound judgment, abundant experience, and discernment as indispensable and proposes his reappointment.</p>			
3	Takehiko Iida (March 14, 1956) [Reappointment]	<p>Apr. 1978 Joined Toyo Sash, Co., Ltd. (currently LIXIL Group Corporation)</p> <p>Apr. 2007 Department Manager of General Affairs & Personnel Department of the Company</p> <p>Oct. 2007 Executive Officer and Department Manager of General Affairs & Personnel Department of the Company</p> <p>Mar. 2010 Senior Executive Officer and Division Manager of General Affairs & Human Resources Division of the Company</p> <p>Jan. 2014 Managing Executive Officer and Division Manager of General Affairs & Human Resources Division of the Company</p> <p>Mar. 2016 Senior Managing Executive Officer, Administration General Manager, and Division Manager of General Affairs & Human Resources Division of the Company</p> <p>Jun. 2016 Director, Senior Managing Executive Officer, Administration General Manager, and Division Manager of General Affairs & Human Resources Division of the Company</p> <p>Jun. 2017 Director, Executive Operating Officer, Administration General Manager, and Division Manager of General Affairs & Human Resources Division of the Company (current position)</p>	224 shares
<p>[Reasons for nomination as a candidate for Director] Having engaged in personnel planning and general affairs duties for many years, he currently supervises human resources, general affairs, and the accounting of all of the Company's administrative departments. The Company considers his abundant experience and discernment in human resources and general affairs as indispensable and proposes his reappointment.</p>			

Candidate 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	Tadashi Odauchi (January 24, 1957) [Reappointment]	<p>Apr. 1979 Joined Viva Home Corporation (currently LIXIL Group Corporation)</p> <p>Apr. 2002 Department Manager of Greater Tokyo Area Development Department of Store Development Division of the Company</p> <p>Jun. 2006 Executive Officer and Department Manager of Greater Tokyo Area Development Department of Store Development Division of the Company</p> <p>Sep. 2008 Executive Officer and Division Manager of Store Development Division of the Company</p> <p>Mar. 2010 Senior Executive Officer and Division Manager of Store Development Division of the Company</p> <p>Oct. 2014 Managing Executive Officer and General Manager of Store Development Division of the Company of the Company</p> <p>Jun. 2015 Managing Executive Officer, General Manager of Store Development Division, and Division Manager of Shopping Center Division of the Company</p> <p>Mar. 2016 Managing Executive Officer and Store Development General Manager of the Company</p> <p>Jun. 2016 Director, Managing Executive Officer, and Store Development General Manager of the Company</p> <p>Apr. 2017 Director, Managing Executive Officer, Store Development General Manager, and Division Manager of Shopping Center Division of the Company (current position)</p>	448 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>He has contributed to the expansion of the Company's branches and expanded performance through his many years engaging in store development. The Company considers his management potential, with its underlying experience and knowledge, as indispensable, and proposes his reappointment.</p>			
5	Tadashi Abe (February 22, 1957) [Reappointment]	<p>Feb. 1982 Joined Fukushima Clarion, Co., Ltd. (currently Clarion Sales and Marketing, Co., Ltd.)</p> <p>Mar. 1987 Joined Sankyo Co., Ltd. (currently XEBIO HOLDINGS CO., LTD.)</p> <p>Jun. 2002 Director and Head of Finance Department of XEBIO HOLDINGS CO., LTD.</p> <p>Jul. 2007 Joined Ikegai Corp Corporate Officer and Manager of Corporate Planning Office of Ikegai Corp.</p> <p>Mar. 2010 Director and President of Ikegai Corp.</p> <p>Jul. 2014 Senior Manager of Corporate Planning Office of Ikegai Corp</p> <p>Nov. 2014 Joined the Company Executive Officer and Manager assisting the President of the Company</p> <p>Mar. 2015 Senior Executive Officer and Division Manager of Finance & Accounting Division of the Company</p> <p>May 2017 Managing Executive Officer and Division Manager of Finance & Accounting Division of the Company</p> <p>Jun. 2017 Director, Managing Executive Officer, and Division Manager of Finance & Accounting Division of the Company (current position)</p>	224 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Having engaged in finances and accounting duties for many years, he currently supervises finances, accounting, investor relations, and public relations. The Company considers his prominent expertise, abundant experience, and discernment as indispensable and proposes his reappointment.</p>			

