

Note: This English translation is an abridged version of the original notice in Japanese. In the event of a discrepancy, the Japanese version shall prevail.

TO OUR SHAREHOLDERS

June 3, 2019

Securities code: 3205

Daidoh Limited

1-16 Sotokanda 3-chome, Chiyoda-ku,
Tokyo

**NOTICE OF THE 96th ORDINARY GENERAL MEETING OF
SHAREHOLDERS**

Dear Shareholder:

You are cordially invited to attend the 96th Ordinary General Meeting of Shareholders of Daidoh Limited (the “Company”), which will be held at 10:00 a.m. (the reception will start at 9:00 a.m.) on Thursday, June 27, 2019, at Tower Hall of Roppongi Academyhills on the 49th floor of Roppongi Hills Mori Tower, at 10-1 Roppongi 6-chome, Minato-ku, Tokyo.

When arriving at the meeting venue, please submit the enclosed Voting Form at the reception desk.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing as described below. Please review the attached Reference Materials for the Ordinary General Meeting of Shareholders and exercise your vote so that it reaches us no later than 6:30 p.m. on Wednesday, June 26, 2019.

Voting by Proxy via Postal Mail

Please indicate “for” or “against” for each agenda item listed on the enclosed Voting Form and return it so that it reaches the Head Office of the Company no later than 6:30 p.m. on Wednesday, June 26, 2019.

Sincerely,

Shin Okawa
President and Representative Director

MEETING AGENDA

Items to be Reported:

1. The Business Report, the Consolidated Financial Statements and the Report of the Audit of the Consolidated Financial Statements by Accounting Auditors and the Board of Corporate Auditors for the 96th term from April 1, 2018, to March 31, 2019, will be reported at the meeting.
2. The Non-Consolidated Financial Statements for the 96th term from April 1, 2018, to March 31, 2019, will be reported at the meeting.

Items to be Resolved:

Item 1: Appropriation of Surplus

Item 2: Election of Seven (7) Directors

Item 3: Election of Two (2) Corporate Auditors

Item 4: Election of Two (2) Corporate Auditor Substitutes

Means of Amendment Notice

If there are any amendments to the Reference Materials for the Ordinary General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements or the Consolidated Financial Statements by the day before the Ordinary General Meeting of Shareholders, we will provide notification on our Website (<https://www.daidoh-limited.com/>).

CONSOLIDATED BALANCE SHEETDaidoh Limited

As of March 31, 2019

	Millions of yen
Assets:	
Current assets:	
Cash and deposits	2,880
Notes and accounts receivable - trade	2,924
Inventories	4,146
Other	1,646
Allowance for doubtful accounts	(80)
Total current assets	11,517
Non-current assets:	
Property, plant and equipment:	6,901
Buildings, net	5,855
Structures, net	105
Machinery and equipment, net	160
Vehicles, net	16
Tools, furniture and fixtures, net	203
Land	463
Leased assets, net	43
Construction in progress	53
Intangible assets:	2,878
Software	120
Leased assets	62
Goodwill	769
Other	1,926
Investments and other assets:	18,983
Investment securities	15,585
Leasehold and guarantee deposits	769
Deferred tax assets	1,799
Other	1,060
Allowance for doubtful accounts	(231)
Total non-current assets	28,764
Total assets	40,281

CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2019

	Millions of yen
Liabilities:	
Current liabilities:	
Notes and accounts payable - trade	1,550
Short-term borrowings	6,904
Current portion of long-term borrowings	2,187
Lease obligations	72
Income taxes payable	222
Deposits received	1,266
Provision for bonuses	102
Provision for point card certificates	35
Other	1,454
Total current liabilities	13,795
Non-current liabilities:	
Long-term borrowings	5,901
Lease obligations	41
Long-term guarantee deposits	2,851
Deferred tax liabilities	482
Retirement benefit liability	249
Other	500
Total non-current liabilities	10,027
Total liabilities	23,822
Net assets:	
Shareholders' equity:	15,700
Share capital	6,891
Capital surplus	8,134
Retained earnings	4,856
Treasury shares	(4,182)
Accumulated other comprehensive income	96
Valuation difference on available-for-sale securities	(1,593)
Foreign currency translation adjustment	1,689
Share acquisition rights	181
Non-controlling interests	480
Total net assets	16,458
Total liabilities and net assets	40,281

