

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3050

May 1, 2020

Dear Shareholders,

Toshihiro Hisada
Chairman and Representative Director, CEO
DCM Holdings Co., Ltd.
6-22-7 Minamioi, Shinagawa-ku, Tokyo

Notice of the 14th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 14th Ordinary General Meeting of Shareholders of DCM Holdings Co., Ltd. (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or on the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and indicate your approval or disapproval for each proposal on the enclosed Voting Card, and post it so as to arrive no later than 5:45 p.m. on Wednesday, May 27, 2020 (JST), or vote via the Exercise of Voting Rights Website designated by the Company (<https://evote.tr.mufig.jp/>).

1. Date and Time: Thursday, May 28, 2020, at 10:00 a.m. (JST) (Reception for attendees begins at 9:00 a.m.)

2. Venue: Convention Hall, B2F, The Prince Park Tower Tokyo

4-8-1 Shiba-koen, Minato-ku, Tokyo

(The meeting venue has changed from the previous meeting held last year.)

3. Purpose of the Meeting

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 14th Fiscal Year (from March 1, 2019 to February 29, 2020), as well as the Audit Reports of the Consolidated Financial Statements by the Accounting Auditors and the Audit Board
2. Non-consolidated Financial Statements for the 14th Fiscal Year (from March 1, 2019 to February 29, 2020)

Matters to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Approval of Absorption-Type Company Split Agreement
- Proposal 3:** Election of Ten (10) Directors
- Proposal 4:** Election of One (1) Substitute Auditor
- Proposal 5:** Revisions of Details of Performance-Linked Share-Based Remuneration Plan to Directors and Executive Officers

4. Matters Decided for Convocation

(1) If the voting rights are exercised multiple times both in writing and via the Internet:

Please note that your voting via the Internet shall prevail, if you exercise your voting rights both in writing and via the Internet.

(2) If the voting rights are exercised multiple times via the Internet:

If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective. In addition, if you exercise your voting rights more than once using a PC, a smartphone and a mobile phone, only the last vote shall be deemed effective.

If you attend the meeting in person, please submit the enclosed Voting Card at the venue’s reception. In addition, please assist us in conserving resources by bringing this Notice with you.

Of the documents that should be provided with this notice of the Meeting, matters to be provided as “Significant basic matters for the preparation of Consolidated Financial Statements and other notes” and “Significant accounting policies and other notes” are posted on the Company’s website (<https://www.dcm-hldgs.co.jp/company/>) in accordance with the provisions of laws and regulations and the Company’s Articles of Incorporation, and are not provided in the attached documents.

In addition to matters stated in the attached documents, matters to be provided as “Significant basic matters for the preparation of Consolidated Financial Statements and other notes” and “Significant accounting policies and other notes” are also included in the Consolidated and Non-Consolidated Financial Statements audited by the Auditors and the Accounting Auditors in the course of preparing the Audit Report and Accounting Auditors’ Report respectively.

If we need to revise the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements, we will post the revised content on the Company’s website (<https://www.dcm-hldgs.co.jp/company/>).

Notice Regarding the novel coronavirus (COVID-19) infection

We kindly ask our shareholders to take into consideration spread of the novel coronavirus (COVID-19), and make use of the prior-voting method available in writing or via the Internet for exercising voting rights.

Shareholders attending the Ordinary General Meeting of Shareholders are kindly requested to check the status of the spread of infections as well as their physical condition as of the date of the Ordinary General Meeting of Shareholders, and to take precautions against infection such as wearing a mask at the venue.

We request your cooperation as on the day of the Ordinary General Meeting of Shareholders, we may take measures to prevent infection at the venue.

If there will be changes to the Ordinary General Meeting of Shareholders due to future circumstance, we will post details on the Company’s Internet website (address: <https://www.dcm-hldgs.co.jp/company/english/>).

Guide to Exercising Voting Rights via the Internet

If you exercise your voting rights via the Internet, please read and understand carefully the following matters.

If you intend to attend the Ordinary General Meeting of Shareholders, voting by postal mail (Voting Card) or via the Internet is not necessary.

1. Voting website and exercising your voting rights

- (1) To exercise your voting rights via the Internet, please access the website designated by the Company (<https://evote.tr.mufig.jp/>) via a PC, a smartphone or a mobile phone. Only by accessing this website, you can exercise your voting rights via the Internet. (Please be advised that the website is not operational from 2:00 a.m. to 5:00 a.m. (JST).)
- (2) Please be aware that, depending on your Internet connection and PC environment, you may not be able to use your PC or smartphone to exercise your voting rights via the voting website (e.g. if you connect to the Internet via a firewall, have anti-virus software installed, use a proxy server or don’t specify TLS encrypted communication, etc.).
- (3) When exercising your voting rights via a mobile phone, for security reasons, the website is only compatible with mobile phones capable of TLS encrypted communication and transmission of mobile phone information.
- (4) Voting via the Internet is accepted until 5:45 p.m. on Wednesday, May 27, 2020 (JST). However, we respectfully request that you exercise your voting rights at your earliest convenience. If you have any questions, please contact the help desk mentioned below.

2. Exercising your voting rights via the Internet

- (1) When using a PC or a mobile phone
 - On the aforementioned voting website (<https://evote.tr.mufig.jp/>), please use the “log-in ID” and the “temporary password” indicated on the Voting Card, and enter your approval or disapproval for each proposal following the instructions on the screen.
 - Please be aware that, in order to prevent illegal online access (spoofing) and alteration of voting by third parties other than shareholders, you will be requested to change your “temporary password” on the aforementioned voting website.
 - You will be notified of a new “log-in ID” and a “temporary password” every time a General Meeting of Shareholders is convened.
- (2) When using a smartphone
 - You can exercise your voting rights by scanning the login QR code on the Voting Card, which allows you to access the voting website automatically. (It is not necessary to enter “log-in ID” or “temporary password.”)
 - From the security perspective, you can exercise your voting rights with your QR code only once. From the second time, you are required to enter your “log-in ID” and “temporary password” even if you scan the QR code.

