

Securities Code: 9602
May 7, 2020

To our shareholders:

Yoshishige Shimatani
President
TOHO CO., LTD.
1-2-2 Yurakucho, Chiyoda-ku, Tokyo

Notice of the 131st Annual General Meeting of Shareholders

TOHO CO., LTD. (the “Company”) would hereby like to inform you that the 131st Annual General Meeting of Shareholders will be held as indicated below.

You may exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 6:30 p.m. on Wednesday, May 27, 2020 (JST).

1 Date and Time: Thursday, May 28, 2020, at 10:00 a.m. (The reception desk opens at 9:00 a.m.) (JST)

2 Venue: Hulin Hall Tokyo, 11th floor, Yurakucho Mullion
2-5-1 Yurakucho, Chiyoda-ku, Tokyo

3 Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 131st fiscal year (from March 1, 2019 to February 29, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
2. The Non-consolidated Financial Statements for the 131st fiscal year (from March 1, 2019 to February 29, 2020)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of 13 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 3 | Election of Three Directors Who Are Audit & Supervisory Committee Members |
| Proposal No. 4 | Election of One Substitute Director Who Is an Audit & Supervisory Committee Member |
| Proposal No. 5 | Determination of Remuneration for Granting Restricted Shares (Share-Based Remuneration) to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 6 | Establishing the Amount of the Performance Achievement Bonus for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |

4 Exercise of Voting Rights

(1) Voting by Mail

Please indicate your approval or disapproval of the proposals on the enclosed voting form then return the form to the Company by postal mail so that your vote is received by 6:30 p.m. on Wednesday, May 27, 2020.

(2) Voting via the Internet, etc.

Please refer to “Guide to Exercising Voting Rights via the Internet, etc.” (in Japanese only) and exercise your voting rights by 6:30 p.m. on Wednesday, May 27, 2020.

- If you attend the Meeting in person, please present the enclosed voting form at the reception desk. Also, you are requested to bring this notice to the Meeting.
- Pursuant to laws and regulations and the provision of Article 16 of the Articles of Incorporation, the following items are posted on the Company's website (<https://www.toho.co.jp/>, in Japanese only) and are not included in this notice:
 - (i) "Company structure and policy" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Accordingly, (i) to (iii) above are part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee in preparing their audit reports. (ii) and (iii) are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Financial Auditor in preparing their audit reports.

- If any changes are made to items in the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, such changes will be posted on the Company's website as mentioned above.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

Our basic dividend distribution policy is to distribute annual dividend payments of ¥35 as a base, and consider additional performance-linked dividend payments if the business performance exceeds the forecast or target. Based on the improvement of profit levels for the fiscal year, the Company proposes to pay a year-end dividend for the fiscal year of ¥37.5 per share.

Accordingly, including the interim dividend that has already been paid (¥17.5 per share), the annual dividend will total ¥55 per share.

1. Year-end dividends

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and their aggregate amount
¥37.5 per common share of the Company
(¥17.5 for regular dividend and ¥20 for special dividend)
Total payment: ¥6,749,327,775
- (3) Effective date of dividends of surplus
May 29, 2020

Proposal No. 2 Election of 13 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The term of office of all 13 Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of 13 Directors.

Please note that the Audit & Supervisory Committee has given its opinion that all of the candidates for Director in this proposal are qualified.

The candidates for Director are as follows.

Candidate No.	Attributes of the candidates	Name	Responsibility in the Company and significant concurrent positions outside the Company	Attendance / Number of Board of Directors meetings held
1	Reelection	Yoshishige Shimatani	General Manager of Motion Picture Group, and direct supervision of Internal Control Audit Department Director of Hankyu Hanshin Holdings, Inc. Director of Tokyo Rakutenchi Co., Ltd. Outside Director of Fuji Media Holdings, Inc. Outside Director of TOKYO KAIKAN CO., LTD.	11 of 11
2	Reelection	Nobuyuki Tako	In charge of Corporate Planning, Human Resources, General Affairs, Information Technology & System, and supervision of Corporate Real Estate Director of Subaru Enterprise Co., Ltd. Outside Director of OS Co., Ltd. (Audit & Supervisory Committee Member) Director of Tokyo Rakutenchi Co., Ltd. (Audit & Supervisory Committee Member)	10 of 11
3	Reelection	Minami Ichikawa	In charge of Production & Acquisitions and Planning & Production, Motion Picture Group	11 of 11
4	Reelection	Kazuhiko Seta	In charge of Motion Picture Exhibition President of TOHO Cinemas Ltd.	11 of 11
5	Reelection	Hiroyasu Matsuoka	In charge of Domestic Distribution and International Business, Motion Picture Group	11 of 11
6	Reelection	Kazuo Sumi	Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. Director of H2O Retailing Corporation Director of Tokyo Rakutenchi Co., Ltd. Outside Director of ASICS Corporation	10 of 11
7	Reelection	Atsuo Ikeda	In charge of Theatrical	11 of 11
8	Reelection	Keiji Ota	In charge of Products & Licensing and Music Business, Motion Picture Group	11 of 11
9	Reelection	Takayuki Ikeda	In charge of Marketing, Motion Picture Group	11 of 11
10	Reelection	Hiroshi Biro	Assistant to Human Resources	11 of 11
11	Reelection	Harunori Kato	In charge of Finance & Accounting and Specified Director	11 of 11
12	New election	Kunichiro Wada	General Manager of Corporate Real Estate Department	
13	New election	Taro Honda	General Manager of Corporate Planning Department	