CONSOLIDATED STATEMENT OF INCOME

Daidoh Limited

For the year ended March 31, 2019

	Millions of yen
Net sales	26,368
Cost of sales	14,066
Gross profit	12,301
Selling, general and administrative expenses	12,425
Operating profit (loss)	(124)
Non-operating income:	805
Interest income	302
Dividend income	150
Other	351
Non-operating expenses:	421
Interest expenses	150
Share of loss of entities accounted for using equity method	4
Foreign exchange losses	47
Other	219
Ordinary profit	259
Extraordinary income:	3
Gain on sales of non-current assets	3
Extraordinary losses:	467
Loss on sales and retirement of non-current assets	67
Loss on valuation of investment securities	197
Settlement package	82
Other	121
Profit (loss) before income taxes	(204)
Income taxes - current	262
Income taxes for prior periods	364
Income taxes - deferred	(161)
Profit (loss)	(670)
Profit attributable to non-controlling interests	19
Profit (loss) attributable to owners of parent	(690)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Daidoh Limited

For the year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,891	8,145	5,901	(3,651)	17,286
Changes in items during period					
Dividends of surplus			(354)		(354)
Profit (loss) attributable to owners of parent			(690)		(690)
Disposal of treasury shares		(10)		20	9
Purchase of treasury shares				(552)	(552)
Net changes in items other than shareholders' equity					
Total changes in items during period	–	(10)	(1,044)	(531)	(1,586)
Balance at end of period	6,891	8,134	4,856	(4,182)	15,700

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(920)	1,922	1,001	162	490	18,941
Changes in items during period						
Dividends of surplus						(354)
Profit (loss) attributable to owners of parent						(690)
Disposal of treasury shares						9
Purchase of treasury shares						(552)
Net changes in items other than shareholders' equity	(672)	(232)	(905)	18	(9)	(895)
Total changes in items during period	(672)	(232)	(905)	18	(9)	(2,482)
Balance at end of period	(1,593)	1,689	96	181	480	16,458

NON-CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2019

	Millions of yen
Assets:	
Current assets:	
Cash and deposits	1,046
Notes receivable - trade	154
Short-term loans receivable	3,964
Other	633
Total current assets	5,798
Non-current assets:	
Property, plant and equipment:	127
Buildings, net	57
Land	56
Other, net	13
Intangible assets:	96
Software	8
Software in progress	36
Other	50
Investments and other assets:	23,956
Investment securities	12,206
Shares of subsidiaries and associates	10,925
Other	1,002
Allowance for doubtful accounts	(177)
Total non-current assets	24,180
Total assets	29,978

NON-CONSOLIDATED BALANCE SHEET

Daidoh Limited

As of March 31, 2019

	Millions of yen
Liabilities:	
Current liabilities:	
Short-term borrowings	6,150
Current portion of long-term borrowings	2,187
Accounts payable - other	40
Accrued expenses	77
Income taxes payable	44
Deposits received	16
Provision for bonuses	43
Other	27
Total current liabilities	8,587
Non-current liabilities:	
Long-term borrowings	5,901
Long-term accounts payable - other	344
Deferred tax liabilities	59
Other	1
Total non-current liabilities	6,308
Total liabilities	14,895
Net assets:	
Shareholders' equity:	16,454
Share capital	6,891
Capital surplus	8,412
Legal capital surplus	5,147
Other capital surplus	3,265
Retained earnings	5,333
Legal retained earnings	959
Other retained earnings	4,373
Retained earnings brought forward	4,373
Treasury shares	(4,182)
Valuation and translation adjustments	(1,552)
Valuation difference on available-for-sale securities	(1,552)
Share acquisition rights	181
Total net assets	15,083
Total liabilities and net assets	29,978

NON-CONSOLIDATED STATEMENT OF INCOME

Daidoh Limited

For the year ended March 31, 2019

	Millions of yen
Operating revenue	1,903
Commissions from subsidiaries and associates	800
Dividends from subsidiaries and associates	1,103
Selling, general and administrative expenses	1,233
Operating profit	670
Non-operating income:	540
Interest and dividend income	521
Other	18
Non-operating expenses:	315
Interest expenses	138
Other	177
Ordinary profit	894
Extraordinary losses:	220
Loss on sales of investment securities	23
Loss on valuation of investment securities	197
Other	0
Profit before income taxes	673
Income taxes - current	2
Income taxes for prior periods	413
Profit	257