- Depending on your smartphone model, QR code login may not be available. When you cannot login with your QR code, please exercise your voting rights with the method explained in the above 2. (1) when using a PC or a mobile phone.

*QR code is a registered trademark of DENSO WAVE INCORPORATED.

3. Handling of voting rights when they are exercised more than once
 - (1) Please note that your voting via the Internet shall prevail, if you exercise your voting rights both by postal mail and via the Internet.
 - (2) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective. In addition, if you exercise your voting rights more than once using a PC, a smartphone and a mobile phone, only the last vote shall be deemed effective.
4. Fees incurred when accessing the voting website

Any fees (connection fees to Internet providers, etc.) incurred when accessing the voting website shall be borne by shareholders. Similarly, if voting via a mobile phone, etc., any connection charges or other fees arising from the use of mobile phone, etc. shall be borne by shareholders.
5. For institutional investors

Nominal shareholders (including standing proxies) of trust and custody banks and the like who have applied beforehand to use Electronic Proxy Voting Platform for Institutional Investors operated by Investor Communications Japan (ICJ, Inc.), a joint venture established by Tokyo Stock Exchange, Inc. and others, can exercise voting rights for the General Meeting of Shareholders via this platform, in addition to the aforementioned voting website.

<p>Inquiries about the system for exercising voting rights via the Internet and other matters Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation Phone: 0120-173-027 (9:00 a.m. to 9:00 p.m. (JST); toll free within Japan)</p>
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Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters regarding Year-end Dividend

The Company proposes the year-end dividend for the 14th Fiscal Year as follows, after consideration of operating results for the current fiscal year, the future business development and other factors.

- (1) Type of dividend property:
Cash
- (2) Dividend property allotment to shareholders and total amount thereof
Dividends per common share of the Company: ¥14
Total amount of dividends: ¥1,919,602,538
- (3) Date of effectiveness of dividends:
May 29, 2020

Proposal 2: Approval of Absorption-Type Company Split Agreement

1. Reason for conducting the absorption-type company split

For the purpose of responding to the rapid changes in the social environment, ensuring the optimization and streamlining of overall home center business, and focusing our efforts on making important management decisions (strategic decisions), the Company has reached an agreement with DCM Split Preparation Co., Ltd. (hereinafter referred to as the “Successor Company”), by which the entire home center business of the Company would be, effective as of March 1, 2021, transferred to the Successor Company by way of an absorption-type company split (hereinafter referred to as the “Absorption-Type Company Split”). As of April 10, 2020, the Company entered into the Absorption-Type Company Split Agreement (hereinafter referred to as the “Absorption-Type Company Split Agreement”) with the Successor Company.

This proposal requests your approval of the execution of the Absorption-Type Company Split Agreement in connection with the Absorption-Type Company Split.

In addition, at the meeting of Board of Directors held on December 10, 2019, it was decided that DCM Kahma Co., Ltd., DCM Daiki Co., Ltd., DCM Homac Co., Ltd., DCM Sanwa Co., Ltd., and DCM Kuroganeya Co., Ltd., each of which is a wholly-owned subsidiary of the Company (hereinafter collectively referred to as the “Five Subsidiaries of the Company”), would be consolidated into one company, with the targeted completion in March 2021. The Five Subsidiaries of the Company will also be consolidated into the Successor Company effective as of March 1, 2021.

2. Outline of terms and conditions of the Absorption-Type Company Split Agreement

The terms and conditions of the Absorption-Type Company Split Agreement are as follows:

ABSORPTION-TYPE COMPANY SPLIT AGREEMENT (Copy)

This Absorption-Type Company Split Agreement (hereinafter referred to as this “Agreement”) is made and entered into, as of April 10, 2020, by and between DCM Holdings Co., Ltd. (hereinafter referred to as “DCM Holdings”) and DCM Split Preparation Co., Ltd. (hereinafter referred to as “DCM Split Preparation”), as follows:

Article 1. Absorption-type company split

DCM Holdings shall, in accordance with the provisions of this Agreement, transfer the Rights and Obligations (as defined in Article 3, paragraph 1) that it holds regarding its home center business (hereinafter referred to as the “Business”) to DCM Split Preparation on the Effective Date (as defined in Article 6; hereinafter the same shall apply) by means of the absorption-type company split (hereinafter referred to as the “Absorption-Type Company Split”) under which DCM Holdings shall be the splitting company and DCM Split Preparation shall be the successor company, and DCM Split Preparation shall succeed to such Rights and Obligations from DCM Holdings.

Article 2. Trade name and address

The respective trade names and addresses of the splitting company and the successor company involved in the Absorption-Type Company Split shall be as follows:

- (1) Splitting company (DCM Holdings)
Trade name: DCM Holdings Co., Ltd.
Address: 6-22-7 Minamioi, Shinagawa-ku, Tokyo
- (2) Successor company (DCM Split Preparation)
Trade name: DCM Split Preparation Co., Ltd.
Address: 6-22-7 Minamioi, Shinagawa-ku, Tokyo

Article 3. Rights and obligations to be transferred

1. The assets, liabilities, labor contracts and other rights and obligations to be transferred from DCM Holdings to DCM Split Preparation through the Absorption-Type Company Split (hereinafter referred to as the “Rights and Obligations”) shall be as specified in Exhibit. The assets and liabilities to be transferred from DCM Holdings to DCM Split Preparation shall be based on DCM Holdings’ balance sheet values and other figures as of February 28, 2021, and be determined after adding or subtracting any increase or decrease occurring up to the day

immediately preceding the effective date of the Absorption-Type Company Split, to or from such values and figures.

2. Without delay after the Effective Date, the parties shall mutually cooperate in registering, notifying, approving or otherwise taking necessary procedures for any of the Rights and Obligations, if required for the transfer or completion of the perfection.
3. All liabilities to be transferred to DCM Split Preparation under the provisions of Article 3, paragraph 1 shall be undertaken by concomitant assumption of obligations.

Article 4. Consideration to be delivered for the company split

DCM Split Preparation shall not deliver any consideration for the Rights and Obligations in connection with the Absorption-Type Company Split.