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. All the candidates have agreed to assume the position of Director on the condition that this proposal is approved.
 3. The ages of the candidates indicated on the following pages are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 7, 2020).

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
1	<p>Yoshishige Shimatani March 5, 1952 (Age: 68)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1975 Joined the Company</p> <p>Apr. 1999 General Manager of Production & Acquisitions Department, Motion Picture Group</p> <p>May 2001 Director</p> <p>May 2005 Managing Director</p> <p>May 2007 Senior Managing Director</p> <p>May 2011 President (current position)</p> <p>[Responsibility in the Company and significant concurrent positions outside the Company]</p> <p>General Manager of Motion Picture Group, and direct supervision of Internal Control Audit Department</p> <p>Director of Hankyu Hanshin Holdings, Inc.</p> <p>Director of Tokyo Rakutenchi Co., Ltd.</p> <p>Outside Director of Fuji Media Holdings, Inc.</p> <p>Outside Director of TOKYO KAIKAN CO., LTD.</p>	10,200 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Shimatani has long been engaged in the operation of the Motion Picture Group, a major line of business of the Company group (the "TOHO Group") since he joined the Company. Ever since he took office as President of the Company, he has exercised great leadership in promoting the Company's mid-term management strategy and supervised the overall management of the Company in an appropriate manner. The Company judges that, with his rich experience, achievements, and discernment earned throughout his career, he is well suited for Director to enhance corporate value of the TOHO Group. Therefore, the Company proposes his reelection as Director of the Company.</p>			
2	<p>Nobuyuki Tako December 4, 1965 (Age: 54)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 10 of 11 (90.9%)</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2005 General Manager of Group Planning Department (currently Corporate Planning Department)</p> <p>May 2008 Director</p> <p>May 2014 Managing Director</p> <p>May 2017 Senior Managing Director (current position)</p> <p>[Responsibility in the Company and significant concurrent positions outside the Company]</p> <p>In charge of Corporate Planning, Human Resources, General Affairs, Information Technology & System, and supervision of Corporate Real Estate</p> <p>Director of Subaru Enterprise Co., Ltd.</p> <p>Outside Director of OS Co., Ltd. (Audit & Supervisory Committee Member)</p> <p>Director of Tokyo Rakutenchi Co., Ltd. (Audit & Supervisory Committee Member)</p>	10,100 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Tako has been engaged mainly in the operation of the Human Resources and Corporate Planning Departments since he joined the Company. He possesses rich experience and expertise with respect to corporate management strategies and various matters of corporate administration, and has been playing the role in the management of the Company, fulfilling his role as a responsible person for the Corporate Planning, Human Resources, General Affairs Departments, and Information Technology & System. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>			