Candidate 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	Haruo Shirai (February 25, 1952) [New appointment]	<p>Mar. 1974 Joined Toyo Sash, Co., Ltd. (currently LIXIL Group Corporation)</p> <p>Jun. 1999 Executive Officer and Manager of Tohoku Regional Branch of LIXIL Group</p> <p>Oct. 2001 Executive Officer and Manager of Exteriors Business Division, Tostem Corporation (currently LIXIL Corporation)</p> <p>May 2006 Managing Executive Officer and Manager of Home Appliances Division of LIXIL Corporation</p> <p>Oct. 2006 Director, Managing Executive Officer, and Senior Manager of Home Appliances Products Division of LIXIL Corporation</p> <p>Apr. 2008 Director, Senior Managing Executive Officer, and Senior Manager of Sales Division of LIXIL Corporation</p> <p>Apr. 2011 Vice President and Executive Officer, and Senior Manager of Sales Division of Sales Company of LIXIL Corporation</p> <p>Apr. 2012 Vice President and Executive Officer, and President of Sales Company of LIXIL Japan Company of LIXIL Corporation</p> <p>Jun. 2012 Vice President, Director, and Executive Officer, and President of Sales Company of LIXIL Japan Company of LIXIL Corporation</p> <p>Jun. 2012 Executive Officer and Vice President in charge of domestic sales of JS Group Corporation (currently LIXIL Group Corporation)</p> <p>Apr. 2015 Director, Vice President, and Operating Officer, and CEO of LIXIL Japan Company of LIXIL Corporation</p> <p>Jul. 2016 Director and Vice President, and CEO of LIXIL Japan Company of LIXIL Corporation</p> <p>Jun. 2017 Director and Vice President of LIXIL Corporation (current position)</p> <p>Jun. 2017 Executive Officer and Vice President in charge of domestic subsidiaries of LIXIL Group Corporation (current position)</p> <p>(Significant concurrent position outside the Company) Executive Officer and Vice President of LIXIL Group Corporation</p>	- shares
[Reasons for nomination as candidate for Director] The Company proposes his appointment as he is a promising candidate for being able to provide useful advice based on his abundant knowledge and experience as a manager of the domestic sales department of LIXIL Corporation.			

- Notes: 1. There is no special interest between any of the candidates and the Company.
2. Candidate Haruo Shirai is an executive officer of LIXIL Group Corporation, the parent company of the Company, and has been such for the past five (5) years. Moreover, the positions and responsibilities he currently holds and has held at LIXIL Group Corporation over the past five (5) years are recorded in the "Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)" field above.
3. Haruo Shirai is a candidate for Non-Executive Director (Director excluding "Executive Director etc.," as stipulated in Article 2, Paragraph 15, Clause (a) of the Companies Act).
4. Article 32 of the current Articles of Incorporation stipulates that the Company can sign agreements with non-executive directors to limit their liabilities for damage against the Company. As such, if the appointment of Haruo Shirai is approved in this meeting, the Company intends to enter into a limited liability agreement with him for damage as stipulated by Article 423, Paragraph 1 of the Companies Act, based upon the stipulations of Article 427, Paragraph 1 of the same act. Moreover, the limit of the liabilities for damage will be the amount stipulated in Article 425, Paragraph 1 of the Companies Act.
5. The number of the Company's shares owned by the candidates, excluding Haruo Shirai, are the number of shares held by the individuals in the current LIXIL VIVA Shareholders Association of Directors as of March 31, 2018.

Proposal 3 Election of Three (3) Directors Who are Audit and Supervisory Committee Members

The terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

Furthermore, the selection of candidates for Director who are Audit and Supervisory Committee Members has been passed through a voluntary Nomination and Remuneration Advisory Committee comprised of members with a majority of independent Outside Directors.

Candidates for the role of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate 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	Yoshiyuki Wada (March 2, 1951) [Reappointment]	Apr. 1974 Joined the accounting office of Coopers & Lybrand Jun. 1977 Joined Chuo Audit Corporation Sep. 1978 Registered as a certified public accountant Aug. 1985 Partner of Chuo Audit Corporation Jun. 1988 Representative Partner of Chuo Audit Corporation Aug. 2007 Joined Grant Thornton Taiyo ASG (currently Grant Thornton Taiyo LLC) as a Representative Partner Oct. 2013 President of El Sol Business Advisor Corporation (current position) Sep. 2014 Outside Corporate Auditor of ZERO CO., LTD. Jun. 2015 Outside Director (Audit and Supervisory Committee Member) of Forval Telecom, Inc. (current position) Dec. 2015 Outside Director of CAREER DESIGN CENTER CO., LTD. (current position) Jun. 2016 Outside Director (Audit and Supervisory Committee Member) of the Company Aug. 2016 Representative of Wada Accounting Office (current position) Apr. 2017 Outside Director (Audit and Supervisory Committee Member) and Nomination and Remuneration Advisory Committee Member of the Company (current position) Sep. 2017 Outside Director of ZERO CO., LTD. (current position) (Significant concurrent positions outside the Company) Outside Director of ZERO CO., LTD. Outside Director (Audit and Supervisory Committee Member) of Forval Telecom, Inc. Outside Director of CAREER DESIGN CENTER CO., LTD. Representative of Wada Accounting Office	- shares
(Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member) He fulfills his duties by providing appropriate opinions in Board of Directors meetings, management conferences, and Audit and Supervisory Committee meetings, etc., from an objective viewpoint based on his abundant experience and specialist knowledge of finances and accounting nurtured through his professional duties as a certified public accountant, and audits corporate management through requesting explanations, as necessary. The Company has judged that he will continue to properly and sufficiently perform his professional duties and recommends him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.			