Article 5. Amount of capital stock and reserves of the successor company

The Absorption-Type Company Split shall not increase capital stock and reserves of DCM Split Preparation.

Article 6. Effective Date

The date on which the Absorption-Type Company Split takes effect (hereinafter referred to as the “Effective Date”) shall be March 1, 2021. Provided, however, that the parties may change the Effective Date by mutual agreement if such change is necessary due to the progress of procedures for the Absorption-Type Company Split or other relevant matters.

Article 7. Share acquisition rights of the successor company

No share acquisition rights of DCM Split Preparation shall be issued to any holders of share acquisition rights of DCM Holdings in exchange for such share acquisition rights, in connection with the Absorption-Type Company Split.

Article 8. Obligation not to compete

DCM Holdings shall not bear any obligation not to compete with DCM Split Preparation regardless of the Absorption-Type Company Split.

Article 9. Amendment and termination

If, after the execution of this Agreement and up to the Effective Date, it becomes difficult to achieve the purpose of this Agreement due to a situation that seriously hinders the execution of the Absorption-Type Company Split or any other reason, the parties may, by mutual agreement, amend the conditions of the Absorption-Type Company Split or other provisions of this Agreement, or terminate this Agreement.

Article 10. Resolution for approval

This Agreement shall cease to be effective if it is not approved by the resolution at the general meeting of shareholders of each party on or before the day immediately preceding the Effective Date.

Article 11. Matters for good-faith consultation

In addition to the matters set forth in this Agreement, any matters necessary for the Absorption-Type Company Split shall be determined through good-faith consultation between the parties, in accordance with the intent of this Agreement.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate originals by affixing their names and seals thereto, each party retaining one (1) copy thereof, respectively.

April 10, 2020

DCM Holdings:	6-22-7 Minamioi, Shinagawa-ku, Tokyo DCM Holdings Co., Ltd. Yasunori Ishiguro Representative Director and President, COO
DCM Split Preparation:	6-22-7 Minamioi, Shinagawa-ku, Tokyo DCM Split Preparation Co., Ltd. Yasunori Ishiguro Representative Director and President

Exhibit

Statement of Rights and Obligations to be Transferred

1 Assets

(1) Current assets

All of the cash and deposits, accounts receivable - trade, merchandise, advance payments - trade, prepaid expenses, short-term loans receivable and other current assets belonging to the Business (excluding those separately agreed upon between the parties)

(2) Non-current assets

All of the non-current assets, investments and other non-current assets belonging to the Business (excluding those separately agreed upon between the parties)

2 Liabilities

(1) Current liabilities

All of the accounts payable - trade, electronically recorded obligations - operating, current portion of long-term loans payable, accounts payable - other, deposits received and other current liabilities belonging to the Business (excluding those separately agreed upon between the parties)

(2) Non-current liabilities

All of the long-term borrowings and other non-current liabilities belonging to the Business (excluding those separately agreed upon between the parties)

3 Labor contracts

The contractual status with respect to the employment contracts with all employees of DCM Holdings who are engaged in the Business as of the Effective Date, and all rights and obligations incidental thereto

4 Other rights and obligations, and contractual status

(1) All statuses under contracts executed by DCM Holdings in connection with the Business as of the Effective Date, and all rights and obligations arising therefrom (excluding those separately agreed upon between the parties)

(2) All licenses, authorization, approvals, registrations and notification obtained by DCM Holdings in connection with the Business that are legally transferable from DCM Holdings to DCM Split Preparation

(3) All rights and obligations accrued by DCM Holdings in connection with the Business in addition to those set forth in items (1) and (2) above (excluding those separately agreed upon between the parties)

3. Appropriateness of provisions of consideration for the company split

The Successor Company will not deliver any consideration for the rights and obligations to be transferred from the Company in connection with the Absorption-Type Company Split.

4. Appropriateness of provisions of capital stock, etc.

The Absorption-Type Company Split will not increase capital stock and reserves of the Successor Company.

5. Financial statements at the time of incorporation of the Successor Company

Financial statements for the first fiscal year of the Successor Company have not been prepared, because its first fiscal year is from April 1, 2020, the date of its incorporation, to February 28, 2021, and has not ended as of the date of preparing this document. The balance sheet as of the date of incorporation of the Successor Company is as follows:

(Millions of yen)

Assets		Liabilities and Net Assets	
Account	Amount	Account	Amount
Cash and deposits	100	Capital stock	100
Total assets	100	Total liabilities and net assets	100

6. Disposition of material assets, assumption of significant liabilities, and other events that significantly affect the status of the assets of the successor company in the absorption-type company split occurring after the date of incorporation of the company

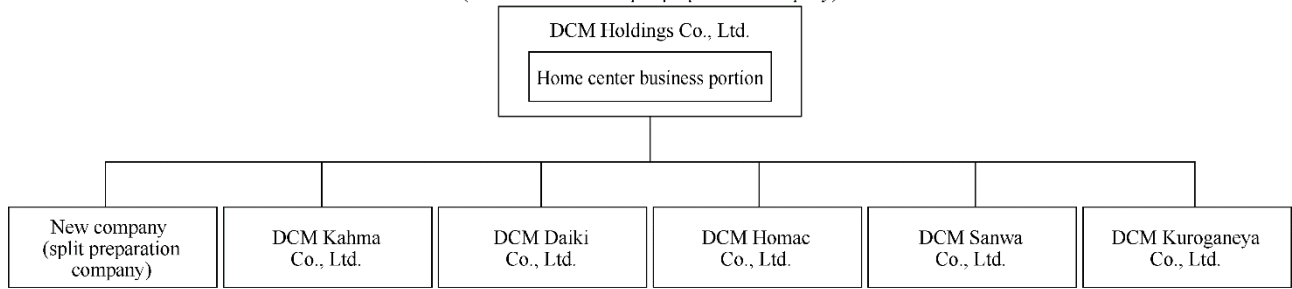
Not applicable.