3	Minami Ichikawa July 22, 1966 (Age: 53) Reelection Attendance to the Board of Directors meeting: 11 of 11 (100%)	Apr. 1989 Apr. 2006 May 2011 May 2017 [Position in the Company] In charge of Production & Acquisitions and Planning & Production, Motion Picture Group	Joined the Company General Manager of Production & Acquisitions Department, Motion Picture Group Director Managing Director (current position)	4,500 shares
	[Reasons for nomination as candidate for Director] Mr. Ichikawa has long been engaged in the operation of various departments in the Motion Picture Group since he joined the Company. He possesses rich experience and expertise with respect to the business of motion pictures and has been playing the role in the management of the Company as a responsible person for the Production & Acquisitions and Planning & Production Departments. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.			
4	Kazuhiko Seta October 25, 1959 (Age: 60) Reelection Attendance to the Board of Directors meeting: 11 of 11 (100%)	Apr. 1984 Apr. 2010 May 2012 May 2012 May 2018 [Responsibility in the Company and significant concurrent positions outside the Company] In charge of Motion Picture Exhibition President of TOHO Cinemas Ltd.	Joined the Company President of TOHO Eizo Bijutsu Co., Ltd. President of TOHO Cinemas Ltd. (current position) Director of the Company Managing Director (current position)	4,700 shares
	[Reasons for nomination as candidate for Director] Mr. Seta was engaged in the operation of various departments in the Motion Picture Group since he joined the Company before assuming managerial positions of the subsidiary where he gained experience in the management. He now serves as President of TOHO Cinemas Ltd., which is the key subsidiary of the Company in the operation of Motion Picture Exhibition business, playing the role in the management of the TOHO Group. The Company judges that, with his rich experience, achievements, and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.			
5	Hiroyasu Matsuoka April 18, 1966 (Age: 54) Reelection Attendance to the Board of Directors meeting: 11 of 11 (100%)	Jan. 1994 Apr. 1998 Apr. 2001 Apr. 2008 May 2014 May 2015 May 2018 Apr. 2020 [Position in the Company] In charge of Domestic Distribution and International Business, Motion Picture Group	Joined TOHO-TOWA Company, Limited Director of TOHO-TOWA Company, Limited Managing Director of TOHO-TOWA Company, Limited COO, President of TOHO-TOWA Company, Limited Director of the Company CEO, Chairperson of TOHO-TOWA Company, Limited Managing Director of the Company (current position) Director, Chairperson of TOHO-TOWA Company, Limited (current position)	10,800 shares
	[Reasons for nomination as candidate for Director] Mr. Matsuoka has long been engaged in the operation of distributing foreign motion pictures since he joined the TOHO Group company, TOHO-TOWA Company, Limited. He has served as President of TOHO-TOWA Company, Limited since 2008, and as its Chairperson since 2015. Since 2014, he has also served as Director of the Company as a responsible person for the Domestic Distribution and International Business Departments, and possesses global business experience and expertise in the business of motion pictures. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.			

6	<p>Kazuo Sumi April 19, 1949 (Age: 71)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 10 of 11 (90.9%)</p>	<p>June 2000 Director of Hankyu Corporation</p> <p>June 2002 Managing Director of Hankyu Corporation</p> <p>June 2003 President and Representative Director of Hankyu Corporation (The trade name of Hankyu Corporation was changed to Hankyu Holdings, Inc. in April 2005 and then to Hankyu Hanshin Holdings, Inc. in October 2006.)</p> <p>Apr. 2005 President and Representative Director of Hankyu Corporation (new company)</p> <p>May 2009 Outside Director of the Company</p> <p>Mar. 2014 Chairman and Representative Director of Hankyu Corporation (current position)</p> <p>May 2016 Outside Director (Audit & Supervisory Committee Member) of the Company</p> <p>June 2017 Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. (current position)</p> <p>May 2018 Outside Director of the Company</p> <p>May 2019 Director (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc.</p> <p>Director of H₂O Retailing Corporation</p> <p>Director of Tokyo Rakutenchi Co., Ltd.</p> <p>Outside Director of ASICS Corporation</p>	14,300 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Sumi is a management expert who has long been engaged in corporate management, and can be expected to give valuable advice and guidance for overall management and check from an objective viewpoint, based on his rich experience and excellent insight. Therefore, the Company judges that he is well suited for Director and it proposes his reelection.</p> <p>(Note) The Company has entered into an agreement with Kazuo Sumi to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Ordinance for Enforcement of the Companies Act (which is the amount of property benefits that he receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Ordinance for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions). If his reelection is approved, the Company plans to continue to assign him as a nonexecutive director, and the Company will renew the aforementioned limited liability agreement with him so that he can fulfill his expected role.</p>		
7	<p>Atsuo Ikeda March 10, 1960 (Age: 60)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1982 Joined the Company</p> <p>Apr. 2003 General Manager of Theatrical Department</p> <p>May 2013 Director (current position)</p> <p>[Position in the Company]</p> <p>In charge of Theatrical</p>	4,510 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Ikeda has long been engaged in the operation of the Theatrical Department since he joined the Company. He possesses rich experience and expertise with respect to the theatrical business and has been playing the role in the management of the Company as a responsible person for the Theatrical Department. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>		