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Daidoh Limited

For the year ended March 31, 2019

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings brought forward	Total retained earnings
Balance at beginning of period	6,891	7,147	1,276	8,423	959	4,469	5,429
Changes in items during period							
Dividends of surplus						(354)	(354)
Profit						257	257
Disposal of treasury shares			(10)	(10)			
Purchase of treasury shares							
Transfer from legal capital surplus to other capital surplus		(2,000)	2,000				
Net changes in items other than shareholders' equity							
Total changes in items during period	—	(2,000)	1,989	(10)	—	(96)	(96)
Balance at end of period	6,891	5,147	3,265	8,412	959	4,373	5,333

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(3,651)	17,093	(898)	(898)	162	16,357
Changes in items during period						
Dividends of surplus		(354)				(354)
Profit		257				257
Disposal of treasury shares	20	9				9
Purchase of treasury shares	(552)	(552)				(552)
Transfer from legal capital surplus to other capital surplus						
Net changes in items other than shareholders' equity			(653)	(653)	18	(635)
Total changes in items during period	(531)	(638)	(653)	(653)	18	(1,273)
Balance at end of period	(4,182)	16,454	(1,552)	(1,552)	181	15,083

REFERENCE MATERIALS FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

Agenda items and reference materials

Item 1: Appropriation of Surplus

Proposed appropriation of surplus for the 96th term is as follows:

Year-end dividends

The Company considers the returning of profits to shareholders to be one of its most important tasks.

As a basic policy, the Company has implemented a performance-related dividend policy under which the basic rate of dividends is 30% of the Company's consolidated ordinary income, with the aim of sharing the effects of increased profits through a flexible profit-sharing scheme. Additionally, 30% of the Company's extraordinary income or loss that generate cash flow, such as gain on sales of securities and non-current assets, are added to the source of basic dividend payments for future years to provide a stable, continuous dividend while comprehensively taking into consideration the business environment and other matters such as the necessity of bolstering of internal reserves.

- 1) Type of dividends to be paid
Dividends shall be paid in cash.
- 2) Amount of dividend per share and total amount of dividends to be allocated
Five (5) yen shall be paid per common share of the Company as a dividend, which brings the total amount of dividends to 169,711,070 yen.
- 3) Effective date of dividend payment
The effective date of dividend payment shall be June 28, 2019.

Item 2: Election of Seven (7) Directors

The terms of office of all the current six (6) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. To strengthen the management structure, the Company is requesting increasing the number of Directors by one (1) and electing seven (7) Directors.

The candidates for Directors are as follows:

Candidate number	Name		Current position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations
1	Shin Okawa	Reappointment	President and Representative Director of the Company Director of PONTETORTO S.p.A.
2	Kiyoshi Fukura	Reappointment	Director and Senior Executive Officer of the Company in charge of Chinese Manufacturing Business Operations, Corporate Administration and Real Estate
3	Fumitaka Saito	Reappointment	Director and Executive Officer President and Representative Director of PONTETORTO S.p.A. in charge of Overseas Business and General Manager of Management Planning Office
4	Tsukasa Nabewari	New appointment	Executive Officer of the Company President and Representative Director of DAIDOH FORWARD LTD.
5	Katsuo Watabe	New appointment	Executive Officer of the Company Executive Vice President and Representative Director of DAIDOH FORWARD LTD. Chairman of DAIDOH LIMITED TRADING (SHANGHAI) CO., LTD.
6	Kazuyuki Nishioka	Reappointment External Director Independent Officer	Director of the Company
7	Kunikazu Kobayashi	Reappointment External Director Independent Officer	Director of the Company Certified Public Accountant Certified Tax Accountant Representative Partner, Chairman and Director of Agata Global Tax Corporation Director of Agata Global Consulting Co., Ltd.