7. Disposition of material assets, assumption of significant liabilities, and other events that significantly affect the status of the assets of the Company occurring after the last day of the most recent fiscal year of the Company

The Company acted as the incorporator to incorporate the Successor Company on April 1, 2020, with the intention that it would be the successor company in the Absorption-Type Company Split. The outline of the Successor Company is as follows:

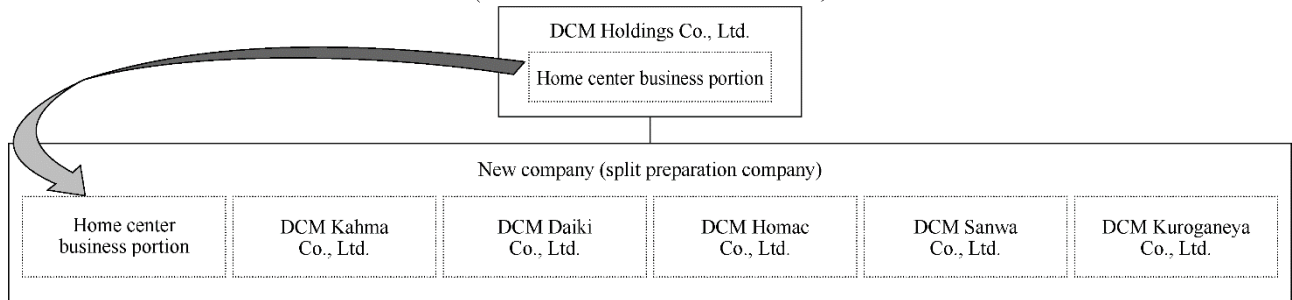
- (1) Trade name DCM Split Preparation Co., Ltd.
- (2) Head office 6-22-7 Minamioi, Shinagawa-ku, Tokyo
- (3) Name and title of the representative Yasunori Ishiguro
Representative Director and President
- (4) Capital stock ¥100 million
- (5) Shareholder composition and shareholding ratio DCM Holdings Co., Ltd.
100%
- (6) Amount of investment made by the Company ¥100 million

April 1, 2020
(Establishment of a split preparation company)



Establishment of a new company (split preparation company) as a wholly owned subsidiary of the Company

March 1, 2021
(Consolidation of the home center business)



Consolidation of the Company's home center business and five subsidiaries into the new company

Proposal 3: Election of Ten (10) Directors

The terms of office of all ten (10) Directors will expire upon conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company requests the election of ten (10) Directors.

The candidate for Director to be elected is as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
1	Toshihiro Hisada (December 19, 1946)	<p>July 2001 Joined Kahma Co., Ltd. (current DCM Kahma Co., Ltd.), Advisor</p> <p>June 2002 Representative Director and Vice President, Kahma Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Sept. 2002 Representative Director and President, Kahma Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Mar. 2006 Representative Director and President, DCM Japan Co., Ltd.</p> <p>Sept. 2006 Representative Director and Vice President, the Company</p> <p>May 2007 Representative Director and President, the Company</p> <p>Mar. 2012 Representative Director and President Executive Officer, the Company</p> <p>May 2017 Representative Director and President, CEO, the Company</p> <p>Mar. 2020 Chairman and Representative Director, CEO, the Company (current position)</p>	184,026 shares
<p>Reasons for Nomination as Director</p> <p>Mr. Toshihiro Hisada has been Chairman and Representative Director, CEO of the Company and has extensive experience, proven track record and insights as a business manager. We have nominated him as a candidate for Director as we believe he is well qualified to lead the business management of the Group with his strong leadership and determination demonstrated toward the realizing of “Demand Chain Management,” which is the management policy of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
2	Yasunori Ishiguro (January 20, 1963)	<p>Sept. 1991 Joined Ishiguro Homa Corp. (current DCM Homac Co., Ltd.)</p> <p>Feb. 2003 Managing Executive Officer, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Feb. 2006 Director and Senior Managing Executive Officer, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Dec. 2007 Director and Vice President, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>May 2008 Director, the Company</p> <p>Mar. 2011 Representative Director and President, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Mar. 2012 Director Executive Officer in charge of Product Development and New Business Development, the Company</p> <p>Mar. 2012 Representative Director and President Executive Officer, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Sept. 2012 Director Executive Officer in charge of Product Development and New Business Promotion, the Company</p> <p>Mar. 2013 Director Executive Officer in charge of Merchandising, the Company</p> <p>May 2014 Director and Vice President Executive Officer in charge of Merchandising, the Company</p> <p>May 2016 Representative Director and Vice President Executive Officer in charge of Merchandising, the Company</p> <p>Dec. 2016 Representative Director and Vice President Executive Officer in charge of Merchandising, Executive Manager of Merchandising Headquarters, the Company</p> <p>May 2017 Representative Director and President, DCM Homac Co., Ltd.</p> <p>May 2017 Representative Director and Vice President, COO in charge of Merchandising, Executive Manager of Merchandising Headquarters, the Company</p> <p>Mar. 2018 Representative Director and President, Executive Manager of Business Operating Headquarters, DCM Homac Co., Ltd. (current position)</p> <p>Mar. 2020 Representative Director and President, COO, the Company (current position)</p> <p>Important Concurrent Position Representative Director and President, Executive Manager of Business Operating Headquarters, DCM Homac Co., Ltd.</p>	4,193,262 shares
	<p>Reasons for Nomination as Director</p> <p>Mr. Yasunori Ishiguro has been Representative Director and President, COO of the Company and has extensive experience, proven track record and insights as a business manager. We have nominated him as a candidate for Director as we believe he is well qualified to develop and promote the growth strategies of the Group with his strong leadership as a person responsible for business execution of the Company.</p>		