8	<p>Keiji Ota September 7, 1965 (Age: 54)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1989 Joined the Company</p> <p>Apr. 2010 General Manager of Products & Licensing Department, Motion Picture Group</p> <p>May 2013 Director (current position)</p> <p>[Position in the Company]</p> <p>In charge of Products & Licensing and Music Business, Motion Picture Group</p>	5,200 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Ota has been engaged mainly in the operation of the Products & Licensing Department since he joined the Company. He possesses rich experience and expertise with respect to the field of the products and licensing business and has been playing the role in the management of the Company as a responsible person for the Products & Licensing and Music Business Departments. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>		
9	<p>Takayuki Ikeda April 2, 1963 (Age: 57)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1987 Joined the Company</p> <p>Apr. 2012 General Manager of Distribution Department, Motion Picture Group</p> <p>May 2015 Director (current position)</p> <p>[Position in the Company]</p> <p>In charge of Marketing, Motion Picture Group</p>	3,200 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Ikeda has long been engaged in the operation of various departments in the Motion Picture Group since he joined the Company. He possesses rich experience and expertise with respect to the business of motion pictures and has been playing the role in the management of the Company as a responsible person for the Marketing Department. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>		
10	<p>Hiroshi Biro December 1, 1965 (Age: 54)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1989 Joined the Company</p> <p>Apr. 2011 General Manager of Human Resources Department</p> <p>May 2017 Director (current position)</p> <p>[Position in the Company]</p> <p>Assistant to Human Resources</p>	3,000 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Biro has long been engaged in the operation of the Human Resources Department since he joined the Company. He possesses rich experience and expertise with respect to human resource management and has been playing the role in the management of the Company as a responsible person for the Human Resources Department. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>		
11	<p>Harunori Kato August 26, 1960 (Age: 59)</p> <p>Reelection</p> <p>Attendance to the Board of Directors meeting: 11 of 11 (100%)</p>	<p>Apr. 1984 Joined the Company</p> <p>Apr. 2004 General Manager of Finance Department</p> <p>May 2014 President of TOHO STAGE CRAFT Co. Ltd.</p> <p>May 2018 Director of the Company (current position)</p> <p>[Position in the Company]</p> <p>In charge of Finance & Accounting and Specified Director</p>	8,100 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Kato has been engaged mainly in the operation of the Finance & Accounting Department since he joined the Company before assuming managerial position of a subsidiary of the Company where he gained experience in the management. He now plays the role in the management of the Company as a responsible person for the Finance & Accounting Department. The Company judges that, with his rich experience, achievements, and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.</p>		

12	<p>Kunichiro Wada April 21, 1968 (Age: 52)</p> <p>New election</p>	<p>Apr. 1991 Apr. 2012</p>	<p>Joined the Company General Manager of Corporate Real Estate Department (current position)</p>	1,000 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Wada has long been engaged in the operation of the Corporate Real Estate Department since he joined the Company. He possesses rich experience and expertise with respect to the real estate business and currently serves as General Manager of Corporate Real Estate Department. The Company judges that, with his achievements and discernment earned throughout his career, he possesses the appropriate qualification for Director of the Company. Therefore, the Company proposes his election as Director of the Company.</p>			
13	<p>Taro Honda June 15, 1968 (Age: 51)</p> <p>New election</p>	<p>Apr. 1993 Apr. 2014</p>	<p>Joined the Company General Manager of Corporate Planning Department (current position)</p>	100 shares
	<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Honda has been engaged mainly in the operation of the Finance & Accounting Department since he joined the Company, and currently serves as General Manager of Corporate Planning Department. The Company judges that, with his rich experience, expertise, achievements and discernment earned throughout his career, he possesses the appropriate qualification for Director of the Company. Therefore, the Company proposes his election as Director of the Company.</p>			

Proposal No. 3 Election of Three Directors Who Are Audit & Supervisory Committee Members

The term of office of all three Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members. Please note that the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidates for Director who are Audit & Supervisory Committee Members are as follows.

Candidate No.	Attributes of the candidates	Name	[Responsibility in the Company and significant concurrent positions outside the Company]	Attendance / Number of Audit & Supervisory Committee meetings held
1	Reelection	Tomoyasu Okimoto	Chairperson of the Audit & Supervisory Committee and Specified Audit & Supervisory Committee Member	11 of 11
2	Reelection Outside Independent	Takashi Kobayashi	Representative Director and Chairman of Palace Hotel Co., Ltd.	11 of 11
3	Reelection Outside Independent	Satoshi Ando	Attorney at law	11 of 11