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
1	Shin Okawa (January 12, 1949)	<p>April 1974 Joined the Company</p> <p>October 2002 General Manager of Management Planning Office of the Company</p> <p>December 2002 President of Jardin Co., Ltd. (present DAIDOH FORWARD LTD.)</p> <p>June 2003 Director and General Manager of Management Planning Office of the Company</p> <p>June 2008 Director of the Company, assistance for the President, in charge of Internal Control</p> <p>June 2011 Director of the Company, in charge of Internal Control and Daidoh Engagement</p> <p>May 2013 President and Representative Director of the Company (current)</p> <p>December 2016 Director, PONTETORTO S.p.A. (current)</p> <p>January 2018 President and Representative Director of DAIDOH FORWARD LTD.</p>	53,000 shares
		<p>Reasons for nomination as a candidate for Director:</p> <p>As President and Representative Director, Mr. Shin Okawa is playing appropriate roles of making important managerial decisions and supervising execution of the Company's business, and is promoting establishment of earnings bases for the Group's clothing and real estate & leasing businesses. In addition, Mr. Okawa has held responsible positions in the Company's management planning division and some of the Group companies, thereby accumulating considerable experience and achievements as well as a broad range of knowledge over the entire range of the Group's businesses. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Okawa as Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
2	Kiyoshi Fukura (October 2, 1952)	<p>April 1971 Joined the Company</p> <p>December 1994 Chief Financial Officer of DAIDOH LIMITED (SHANGHAI) CO., LTD.</p> <p>July 2008 General Manager of Management Control Office of the Company</p> <p>March 2010 Corporate Auditor of NEWYORKER LTD. (present DAIDOH FORWARD LTD.)</p> <p>April 2010 Corporate Auditor of DAIDOH INTERNATIONAL LTD. (present DAIDOH FORWARD LTD.) Corporate Auditor of DYNACITY LTD. (present DAIDOH FORWARD LTD.)</p> <p>June 2011 Executive Officer of the Company</p> <p>June 2013 Director and Executive Officer of the Company, in charge of Accounting and Finance Director of DYNACITY LTD. (present DAIDOH FORWARD LTD.)</p> <p>June 2016 Director and Senior Executive Officer of the Company In charge of Corporate Administration and Real Estate</p> <p>April 2018 Director and Senior Executive Officer of the Company In charge of Chinese Manufacturing Business Operations, Corporate Administration and Real Estate (current)</p>	37,200 shares
		<p>Reasons for nomination as a candidate for Director:</p> <p>As Director, Mr. Kiyoshi Fukura is playing appropriate roles of making important managerial decisions and supervising execution of the Company's business. Being in charge of Chinese manufacturing business operations, the corporate administration, and the real estate business of the Company, he is working on establishment and promotion of management strategies and the establishment of a solid financial base. In addition, Mr. Fukura has considerable experience and achievements as well as a broad range of knowledge in the fields of accounting and financial matters as an officer in charge of the corporate administration divisions of Group companies, including those overseas. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Fukura as Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
3	Fumitaka Saito (February 17, 1958)	<p>August 1990 Joined the Company</p> <p>December 2002 Director of Jardin Co., Ltd. (present DAIDOH FORWARD LTD.)</p> <p>April 2007 General Manager of Management Planning Office of the Company</p> <p>June 2013 Executive Officer, General Manager of Management Planning Office of the Company</p> <p>April 2014 Chairman of DAIDOH LIMITED (CHINA) HOLDINGS CO., LTD. Chairman of DAIDOH LIMITED (SHANGHAI) CO., LTD.</p> <p>June 2014 Senior Executive Officer, General Manager of Management Planning Office of the Company In charge of Chinese Manufacturing Business Operations</p> <p>June 2016 Director and Executive Officer, General Manager of Management Planning Office of the Company In charge of Chinese Manufacturing Business Operations and Daidoh International (present DAIDOH FORWARD LTD.)</p> <p>November 2016 Chairman and Representative Director of PONTETORTO S.p.A.</p> <p>April 2017 President and Representative Director of PONTETORTO S.p.A. (current)</p> <p>June 2018 Director and Executive Officer In charge of Overseas Business and General Manager of Management Planning Office of the Company (current)</p>	10,000 shares
		<p>Reasons for nomination as a candidate for Director:</p> <p>As Director, Mr. Fumitaka Saito is playing appropriate roles of making important managerial decisions and supervising execution of the Company's business. Being in charge of the overseas business, he concurrently serves as General Manager of Management Planning Office and President and Representative Director of PONTETORTO S.p.A. in Italy, and is working on enhancement of the earning power of the clothing business. In addition, Mr. Saito has held responsible positions in the management planning division and in Group companies, including those overseas, thereby accumulating considerable experience and knowledge. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Saito as Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
4	Tsukasa Nabewari (December 2, 1959)	<p>April 1982 Joined the Company</p> <p>April 2014 Director of NEWYORKER LTD. (present DAIDOH FORWARD LTD.)</p> <p>April 2017 Representative Director of NEWYORKER LTD. (present DAIDOH FORWARD LTD.) Director, SHANGHAI NEWYORKER CLOTHING SALES CO., LTD. (current)</p> <p>June 2017 Executive Officer of the Company (current)</p> <p>January 2018 Executive Vice President and Representative Director of DAIDOH FORWARD LTD.</p> <p>April 2019 President and Representative Director of DAIDOH FORWARD LTD. (current)</p>	11,100 shares
		<p>Reasons for nomination as a candidate for External Director: As Executive Officer, Mr. Tsukasa Nabewari is playing appropriate roles of promoting expansion of the NEWYORKER business in the retail division and improvement of its brand value, and leading business expansion to the Asian region. Meanwhile, he is also promoting enhancement of the earning power of the clothing and real estate & leasing businesses as President and Representative Director of our Group company DAIDOH FORWARD LTD. In addition, Mr. Nabewari held responsible positions in the retail division, thereby accumulating considerable experience and knowledge. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the election of Mr. Nabewari as a new Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
5	Katsuo Watabe (July 21, 1957)	<p>April 1980 Joined Jardin Co., Ltd. (present DAIDOH FORWARD LTD.)</p> <p>June 2013 Executive Officer (current) and General Manager, Production Management Department of the Company Chairman of DAIDOH JARDIN (MAANSHAN) CO., LTD.</p> <p>April 2017 President and Representative Director of DAIDOH INTERNATIONAL LTD. (present DAIDOH FORWARD LTD.) Chairman and President of DAIDOH LIMITED (CHINA) HOLDINGS CO., LTD. Chairman of DAIDOH LIMITED TRADING (SHANGHAI) CO., LTD. (current)</p> <p>January 2018 Executive Vice President and Representative Director of DAIDOH FORWARD LTD. (current)</p>	3,000 shares
		<p>Reasons for nomination as a candidate for External Director: As Executive Officer, Mr. Katsuo Watabe is playing appropriate roles in promoting expansion of business areas of the clothing business, while promoting enhancement of the earning power of the sales division of textile products and raw materials in the closing business as Executive Vice President and Representative Director of our Group company DAIDOH FORWARD LTD. In addition, Mr. Watabe held responsible positions in Group companies, including those overseas, thereby accumulating considerable experience and knowledge. His achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the election of Mr. Watabe as a new Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
6	Kazuyuki Nishioka (November 17, 1947)	<p>April 1970 Joined Nagasakiya Co., Ltd.</p> <p>March 2003 Director of Nagasakiya Co., Ltd.</p> <p>June 2008 Director of Mainami Amusement Co., Ltd.</p> <p>June 2010 Director of Mainami Holdings Co., Ltd.</p> <p> Managing Director and COO of Mainami Amusement Co., Ltd.</p> <p>June 2016 External Director of the Company (current)</p>	1,100 shares
		<p>Reasons for nomination as a candidate for External Director: Mr. Kazuyuki Nishioka has served as Director of other companies and considerable experience and achievements as well as a broad range of knowledge in the business domain of the Company. By giving opinion and advice beneficial to the management of the Company and taking a supervisory role at the Board of Directors from an independent standpoint, he is helping strengthen the supervisory function of the Board of Directors and secure the transparency of the management. His experience and achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Nishioka as External Director.</p>	