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
3	Toshimitsu Shimizu (November 1, 1963)	<p>Mar. 1986 Joined Ishiguro Store Co., Ltd. (current DCM Homac Co., Ltd.)</p> <p>Feb. 2001 General Manager, Store Operations IV Division, Hokkaido Division, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>July 2003 General Manager, Sales Planning Promotion Division, Hokkaido Region, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Feb. 2005 General Manager in charge of New Business Development Team, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Feb. 2006 General Manager in charge of Ben & Lee Business Promotion Division, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Mar. 2007 Zone Manager, Hokkaido Zone, 1st Division, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Sept. 2008 General Manager, Personnel and Human Resources Development Division, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Mar. 2010 Division Senior Manager, Personnel Division, the Company</p> <p>May 2011 Director, Homac Corp. (current DCM Homac Co., Ltd.)</p> <p>Mar. 2012 Executive Officer, Division Senior Manager, Personnel Division, the Company</p> <p>Mar. 2013 Executive Officer, Division Senior Manager, General Affairs and Personnel Division, the Company</p> <p>May 2015 Director (with Managing-Director status), DCM Homac Co., Ltd.</p> <p>May 2015 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager, General Affairs and Personnel Division, the Company</p> <p>Mar. 2016 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager of General Affairs and Personnel Division, General Manager of Personnel Department, the Company</p> <p>May 2016 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager of General Affairs and Personnel Division, General Manager of Personnel Department, in charge of Internal Control and Compliance, General Manager, Internal Control Office, the Company</p> <p>Mar. 2017 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager of General Affairs and Personnel Division, in charge of Internal Control and Compliance, General Manager, Internal Control Office, the Company</p>	5,040 shares

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
		<p>Mar. 2018 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager of General Affairs and Personnel Division, in charge of Internal Control and Compliance, General Manager, Corporate Strategy Office, the Company</p> <p>Sept. 2019 Director Executive Officer in charge of General Affairs and Personnel, Division Senior Manager of General Affairs and Personnel Division, in charge of Internal Control and Compliance, the Company (current position)</p> <p>Mar. 2020 Director (with Senior Managing-Director status), DCM Homac Co., Ltd. (current position)</p> <p>Important Concurrent Position Director (with Senior Managing-Director status), DCM Homac Co., Ltd.</p>	
	<p>Reasons for Nomination as Director</p> <p>Mr. Toshimitsu Shimizu has appropriately fulfilled his role as Director in making decisions over important business matters and overseeing business execution. In addition, he supervises matters concerning governance system and human resources policy of the Group as officer in charge of General Affairs and Personnel. The Company has nominated him as a candidate for Director as we believe he is well qualified to strengthen the management and the corporate governance of the Group.</p>		
4	Hisato Kumagai (August 14, 1960)	<p>Apr. 1985 Joined The Nippon Credit Bank, Ltd. (current Aozora Bank, Ltd.)</p> <p>Apr. 2009 General Manager, Sapporo Branch, Aozora Bank, Ltd.</p> <p>Oct. 2011 Joint General Manager, Legal & Compliance Division, Aozora Bank, Ltd.</p> <p>Nov. 2012 Joint General Manager, Internal Audit Division, Aozora Bank, Ltd.</p> <p>Apr. 2015 Joined the Company; General Manager, Financial Division</p> <p>May 2015 Division Senior Manager, Financial Division, the Company</p> <p>Mar. 2016 Executive Officer, Division Senior Manager, Financial Division, the Company</p> <p>May 2017 Director, Keiyo Co., Ltd. (current position)</p> <p>May 2017 Director Executive Officer in charge of Finance, Division Senior Manager, Financial Division, the Company</p> <p>Mar. 2020 Director Executive Officer in charge of Finance, Division Senior Manager, Financial Division, General Manager, Corporate Strategy Office, the Company (current position)</p> <p>Important Concurrent Position Director, Keiyo Co., Ltd.</p>	1,000 shares
	<p>Reasons for Nomination as Director</p> <p>Mr. Hisato Kumagai has appropriately fulfilled his role as Director in making decisions over important business matters and overseeing business execution. In addition, he supervises matters concerning the financial strategy and M&A as officer in charge of Finance and Corporate Strategy. The Company has nominated him as a candidate for Director as we believe he is well qualified to develop and lead the strategy for strengthening the management of the Group.</p>		