Candidate No.	Name (Date of birth)	Career summary and position in the Company		Number of the Company's shares owned
1	Tomoyasu Okimoto December 16, 1956 (Age: 63)	Apr. 1981	Joined the Company	9,100 shares
	Reelection	Apr. 2003	General Manager of General Affairs Department, Kansai Office	
Attendance to the Board of Directors meeting: 11 of 11	May 2009	General Manager of Corporate Real Estate Department, Kansai Office		
Attendance to the Audit & Supervisory Committee meeting: 11 of 11	May 2009	Head of Kansai Office		
	May 2011	Full-time Audit & Supervisory Board Member		
	May 2016	Director (Full-time Audit & Supervisory Committee Member) (current position)		
[Position in the Company] Chairperson of the Audit & Supervisory Committee and Specified Audit & Supervisory Committee Member				
[Reasons for nomination as candidate for Director] Mr. Okimoto has been engaged mainly in the operation of administrative departments since he joined the Company. He possesses rich experience and expertise with respect to overall administration and has been currently serving as Chairperson of the Audit & Supervisory Committee, and Specified Audit & Supervisory Committee Member. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director who is Audit & Supervisory Committee Member. Therefore, the Company proposes his reelection as Director of the Company.				
2	Takashi Kobayashi August 24, 1945 (Age: 74)	June 1990	Counselor of International Business Division of the Industrial Bank of Japan, Limited	0 shares
	Reelection Outside Independent	Mar. 1991	Director and General Manager of Accounting Department of Palace Hotel Co., Ltd.	
Attendance to the Board of Directors meeting: 11 of 11	Mar. 1993	Managing Director of Palace Hotel Co., Ltd.		
Attendance to the Audit & Supervisory Committee meeting: 11 of 11	Mar. 1995	Senior Managing Director of Palace Hotel Co., Ltd.		
	Mar. 2001	President of Palace Hotel Co., Ltd.		
	May 2011	Audit & Supervisory Board Member of the Company		
	Mar. 2014	Representative Director and Chairman of Palace Hotel Co., Ltd. (current position)		
	May 2016	Outside Director (Audit & Supervisory Committee Member) of the Company (current position)		
[Significant concurrent positions outside the Company] Representative Director and Chairman of Palace Hotel Co., Ltd.				
[Reasons for nomination as candidate for outside Director] Mr. Kobayashi is a management expert who has long been engaged in corporate management, and possesses a respectable degree of knowledge of finance and accounting based on his experience, etc. in banking business. Therefore, the Company judges that he is well suited for outside Director who is an Audit & Supervisory Committee Member and proposes his reelection.				

3	<p>Satoshi Ando April 27, 1974 (Age: 46)</p> <p>Reelection Outside Independent</p> <p>Attendance to the Board of Directors meeting: 11 of 11</p> <p>Attendance to the Audit & Supervisory Committee meeting: 11 of 11</p>	<p>Oct. 2001</p> <p>Oct. 2001</p> <p>May 2016</p>	<p>Registered as an attorney at law (Dai-Ichi Tokyo Bar Association) (current position)</p> <p>Joined Onishi Shoichiro Law Office (current position)</p> <p>Outside Director (Audit & Supervisory Committee Member) of the Company (current position)</p>	0 shares
	<p>[Reasons for nomination as candidate for outside Director]</p> <p>Mr. Ando is knowledgeable about the industry that the TOHO Group belongs to and can be expected to give opinions from an independent and fair stance, based on his specialized knowledge as an attorney at law. Therefore, the Company judges that he is well suited for outside Director who is Audit & Supervisory Committee Member and it proposes his reelection. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit & Supervisory Committee Member based on the above reasons.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. All the candidates have agreed to assume the position of Director on the condition that this proposal is approved.
 3. Takashi Kobayashi and Satoshi Ando are candidates for outside Director, and at the conclusion of this meeting, their tenure as outside Directors who are Audit & Supervisory Committee will have been four years.
 4. The Company has submitted notification to Tokyo Stock Exchange and Fukuoka Stock Exchange that both Takashi Kobayashi and Satoshi Ando have been appointed as independent officers as provided for by the aforementioned exchanges. If this proposal is approved, the Company plans for their appointment as independent officers to continue. As for the independence criteria for outside Directors of the Company, please refer to page 23.
 5. The Company has entered into agreements with Tomoyasu Okimoto, Takashi Kobayashi, and Satoshi Ando to limit their liability for damages under Article 423, paragraph (1) of the Companies Act, in which their liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Ordinance for Enforcement of the Companies Act (which is the amount of property benefits that each of them receives from the Company as remuneration for performance of duties during their tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Ordinance for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions). If their reelection is approved, the Company plans to renew the aforementioned limited liability agreements with them.
 6. There are some minor transactions between Palace Hotel Co., Ltd., where Takashi Kobayashi, a candidate for Director who is an Audit & Supervisory Committee member, belongs to, and the Company, which includes dining at the Palace Hotel, etc. However, the value of said transactions amounts to about ¥100,000. Accordingly, we have concluded that this candidate is sufficiently independent from the management of TOHO CO., LTD.
 7. Although the Company has made payments of attorney fees to Onishi Shoichiro Law Office, where Satoshi Ando, a candidate for Director who is Audit & Supervisory Committee member, belongs to, the amount of such fees regularly made was about ¥5 million annually. Accordingly, we have concluded that this candidate is sufficiently independent from the management of the Company.