Candidate number	Name (date of birth)	Career summary, position and responsibilities at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
7	Kunikazu Kobayashi (March 29, 1950)	<p>October 1989 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)</p> <p>August 1995 Representative Partner of Asahi Audit Corporation (currently KPMG AZSA LLC)</p> <p>May 1997 Head of Nagano Office, Asahi Audit Corporation (currently KPMG AZSA LLC)</p> <p>January 2003 Representative Partner of Asahi-Nagano Tax Corporation</p> <p>January 2012 Representative Partner and Chairman of Agata Global Tax Corporation Representative Director of Agata Global Consulting Co., Ltd.</p> <p>June 2017 External Director of the Company (current)</p> <p>February 2019 Representative Partner, Chairman and Director of Agata Global Tax Corporation (current) Director of Agata Global Consulting Co., Ltd. (current)</p>	- shares
		<p>Reasons for nomination as a candidate for External Director: Mr. Kunikazu Kobayashi has considerable experience and achievements and a broad range of knowledge through his business activities as a certified public accountant, a certified tax accountant, and a corporate representative. By giving opinion and advice beneficial to the management of the Company and taking a supervisory role at the Board of Directors from an independent standpoint, he is helping strengthen the supervisory function of the Board of Directors and secure the transparency of the management. His experience and achievements qualify him to take a role in ensuring the sustainable growth of the Company and enhancing its corporate value in the medium to long term. Therefore, the Company requests the reelection of Mr. Kobayashi as External Director.</p>	