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
5	Keizo Honda (October 21, 1961)	<p>Apr. 1985 Joined Oscar Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Mar. 2007 General Manager, Store Development Department, Oscar Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Mar. 2009 Division Senior Manager, Store Development Division and General Manager, Store Development Division I, Oscar Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Nov. 2009 Division Senior Manager, Store Development Division and General Manager, Store Development Department and Construction Facility and Contract Management Department, the Company</p> <p>Mar. 2012 Executive Officer, Division Senior Manager, Store Development Division, Kahma Co., Ltd. (current DCM Kahma Co., Ltd.)</p> <p>Mar. 2013 Division Senior Manager, Store Development Division and General Manager, Store Development and Planning Department, the Company</p> <p>Mar. 2015 General Manager, Hodaka Division, DCM Kahma Co., Ltd.</p> <p>May 2015 Executive Officer, General Manager, Hodaka Division and Store Development Department, DCM Kahma Co., Ltd.</p> <p>May 2016 Director Executive Officer, General Manager, Hodaka Division and Store Development Department, DCM Kahma Co., Ltd.</p> <p>May 2016 Director, Hodaka Co., Ltd.</p> <p>May 2018 Director Executive Officer, Vice General Manager of Sales Headquarters, and General Manager, Hodaka Division, DCM Kahma Co., Ltd.</p> <p>Mar. 2019 Representative Director and President, Hodaka Co., Ltd. (current position)</p> <p>May 2019 Representative Director and President, Executive Manager of Business Operating Headquarters, DCM Kahma Co., Ltd. (current position)</p> <p>May 2019 Director Executive Officer, the Company (current position)</p> <p>Important Concurrent Position Representative Director and President, Executive Manager of Business Operating Headquarters, DCM Kahma Co., Ltd.</p>	4,030 shares
<p>Reasons for Nomination as Director</p> <p>Mr. Keizo Honda has appropriately fulfilled his role as Director of DCM Kahma Co., Ltd. in making decisions over important business matters and overseeing business execution. He has also been the President of DCM Kahma Co., Ltd. The Company has nominated him as a candidate for Director as we believe he is well qualified to develop and lead the strategy for strengthening the management of the Group.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions		Number of the Company's shares held
6	Masayuki Nakagawa (April 15, 1968) [New candidate]	Mar. 1991	Joined Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)	1,200 shares
		Mar. 2010	General Manager, Personnel Division, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)	
		Sept. 2012	General Manager, Personnel Division, the Company	
		Mar. 2013	General Manager, Personnel Corporate Planning Division, the Company	
		Mar. 2014	General Manager, General Affairs and Personnel Division, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)	
		May 2014	Executive Officer and General Manager, General Affairs and Personnel Division, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)	
		Sept. 2016	Executive Officer, Division Senior Manager, Management Division and General Manager, General Affairs and Personnel Division, DCM Daiki Co., Ltd.	
		May 2017	Director and Executive Officer, Division Senior Manager, Management Division and General Manager, General Affairs and Personnel Division, DCM Daiki Co., Ltd.	
		Sept. 2017	Director, Executive Officer and Division Senior Manager, Management Division, DCM Daiki Co., Ltd.	
		May 2019	Director, Managing Executive Officer and Division Senior Manager, Management Division, DCM Daiki Co., Ltd. (current position)	
Important Concurrent Position Director, Managing Executive Officer and Division Senior Manager, Management Division, DCM Daiki Co., Ltd.				
Reasons for Nomination as Director Mr. Masayuki Nakagawa has appropriately fulfilled his role as Director, Managing Executive Officer and Division Senior Manager of Management Division of DCM Daiki Co., Ltd. in supervising overall management. We have nominated him as a candidate for Director as we believe he is well qualified to promote the growth and strengthen the management of the Group.				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
7	Hiroshi Ogame (May 26, 1960)	<p>Sept. 1988 Joined DIK Co., Ltd. (current DCM Daiki Co., Ltd.)</p> <p>Feb. 1989 General Manager, Corporate Planning Department, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)</p> <p>June 1995 Director, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)</p> <p>Apr. 2004 Representative and Senior Managing Director, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.)</p> <p>July 2005 Representative Director and President, Daiki Axis Co., Ltd.</p> <p>Sept. 2006 Director, the Company</p> <p>Dec. 2011 Representative Director and CEO, LEC Industries Co., Ltd. (current position)</p> <p>Apr. 2012 Representative Director and President, Sylfid Inc.</p> <p>Oct. 2013 Representative Director and President, PT. BESTINDO AQUATEK SEJAHTERA (current PT. DAIKI AXIS INDONESIA)</p> <p>May 2015 Director, DCM Daiki Co., Ltd. (current position)</p> <p>May 2016 Director, the Company (current position)</p> <p>Jan. 2017 Chairman and Director, PT. DAIKI AXIS INDONESIA (current position)</p> <p>Mar. 2017 Representative Director and President, Executive Manager, Global Business Division, Daiki Axis Co., Ltd.</p> <p>Mar. 2017 Chairman and Director, Kishimoto Design and Engineering Co., Ltd. (current DAD Co., Ltd.) (current position)</p> <p>May 2017 Chairman and Director, Sylfid Inc. (current position)</p> <p>Feb. 2018 Chairman and Director, DA INVENT Co., Ltd. (current position)</p> <p>Mar. 2019 Representative Director and President, Daiki Axis Co., Ltd. (current position)</p> <p>Important Concurrent Position Director, DCM Daiki Co., Ltd. Representative Director and President, Daiki Axis Co., Ltd.</p>	– shares
<p>Reasons for Nomination as Director</p> <p>Mr. Hiroshi Ogame has appropriately fulfilled his role as Director in making decisions over important business matters and overseeing business execution. When the Company was established, he took part in the management of the Company as Director and has been engaged in the management of a number of other companies. We have nominated him as a candidate for Director as we believe he is well qualified to strengthen the management of the Group with his extensive experience, proven track record and insights.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
8	Shigeo Daigo (April 20, 1958)	Apr. 1982 Joined Keiyo Co., Ltd. Mar. 2006 Executive Officer, Keiyo Co., Ltd. June 2006 Executive Officer, General Manager of Merchandise Division, Keiyo Co., Ltd. Jan. 2007 Managing Executive Officer, Keiyo Co., Ltd. May 2007 Managing Director, Keiyo Co., Ltd. Jan. 2008 Managing Director in charge of services, Keiyo Co., Ltd. May 2008 President, Keiyo Co., Ltd. June 2013 President, in charge of Retail Business Division, Keiyo Co., Ltd. July 2015 President, Keiyo Co., Ltd. (current position) May 2017 Director, the Company (current position) Important Concurrent Position President, Keiyo Co., Ltd.	– shares
Reasons for Nomination as Director Mr. Shigeo Daigo has appropriately fulfilled his role as Director in making decisions over important business matters and overseeing business execution. In addition, he manages Keiyo Co., Ltd., which participates in the Group as an affiliated company accounted for using the equity method, as its President. We have nominated him as a candidate for Director as we believe he is well qualified to strengthen the management of the Group with his extensive experience, proven track record and insights.			
9	Michio Masukawa (September 16, 1952)	Apr. 1977 Joined the Bank of Japan Apr. 2003 Head of Deposit Insurance Department, Deposit Insurance Corporation of Japan Aug. 2006 Special Advisor, Financial System and Bank Examination Department, the Bank of Japan May 2008 Director-General, Administration Department, the Bank of Japan Apr. 2009 Auditor, the Bank of Japan June 2013 President COO, CRD Association (a general incorporated association) May 2014 Outside Director, the Company (current position) June 2014 Chairman CEO, CRD Association (a general incorporated association) (current position) Feb. 2015 Outside Director, Kanaya Hotel (current position) June 2015 Outside Director, The Yamanashi Chuo Bank, Ltd. (current position) Important Concurrent Position Chairman CEO, CRD Association (a general incorporated association) Outside Director, Kanaya Hotel Outside Director, The Yamanashi Chuo Bank, Ltd.	5,100 shares
Reasons for Nomination as Outside Director Although Mr. Michio Masukawa has never been involved in the management of a company except as an Outside Officer, he has appropriately fulfilled his role as Outside Director in overseeing business execution of the Company, making constructive statements at the meeting of Board of Directors from an independent and fair standpoint by utilizing his extensive experience, proven track record and insights as an Auditor of the Bank of Japan. Further, he has been a member of the Nomination Committee and the Compensation Committee, improving transparency and objectivity in decision-making procedures. For the reasons stated above, the Company believes he is well qualified to act as an Outside Director and we have therefore nominated him as a candidate for this position. Six (6) years will have passed since his assumption of office as an Outside Director of the Company at the closing of this Ordinary General Meeting of Shareholders.			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company Important Concurrent Positions	Number of the Company's shares held
10	Naoki Uno (June 27, 1953) [New candidate]	Apr. 1977 Joined Tokio Marine and Fire Insurance Co., Ltd. June 2002 General Manager, Service Arrangement Division, Tokio Marine Life Insurance Co., Ltd. June 2009 Managing Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. June 2013 Representative Director, President, Tokio Marine & Nichido Systems Co., Ltd. May 2017 Outside Director, TerraSky Co., Ltd. (current position) Important Concurrent Position Outside Director, TerraSky Co., Ltd.	3,000 shares
Reasons for Nomination as Outside Director We have nominated Mr. Naoki Uno as a candidate for Outside Director as we believe he is capable of fulfilling his role in overseeing the Company's business execution, etc., from an independent and fair standpoint through the extensive experience, proven track record and insights as a business manager.			