Proposal No. 4 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit & Supervisory Committee Members fall below the number required by laws and regulations.

As for the validity of the election of substitute Director who is an Audit & Supervisory Committee Member, the election can be nullified by resolution of the Board of Directors upon receiving the consent of the Audit & Supervisory Committee; provided, however, that it is only in a time before assuming office. In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, position and significant concurrent positions outside the Company	Number of the Company's shares owned
Taizo Ota February 15, 1973 (Age: 47)	Apr. 1999 Registered as an attorney at law (Daini Tokyo Bar Association) (current position) Apr. 1999 Joined Marunouchi Sogo Law Office (current position)	0 shares
<p>[Reasons for nomination as candidate for substitute outside Director]</p> <p>Mr. Ota can be expected to give opinions from a fair stance, based on his specialized knowledge and experience as an attorney at law. Therefore, the Company judges that he is well suited for outside Director who is an Audit & Supervisory Committee Member and it proposes his election as substitute Director who is an Audit & Supervisory Committee Member. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit & Supervisory Committee Member based on the above reasons.</p>		

- (Notes)
1. There is no special interest between Taizo Ota and the Company.
 2. Mr. Ota has agreed to assume the position of substitute Director who is an Audit & Supervisory Committee Member on the condition that this proposal is approved.
 3. He is a candidate for substitute outside Director.
 4. If he assumes the office of outside Director, the Company plans to submit notification to Tokyo Stock Exchange and Fukuoka Stock Exchange concerning his appointment as an independent officer as provided for by the aforementioned exchanges. As for the independence criteria for outside Directors of the Company, please refer to page 23.
 5. If he assumes the office of outside Director, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Ordinance for Enforcement of the Companies Act (which is the amount of property benefits that each of them receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Ordinance for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions).

Proposal No. 5 Determination of Remuneration for Granting Restricted Shares (Share-Based Remuneration) to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

With regard to annual remuneration of the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members), the amount not exceeding ¥500 million per year was approved by resolution of the 127th Annual General Meeting of Shareholders held on May 26, 2016 (this does not, however, include employee salaries of Directors who serve concurrently as employees). The Company hereby proposes payment of remuneration for granting the restricted shares to executive Directors within the Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members) (hereinafter, the "Eligible Directors") in a remuneration framework that is separate to the remuneration framework described above with the aim of giving incentives to the Eligible Directors for sustainable growth in our corporate value and sharing profits with our shareholders by increasing corporate value in the medium to long term.

Based on this Proposal, the total amount of monetary remuneration to be allocated to the Eligible Directors for the purpose of granting share-based remuneration (restricted shares) shall not exceed ¥100 million per year, which we consider to be reasonable based on the above objectives. In addition, the Board of Directors shall determine on the specific allocation to each Eligible Director based on deliberation with a Governance Committee voluntarily established by the Company.

This Proposal will apply to 12 Eligible Directors if Proposal No. 2 is approved and adopted in its original form.

Eligible Directors shall make an in-kind contribution of all monetary compensation receivables to be granted under this Proposal, and will receive common shares issued by or disposed of by the Company pursuant to a resolution of the Company's Board of Directors. In addition, the total number of the Company's common shares issued or disposed of for this purpose shall not exceed 50,000 per year, and the amount to be paid per share shall be determined by the Board of Directors in a manner that is not especially advantageous to the Eligible Directors. The basis of said amount shall be the closing price of the Company's common shares on the Tokyo Stock Exchange, Inc. on the business day immediately preceding the date of the resolution of the Board of Directors; or, if there is no closing price on said business day, the closing price on the trading day immediately prior thereto. For the issuance or disposal of the common shares of the Company, an agreement on allotment of the restricted shares that includes the provisions as summarized below (hereinafter, the "Allotment Agreement") shall be entered into between the Company and each Eligible Director.

* In the event, however, that the Company makes a share split (including allotment of the common shares of the Company without consideration) or a share consolidation on or after this Proposal is approved and adopted, or any other unavoidable circumstance arises requiring adjustment of the total number of the Company's common shares to be issued or disposed of as the restricted shares, the total number of shares shall be adjusted within a reasonable range.