- Notes:
1. No special relationship exists between the Company and the above candidates.
 2. Mr. Kazuyuki Nishioka and Mr. Kunikazu Kobayashi are candidates for External Directors.
 3. Mr. Kazuyuki Nishioka is currently an External Director of the Company and will have served as an External Director for three (3) years at the conclusion of this Ordinary General Meeting of Shareholders.
 4. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Directors. Pursuant to this provision, if Mr. Kazuyuki Nishioka is elected as an External Director, the Company plans to continue said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.
 5. Mr. Kunikazu Kobayashi is currently an External Director of the Company and will have served as an External Director for two (2) years at the conclusion of this Ordinary General Meeting of Shareholders.
 6. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Directors. Pursuant to this provision, if Mr. Kunikazu Kobayashi is elected as an External Director, the Company plans to continue said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.
 7. Mr. Kazuyuki Nishioka and Mr. Kunikazu Kobayashi have been registered as independent directors as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc. If their reelection as External Director is approved, they will continue to be independent directors.

Item 3: Election of Two (2) Corporate Auditors

The term of office of two (2) of the current three (3) Corporate Auditors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company is requesting the election of two (2) Corporate Auditors.

The Company has obtained the consent of the Board of Corporate Auditors for this proposal.

The candidates for Corporate Auditors are as follows:

Candidate number	Name (date of birth)	Career summary, position at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
1	Tetsuro Taguchi (February 7, 1950)	April 1975 Registration as Attorney-at-Law June 2000 External Corporate Auditor of the Company (current)	- shares
		Reasons for nomination as a candidate for External Corporate Auditor: Although Mr. Tetsuro Taguchi does not have experience in participating in corporate management, his considerable experience and achievements and a broad range of knowledge, which he acquired through his activities as an attorney-at-law well versed in law, enable him to perform appropriate audits from an objective standpoint, and qualify him to take on a role in supervising management of the Company and strengthening compliance. Therefore, the Company requests the reelection of Mr. Taguchi as External Corporate Auditor.	

Candidate number	Name (date of birth)	Career summary, position at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
2	Masakuni Takeda (May 9, 1956)	<p>April 1984 Assistant Judge of Yokohama District Court</p> <p>April 1986 Attorney-at-Law (Member of Daini Tokyo Bar Association)</p> <p>June 2011 External Corporate Auditor of the Company (current)</p>	- shares
		Reasons for nomination as a candidate for External Corporate Auditor: Although Mr. Masakuni Takeda does not have experience in participating in corporate management, his considerable experience and achievements and a broad range of knowledge, which he acquired through his activities as an attorney-at-law well versed in law, enable him to perform appropriate audits from an objective standpoint, and qualify him to take on a role in supervising the management and strengthening compliance. Therefore, the Company requests the reelection of Mr. Takeda as External Corporate Auditor.	

- Notes:
1. No special relationship exists between the Company and the above candidates.
 2. Mr. Tetsuro Taguchi and Mr. Masakuni Takeda are candidates for External Corporate Auditors.
 3. Mr. Tetsuro Taguchi and Mr. Masakuni Takeda are currently External Corporate Auditors of the Company. At the conclusion of this Ordinary General Meeting of Shareholders, Mr. Taguchi will have served as an External Corporate Auditor for nineteen (19) years and Mr. Takeda will have served as an External Corporate Auditor for eight (8) years.
 4. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its Corporate Auditors. Pursuant to this provision, if Mr. Tetsuro Taguchi and Mr. Masakuni Takeda become External Corporate Auditors, the Company plans to sign said contract for limitation of liability with them. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.
 5. Mr. Tetsuro Taguchi and Mr. Masakuni Takeda have been registered as independent directors as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc.