Candidate 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	Kiwamu Miyakoshi (July 12, 1953) [Reappointment]	<p>Apr. 1977 Joined National Police Agency</p> <p>Apr. 1987 First Secretary of Embassy of Japan in Germany of Ministry of Foreign Affairs</p> <p>Mar. 1998 Chief Constable of Tokushima Prefectural Police Headquarters</p> <p>Jul. 2004 Supervisor of Hanshin Expressway Public Corporation</p> <p>Sep. 2005 Chief Constable of Ibaraki Prefectural Police Headquarters</p> <p>Mar. 2010 Director General of Chugoku Regional Police Bureau</p> <p>Mar. 2011 Director General of Kanto Regional Police Bureau</p> <p>Jun. 2012 External Member of Audit & Supervisory Board of Taisei Corporation (current position)</p> <p>Jun. 2016 Outside Director (Audit and Supervisory Committee Member) of the Company</p> <p>Apr. 2017 Outside Director (Audit and Supervisory Committee Member) and Chairman of Nomination and Remuneration Advisory Committee of the Company (current position)</p> <p>(Significant concurrent position outside the Company) External Member of Audit & Supervisory Board of Taisei Corporation</p>	- shares
<p>(Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Committee Member) Although he has not participated in corporate management in the past, he fulfills his duties by providing appropriate opinions in Board of Directors meetings and Audit and Supervisory Committee meetings, etc., from an objective viewpoint based on his many years of experience in policing and his considerable expertise, and audits corporate management through requesting explanations, as necessary. The Company has judged that he will continue to properly and sufficiently perform his professional duties and recommends him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			
3	Kiyoe Kado (February 8, 1955) (Name on family register: Kiyoe Takeda) [New appointment]	<p>Apr. 1978 Assistant, Faculty of Law of the University of Tokyo</p> <p>Jul. 1981 Researcher of Anderson Mōri & Rabinowitz (Currently Anderson Mōri & Tomotsune)</p> <p>Apr. 1985 Full-Time Lecturer of Faculty of Economics, University of Toyama</p> <p>Apr. 1987 Assistant Professor of Faculty of Economics, University of Toyama</p> <p>Apr. 1988 Assistant Professor of Faculty of Humanities and Social Sciences, University of Tsukuba</p> <p>Apr. 1992 Assistant Professor, Faculty of Law of Seijo University</p> <p>Apr. 1995 Professor of College of Law and Politics, Rikkyo University (current position)</p> <p>Oct. 2005 Standing Director of Rikkyo Educational Corporation (in charge of General Affairs)</p> <p>Apr. 2010 Dean of College of Law and Politics, Rikkyo University</p> <p>Apr. 2016 Auditor of Chiba University (part-time) (current position)</p> <p>Jun. 2017 Outside Director and Nomination and Remuneration Advisory Committee Member of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Professor of College of Law and Politics, Rikkyo University</p>	- shares
<p>(Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Committee Member) Although she has not participated in corporate management in the past, she fulfills her duties by providing appropriate opinions in Board of Directors meetings, etc., from an objective viewpoint based on her abundant experience as a legal expert and her considerable expertise, and audits corporate management through requesting explanations, as necessary. The Company has judged that she will continue to properly and sufficiently perform her professional duties and recommends her as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Yoshiyuki Wada, Kiwamu Miyakoshi, and Kiyoe Kado are candidates for Outside Director.
 3. Yoshiyuki Wada and Kiwamu Miyakoshi are currently Outside Directors who are Audit and Supervisory Committee Members of the Company, and at the conclusion of this meeting, their tenure as Directors who are Audit and Supervisory Committee Members will be two (2) years.
 4. Kiyoe Kado's tenure as Outside Director of the Company will be one (1) year upon the conclusion of this meeting.
 5. Article 32 of the current Articles of Incorporation stipulates that the Company can sign agreements with non-executive directors to limit their liabilities for damage against the Company. As such, limited liability agreements have been signed between the Company and each of Yoshiyuki Wada, Kiwamu Miyakoshi, and Kiyoe Kado; and the Company intends to renew these limited liability agreements for these individuals if their appointment is approved in this meeting. Moreover, the limit of the liabilities for damage will be the amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 6. Yoshiyuki Wada, Kiwamu Miyakoshi, and Kiyoe Kado have been designated as independent officers according to the stipulations of Tokyo Stock Exchange, to which notification has been made. The Company intends for these individuals to continue as independent officers if their appointment is approved in this meeting.
 7. Kiwamu Miyakoshi, a candidate for Director who is an Audit and Supervisory Committee Member, has been an External Audit & Supervisory Board Member of Taisei Corporation. The alleged involvement of Taisei Corporation in the bid rigging regarding the construction of the Chuo Shinkansen maglev which occurred in December 2017, during Kiwamu Miyakoshi's time in office, led to a search of premises by Fair Trade Commission and Special Investigations Department of Tokyo District Public Prosecutor's Office. Additionally, this led to a former Managing Executive Officer and Manager of the responsible department of Taisei Corporation being arrested. Kiwamu Miyakoshi has been committed to the impartial auditing of all facets of management of Taisei Corporation. Since learning of this matter, he has fulfilled his responsibilities appropriately through, among others, presenting his views regarding the necessity for urgent investigation of the case at the Audit & Supervisory Board meeting, at Taisei Corporation.