- (1) Regarding the Company's common shares granted under the Allotment Agreement (hereinafter, the "Allotted Shares"), Eligible Directors shall not transfer, create a security interest in, or otherwise dispose of the Allotted Shares (hereinafter, the "Transfer Restriction") during the period from the date of allotment of the Allotted Shares to the date when the Eligible Director retires or resigns from the position of the Company's Director or any other position determined by the Company's Board of Directors (hereinafter, the "Transfer Restriction Period").
- (2) Should an Eligible Director retire or resign from the position specified in (1) above before the end of the period specified by the Board of Directors of the Company (hereinafter the "Period of Service"), the Company shall acquire the Allotted Shares free of charge unless the Board of Directors deems the reason for retirement to be justified.
- (3) Regardless of the provisions of (1) above, the Company shall lift the Transfer Restriction on all Allotted Shares at the end of the Transfer Restriction Period, provided that an Eligible Director has continuously served in the position stipulated in (1) above for the entire Period of Service. However, should an Eligible Director retire or resign from the position stipulated in (1) before the end of the Period of Service for reasons that the Board of Directors deems to be justified, as specified in (2) above, the number of Allotted Shares for which transfer restrictions to be lifted shall be reasonably adjusted if necessary.
- (4) At the end of the Transfer Restriction Period, the Company shall acquire, free of charge, those Allotted Shares on which the Transfer Restriction has not been lifted under the provisions set out in (3).

- (5) Regardless of the provisions of (1) above, if during the Transfer Restriction Period, a merger agreement in which the Company is dissolved, share exchange agreements or share transfer plans that makes the Company into a wholly owned subsidiary, or other reorganization are approved by the General Meeting of Shareholders of the Company (or the Board of Directors if any such reorganization is not required to be approved at a General Meeting of Shareholders), the Board of Directors shall resolve to lift the Transfer Restriction on a certain number of Allotted Shares prior to the effective date of such reorganization. The number of shares shall be determined on a rational basis from the day the Provision of Service period commenced through to the date that the reorganization was approved.
- (6) In the case specified in (5) above, the Company shall acquire, free of charge, those Allotted Shares on which the Transfer Restriction has not been lifted, immediately after the Transfer Restrictions have been removed as stipulated in (5) above.
- (7) The Allotment Agreement shall include the method to declare the intent and notification of the Allotment Agreement, the method of revising the Allotment Agreement, and other matters specified by the Board of Directors.

Proposal No. 6 Establishing the Amount of the Performance Achievement Bonus for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

With regard to remuneration of the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members), the amount not exceeding ¥500 million per year was approved by resolution of the 127th Annual General Meeting of Shareholders held on May 26, 2016 (this does not, however, include employee salaries of Directors who serve concurrently as employees). The Company hereby proposes payment of a performance achievement bonus to executive Directors within the Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members) (hereinafter, the "Eligible Directors") in a remuneration framework that is separate to the remuneration framework described above and Proposal No. 5 "Determination of Remuneration for Granting Restricted Shares (Share-Based Remuneration) to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)" with the aim of giving incentives to the Eligible Directors for achievement of performance targets in a single fiscal year.

The total amount of performance achievement bonuses to be paid to the Eligible Directors based on this Proposal shall not exceed ¥100 million per year, which we consider to be reasonable based on the above objectives.

The Board of Directors shall determine on the performance achievement bonus amount for each Eligible Director, within the upper limit specified above, following deliberation and approval of payment standards by a Governance Committee voluntarily established by the Company.

This Proposal will apply to 12 Eligible Directors if Proposal No. 2 is approved and adopted in its original form.

Opinion of the Audit & Supervisory Committee

The Audit & Supervisory Committee has deemed that the details of the introduction of a share-based remuneration plan for Directors who are not Audit & Supervisory Committee Members proposed in Proposal No. 5 and the establishment of the amount of the performance achievement bonus for Directors who are not Audit & Supervisory Committee Members proposed in Proposal No. 6 are appropriate in view of their rationality in achieving these goals, and the fact that they were decided upon deliberation of the Governance Committee.

<<Reference>>

(If Proposal No. 5 and 6 are approved and adopted in its original form)

Remuneration System for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
After This Annual General Meeting of Shareholders

(i) Basic remuneration (Cash)	[Shall not exceed ¥500 million per year] With establishment of the remuneration table for each position, monthly fixed remuneration shall be decided by the Board of Directors upon deliberation by the Governance Committee after taking individual performance into consideration.
(ii) Share-based remuneration (Restricted shares)	[Shall not exceed ¥100 million per year] * Only applicable to executive Directors. Allot a specified amount of restricted shares according to position. The number of shares allotted to each executive officer shall be determined by the Board of Directors following deliberation with the Governance Committee.
(iii) Performance achievement bonuses (Cash)	[Shall not exceed ¥100 million per year] * Received by executive Directors only. Cash bonuses to be paid if single-fiscal-year performance targets are reached. The payment base for bonuses shall be decided by the Board of Directors upon deliberation and approval by the Governance Committee, and shall be paid within a range of 0-200% of the basic monthly remuneration based on performance results.