- (Notes)
1. No special interest exists between any of the above candidates for Directors and the Company.
 2. Mr. Michio Masukawa and Mr. Naoki Uno are the candidates for Outside Directors.
 3. The Company has concluded agreements with Mr. Hiroshi Ogame, Mr. Shigeo Daigo and Mr. Michio Masukawa to limit their liability to compensate for damages prescribed in Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The maximum amount of the liability for damages based on said agreements shall be the amount prescribed in laws and regulations. If the reelection of Mr. Hiroshi Ogame, Mr. Shigeo Daigo and Mr. Michio Masukawa is approved, the Company intends to extend this limited liability agreement with them. If the election of Mr. Naoki Uno is approved, the Company will enter into a similar limited liability agreement with him.
 4. The Company has reported Mr. Michio Masukawa as Independent Officer under the provisions set forth by the Tokyo Stock Exchange. If the reelection of Mr. Masukawa is approved, the Company intends to continuously appoint him as Independent Officer. Mr. Naoki Uno satisfies the requirements for an Independent Officer under the provisions set forth by the Tokyo Stock Exchange and the Company intends to report him as Independent Officer.

Proposal 4: Election of One (1) Substitute Auditor

The Company requests the election of one (1) substitute Auditor to be ready to fill a vacant position should the number of Auditors fall below the number required by laws and regulations.

This election may be rescinded by a resolution at the Board of Directors with the approval of the Audit Board only prior to his assumption of office as Auditor.

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

The candidate for Substitute Auditor to be elected is as follows:

Name (Date of birth)	Career summary and positions in the Company Important Concurrent Position	Number of the Company's shares held
Masato Tabuchi (October 14, 1961) [New candidate]	Mar. 1985 Joined DIK Co., Ltd. (current DCM Daiki Co., Ltd.) Dec. 2006 General Manager, General Affairs Division, DIK Co., Ltd. (current DCM Daiki Co., Ltd.) Mar. 2010 General Manager, Personnel Division, the Company Sept. 2012 Executive Officer, Division Senior Manager, Management Division, General Manager, Personnel Division and General Manager, Systems Division, Daiki Co., Ltd. (current DCM Daiki Co., Ltd.) Mar. 2013 Executive Officer, Division Senior Manager, Management Division, General Manager, Systems Division, DCM Daiki Co., Ltd. May 2013 Executive Officer, Division Senior Manager, Management Division, DCM Daiki Co., Ltd. Jan. 2014 Executive Officer, Division Senior Manager, Management Division, General Manager, Finance Division, DCM Daiki Co., Ltd. Mar. 2014 General Manager, Internal Auditing Department, the Company Mar. 2018 General Manager, Internal Control Division and Internal Auditing Office, the Company Mar. 2019 Internal Auditing Advisor, DCM Daiki Co., Ltd. May 2019 Standing Auditor, DCM Daiki Co., Ltd. (current position)	1,600 shares
Reasons for Nomination as Substitute Auditor Mr. Masato Tabuchi has appropriately fulfilled his role as Standing Auditor of DCM Daiki Co., Ltd. by utilizing his extensive experience in the Administrative Department. We have nominated him as a substitute Auditor as we believe he is well qualified to fill the role of overseeing the management of the Company from an objective and fair standpoint.		

- (Notes)
1. No special interest exists between the above candidate for Substitute Auditor and the Company.
 2. If the candidate, Mr. Masato Tabuchi assumes office as Auditor, the Company will enter into an agreement with him, to limit his liability to compensate for damages prescribed in Article 423, Paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, Paragraph (1) of the same Act. The maximum amount of the liability for damages based on said agreement shall be the amount prescribed in laws and regulations.

Proposal 5: Revisions of Details of Performance-Linked Share-Based Remuneration Plan to Directors and Executive Officers

1. Reason that revision of the Plan is appropriate

The performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”) was approved and resolved by shareholders at the 11th Ordinary General Meeting of Shareholders held on May 25, 2017, and has been in place up until now. Under the Plan, the Company shares are delivered and money is paid in the amount equivalent to the proceeds from cash conversion of the Company shares (hereinafter referred to as the “Company Shares, etc.”; and such delivery and payment are hereinafter collectively referred to as the “Delivery, etc.”) to any Director (excluding Outside Directors, those who are non-residents of Japan, and those who are not executing business in any of the Company and the Company’s consolidated subsidiaries; hereinafter referred to as the “Covered Directors”) of the Company and the Company’s three subsidiaries (DCM Kahma Co., Ltd., DCM Daiki Co., Ltd., and DCM Homac Co., Ltd.; hereinafter collectively, together with the Company, referred to as the “Covered Companies”) based on such metrics as a degree of achievement of performance targets under the Medium-Term Management Plan.