Proposal 4 Election of One (1) Substitute Director Who is an Audit and Supervisory Committee Member

The effective period of Hitoshi Ito’s appointment as substitute Director who is an Audit and Supervisory Committee Member elected at the extraordinary meeting of shareholders held on September 15, 2016 continues until the start of this meeting. Consequently, to again prepare for the case of the number of Directors who are Audit and Supervisory Committee Members stipulated by the laws and ordinances being insufficient, the Company proposes to appoint one (1) Director who is an Audit and Supervisory Committee Member as a substitute Director who is an Audit and Supervisory Committee Member.

The validity of the election of the substitute Director who is an Audit and Supervisory Committee Member can be nullified by a resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that this applies only before the substitute Director who is an Audit and Supervisory Committee Member assumes office.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

Furthermore, the selection of a candidate for substitute Director who is an Audit and Supervisory Committee Member has been passed through a voluntary Nomination and Remuneration Advisory Committee comprised of members with a majority of independent Outside Directors.

Candidate for the role of substitute Director who is an Audit and Supervisory Committee Member is as follows:

Candidate No.	Name (Date of birth)	Career summary (Significant concurrent positions outside the Company)	Number of the Company’s shares owned
1	Hitoshi Ito (August 22, 1946)	Apr. 1969 Joined National Tax Agency Jul. 1998 Commissioner of Takamatsu Regional Taxation Bureau Sep. 1999 Licensed tax accountant (current position) Apr. 2000 Guest Professor of Toyo University Graduate School Jun. 2006 Director of Tokushu Paper Mfg. Co., Ltd. Jun. 2009 Director of Tokushu Tokai Paper Co., Ltd. Jun. 2012 Director of DAIO PAPER CORPORATION Apr. 2016 Auditor of Chukyo University (current position)	- shares
(Reasons for nomination as a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member) He has specialist experience and knowledge, etc., as a licensed tax accountant, abundant experience as a manager, and broad discernment; and the Company proposes his appointment as a substitute Outside Director who is an Audit and Supervisory Committee Member in order to apply these to the auditing of the Company.			

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Hitoshi Ito is a candidate for substitute Outside Director.
 3. Article 32 of the current Articles of Incorporation stipulates that the Company can sign agreements with non-executive directors to limit their liabilities for damage against the Company. As such, if this proposal is approved in this meeting as drafted, and Hitoshi Ito is appointed as Director who is an Audit and Supervisory Committee Member, the Company intends to enter into a limited liability agreement with him for damage as stipulated by Article 423, Paragraph 1 of the Companies Act, based upon the stipulations of Article 427, Paragraph 1 of the same act. Moreover, the limit of the liabilities for damage will be the amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 4. Hitoshi Ito fulfills the criteria for independent officer according to the stipulations of Tokyo Stock Exchange, and the Company plans to submit notification of his position as an independent officer if this proposal is approved in this meeting as drafted and Hitoshi Ito is appointed as Director who is an Audit and Supervisory Committee Member.