[Image]

Basic remuneration (Cash)	Determined annually based on a remuneration table and considering positions and personal achievements.	
Share-based remuneration (Restricted shares)	A specified amount of the Company's shares to be granted annually based on position. (Transfer restrictions to be lifted upon retirement)	
+		
Only paid if performance targets are met		
Performance achievement bonuses (Cash)	To be paid within a range of 0-200% of basic monthly remuneration depending on single-fiscal-year performance	
		Remuneration included in Proposals No. 5 and No. 6

*1 The figure above does not indicate the percentage weighting of each type of remuneration.

*2 Non-executive Directors are not eligible for share-based remuneration or performance achievement bonuses.

Policy and Procedure for Determining Remuneration Amount for Directors

As for the remuneration amount for inside Director (excluding Directors who are Audit & Supervisory Committee Members), the Officers' Rules stipulate that the Company shall determine such remuneration amount by considering the business performance of the TOHO Group, duties and achievements of the relevant officer, and the balance with public's level and with the employee salaries. The procedure thereof is that the President shall prepare a draft and deliberations are conducted by the Governance Committee, which consists of the President and independent Outside Directors. The Board of Directors shall determine the amount of remuneration within the limits decided at the General Meeting of Shareholders, based on the results of Governance Committee deliberations. As for the remuneration amount for Directors who are Audit & Supervisory Committee Members including outside Directors, it shall be determined by the resolution of the Audit & Supervisory Committee and shall not exceed the remuneration amount resolved in a general meeting of shareholders.

<<Reference>>

Policy and Procedure for Nominating Candidates for Directors and Independence Criteria for Outside Directors of the Company

[Policy and Procedure for Nominating Candidates]

The Officers' Rules provide the criteria for nominating Director candidates (excluding outside Directors) who are recommended in a general meeting of shareholders as follows:

1. The candidate must have expert knowledge on the business and services of the TOHO Group.
2. The candidate must have an excellent management sense that can meet the demands of the times.
3. The candidate must have excellent managerial judgment ability with a company-wide perspective and ability to execute duties.
4. The candidate must have character, discernment, and high ethical standards appropriate as Director.

The procedure thereof is that the President shall prepare a draft list of candidates, and the Governance Committee, consisting of the President and independent Outside Directors, discusses the reasons and appropriateness of the appointment. The Board of Directors decides candidates based on the details of deliberations by the Governance Committee.

Please note that the consent of the Audit & Supervisory Committee is required for nominating a Director who is an Audit & Supervisory Committee Member. As for outside Directors among Directors who are Audit & Supervisory Committee Members, the President shall prepare a draft of appropriate candidates based on the experience, discernment, expertise, and other aspects of each candidate in terms of "corporate management," "finance and accounting" and "law and corporate ethics," respectively.

[Independence Criteria for Outside Directors]

The Company judges that an outside Director who falls under any of the following items 1. to 6. is not independent of the Company.

1. An entity where the TOHO Group is a major business partner (Note 1) or a business executive thereof
2. A major business partner with the TOHO Group (Note 2) or a business executive thereof
3. A consultant, accounting expert, or legal expert who receives a considerable amount of cash or other assets from the TOHO Group (Note 3) other than compensation received from the Company as an officer (or a person who belongs to an incorporated entity or other organization that receives such assets)
4. A person who is a major shareholder of the Company (Note 4) (or a business executive of an incorporated entity that is such a shareholder)
5. A person who fell under any of the above items 1. to 4. in the most recent three fiscal years
6. A person who is a relative within the second degree of kinship to a person who falls under any of the above items 1. to 5. or a business executive of the TOHO Group

(Note 1) "An entity where the TOHO Group is a major business partner" refers to an entity that has a business relationship with the TOHO Group and receives payment from the TOHO Group that exceeds 2% of consolidated sales of the entity per year based on such relationship.

(Note 2) "A major business partner with the TOHO Group" refers to an entity that has a business relationship with the TOHO Group and whose annual payment to the TOHO Group based on such relationship exceeds 2% of consolidated sales of the Company.

(Note 3) "Considerable amount of cash or other assets" refers to the case in which regular remuneration exceeds ¥10,000,000 per year.

(Note 4) "A major shareholder" refers to an entity who owns at least 10% of the total of voting rights of the Company directly or indirectly.