If Proposal 2 “Approval of Absorption-Type Company Split Agreement” is approved and resolved in its original form, the Absorption-Type Company Split Agreement will be approved, under which the entire home center business of the Company will be, effective as of March 1, 2021, transferred to the successor company. This will be carried out as part of the consolidation (hereinafter referred to as the “Consolidation”) between the successor company to which the entire home center business of the Company will be transferred through such absorption-type company split, and five wholly-owned subsidiaries of the Company which are engaged in the home center business (DCM Kahma Co., Ltd., DCM Daiki Co., Ltd., DCM Homac Co., Ltd., DCM Sanwa Co., Ltd., and DCM Kuroganeya Co., Ltd.). Accordingly, the Company requests your approval of the partial revision and continuation of the Plan in anticipation of the Consolidation to enable the Company to respond flexibly to future reorganization.

The Plan aims to give the persons it covers an incentive towards achieving the targets under the Medium-Term Management Plan. The Company believes that this revision is valid, as it achieves flexible introduction of the Plan across the entire group, thereby further heightening the motivation to contribute to the improvement of the Group’s medium- to long-term business performance and increase of the corporate value, as well as sharing interests with its shareholders.

The number of Directors of the Company covered under the Plan will be six (6) if Proposal 3 “Election of Ten (10) Directors” is approved and resolved in its original form.

The Plan also covers Executive Officers who enter into contracts of mandate with the Company as persons covered under the Plan (hereinafter referred to as the “Covered Executive Officers”), and the remuneration under the Plan includes that for the Covered Executive Officers. Under this proposal, the Company proposes the amount and the terms of remuneration as the entire remuneration under the Plan, in light of the possibility that certain Covered Executive Officers will assume office as new Director of the Company during the covered period of the Plan. At the conclusion of this Ordinary General Meeting of Shareholders, there are no Covered Executive Officers who do not concurrently serve as Director covered under the Plan.

2. Details of the Plan after revision

(1) Outline of the current Plan

The Plan is a share-based remuneration plan under which, the Company shares are acquired through a trust using the remuneration for Covered Directors paid by the Covered Companies as the financial resource, and then, according to the degree of attainment of performance targets, etc., the Delivery, etc. of the Company Shares, etc. is made to the Covered Directors through the trust.

(2) Details of the revision of the Plan

(i) Persons to whom the Delivery, etc. of the Company Shares, etc. is made

Before revision	After revision
Director of any of the Company and <u>the Company's three subsidiaries (DCM Kahma Co., Ltd., DCM Daiki Co., Ltd., and DCM Homac Co., Ltd.)</u> (excluding Outside Directors, those who are non-residents of Japan, and those who are not executing business in any of the Company and the Company's consolidated subsidiaries)	Director of any of the Company and <u>the Company's major subsidiaries and Executive Officer who enters into a contract of mandate with any of the Company and the Company's major subsidiaries</u> (excluding Outside Directors, those who are non-residents of Japan, and those who are not executing business in any of the Company and the Company's consolidated subsidiaries)
<p>[Reason for revising this item]</p> <p>The revision is for enabling the Company to respond flexibly to future reorganization by giving the Company the ability to introduce the Plan to any company which it considers as a major subsidiary, without imposing restrictions on the covered subsidiaries. It is also for further heightening the motivation to increase the corporate value on a group-wide basis, by expanding the scope to cover Executive Officers of the Company.</p>	

(ii) The maximum amount of money

Before revision	After revision
<u>A total of ¥560 million (among which, ¥240 million is paid by the Company) for the period of three fiscal years</u>	<u>¥240 million for the period of three fiscal years (Directors of the Company and Executive Officers who enter into contracts of mandate with the Company) (excluding the portion of the subsidiaries covered under the Plan)</u>
<p>[Reason for revising this item]</p> <p>In order to enable the Company to respond flexibly to future reorganization, the maximum amount of money paid, for which the Company seeks to obtain approval of its shareholders, will not include that for the subsidiaries covered under the Plan, but will represent only that paid by the Company.</p> <p>There are no changes to the maximum amount of money paid by the Company.</p>	

(iii) Maximum number of the Company Shares, etc.

Before revision	After revision
<p>The maximum number of the points (shares) granted to <u>Covered Directors by the Trust</u></p> <p>«Per fiscal year» <u>183,500 points (shares)</u> <u>(among which, the maximum number of the points (shares) granted to Directors of the Company is 78,400 points (shares))</u></p> <p>«Covered period comprised of three fiscal years» <u>550,500 points (shares)</u> <u>(among which, the maximum number of the points (shares) granted to Directors of the Company is 235,200 points (shares))</u></p>	<p>The maximum number of the points (shares) granted to <u>Directors of the Company and Executive Officers who enter into contracts of mandate with the Company by the Trust</u></p> <p>«Per fiscal year» <u>78,400 points (shares)</u> <u>(excluding the portion of the subsidiaries covered under the Plan)</u></p> <p>«Covered period comprised of three fiscal years» <u>235,200 points (shares)</u> <u>(excluding the portion of the subsidiaries covered under the Plan)</u></p>
<p>[Reason for revising this item]</p> <p>In order to enable the Company to respond flexibly to future reorganization, the maximum number of the Company Shares, etc. to be obtained by the Company, for which the Company seeks to obtain approval of its shareholders, will not include that for the subsidiaries covered under the Plan.</p> <p>There are no changes to the maximum number of the Company Shares, etc. to be obtained by the Company.</p> <p>The percentage of the number of shares equivalent to the maximum number of the Company Shares, etc. granted to Directors of the Company per three years to the total number of issued shares of the Company (as of February 29, 2020; excluding treasury shares) is 0.17%. (The percentage per year is 0.05%.)</p>	

There are no changes to other details of the Plan, including the conditions for achieving business performance under the Plan, “the number of shares to be decided upon within the range of 0-150% depending on the degree of achievement of targets and other factors for the performance indicators (consolidated net sales, consolidated ordinary profit, consolidated profit attributable to owners of parent, etc.) specified in the Medium-Term Management Plan,” and the time when the Delivery, etc. of the Company Shares, etc. is made to the covered persons (in principle, delivery upon the retirement from office of the covered Directors and Executive Officers at any of the companies covered under the Plan).