Item 4: Election of Two (2) Corporate Auditor Substitutes

Based on Article 30, Paragraph 2 of the Company's Articles of Incorporation, the effect of the election of Mr. Masahiro Honma and Mr. Akito Takahashi, who were elected Corporate Auditor substitutes at the 94th Ordinary General Meeting of Shareholders held on June 29, 2017, will continue to have effect until the time when the Ordinary General Meeting of Shareholders is held in the second business fiscal year since their appointment. Therefore, to prepare for such situation in which the number of Corporate Auditors required by laws and regulations or by the Company's Articles of Incorporation becomes insufficient, the Company is requesting the election of two (2) Corporate Auditor substitutes—Mr. Masahiro Honma as a substitute for Full-time Corporate Auditor and Mr. Akito Takahashi as a substitute for External Corporate Auditor.

The Company has obtained the consent of the Board of Corporate Auditors for this proposal.

The candidates for Corporate Auditor **substitute** are as follows:

Candidate number	Name (date of birth)	Career summary, position at the Company, and significant concurrent occupations or positions at other organizations	Number of shares of the Company held
1	Masahiro Honma (February 17, 1957)	<p>July 1988 Joined the Company</p> <p>April 2010 Director of NEWYORKER LTD. (present DAIDOH FORWARD LTD.)</p> <p>June 2013 Executive Officer of the Company (current)</p> <p>April 2014 General Manager, Personnel Administration Office of the Company</p> <p>April 2019 In charge of legal and tax matters of the Company (current)</p>	6,100 shares
		<p>Reasons for nomination as a candidate for Full-time Corporate Auditor substitute:</p> <p>As Executive Officer, Mr. Masahiro Honma has taken charge of the personnel division, and worked to increase the corporate value through promotion of personnel system development and establishment and dissemination of the code of conduct. In addition, Mr. Honma held responsible positions in the sales division and corporate administration division in Group companies, thereby accumulating considerable experience and achievements as well as a broad range of knowledge in the business domain of the Company. His experience and achievements qualify him to take on a role in objectively performing appropriate audits. Therefore, the Company requests the reelection of Mr. Honma as Corporate Auditor substitute.</p>	

Candidate number	Name (date of birth)	Career summary, positions at the Company, and significant concurrent occupations or positions at other organizations		Number of shares of the Company held
2	Akito Takahashi (March 30, 1975)	April 2000	Attorney-at-Law (Daini Tokyo Bar Association registration)	- shares
		April 2005	Registration as Attorney-at-Law with the New York State Bar Association	
		March 2015	Non-standing External Director at Nippon Carbon Co., Ltd. (current)	
		December 2015	Non-standing External Director at ACKG Limited (present Oriental Consultants Holdings Co., Ltd. (current)	
		Reasons for nomination as a candidate for External Corporate Auditor substitute: Though Mr. Akito Takahashi does not have experience in participating in corporate management other than serving as External Director, his considerable experience and achievements and a broad range of knowledge acquired through his activities as an attorney well versed in law enable him to perform appropriate audits from an objective standpoint, and qualify him to take on a role in supervising the management and strengthening compliance. Therefore, the Company requests the reelection of Mr. Takahashi as an External Corporate Auditor substitute.		

- Notes:
1. No special relationship exists between the Company and the above candidates.
 2. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its Corporate Auditors. Pursuant to this provision, if Mr. Masahiro Honma becomes Full-time Corporate Auditor, the Company plans to sign said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.
 3. The Company's Articles of Incorporation provide that the Company may enter into a contract for limitation of liability with its External Corporate Auditors. Pursuant to this provision, if Mr. Akito Takahashi becomes External Corporate Auditor, the Company plans to sign said contract for limitation of liability with him. Under said contract, the amount of liability for damages is up to the minimum liability amount provided by law.
 4. Mr. Akito Takahashi fulfills the requirements for independent corporate auditors as set forth by the provisions of Tokyo Stock Exchange, Inc., and Nagoya Stock Exchange, Inc. The Company plans to register him as an independent corporate auditor, if he becomes External Corporate Auditor.