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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities Code 6459) March 9, 2017

To Shareholders:

Atsushi Ozaki President and Representative Director DAIWA INDUSTRIES LTD. 3-13, Obasecho, Tennoji-ku, Osaka

NOTICE OF

THE 56TH ANNUAL SHAREHOLDERS MEETING

Dear Shareholders:

You are cordially invited to attend the 56th Annual Shareholders Meeting of DAIWA INDUSTRIES LTD. (the "Company").

If you are unable to attend the meeting, you can exercise your voting rights in writing. Please review the attached Reference Documents for the Shareholders Meeting and indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:45 p.m., Tuesday, March 28, 2017, Japan time.

1. Date and Time:	Wednesday, March 29, 2017 at 10:00 a.m. Japan time (reception will start at
1 Diana	9:00 a.m.)
2. Place:	Main Hall on the 7th floor of Mengyo Kaikan Shinkan located at 5-8, Bingomachi 2-chome, Chuo-ku, Osaka, Japan
3. Meeting Agenda:	5-8, Bingomachi 2-chome, Chuo-ku, Osaka, Japan
0 0	The Business Report and Financial Statements for the Company's 56th Fiscal
Matters to be reported.	Year (January 1, 2016 - December 31, 2016)
Proposals to be resolved	1:
Proposal 1:	Election of Nine (9) Directors

Proposal 1:	Election of Nine (9) Directors
Proposal 2:	Provision of Retirement Allowance to a Resigning Director

- \bigcirc When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Should the Reference Documents for the Shareholders Meeting, the Business Report and Financial Statements require any revisions, the revised versions will be posted on the Company's website (http://www. drk.co.jp).

Reference Documents for the Shareholders Meeting

Proposals and Matters for Reference

Proposal 1: Election of Nine (9) Directors

The terms of office of all Directors (nine (9) Directors) of the Company will expire at the conclusion of this year's Annual Shareholders Meeting. Accordingly, the Company proposes the election of nine (9) Directors.

The candidates are as follows:

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No. 1	Shigeru	Ozaki	(Date of birth: Janua	ry 31, 1929)	Reelection	
[Past exp	erience, posit	ions and respon	sibilities]			
Februa	ry 1958	Founded Daiv	va Industries			
Novem	ber 1962	Established D	aiwa Industries Ltd. and assumed	the position of Pr	esident and Representative Director	
March	2002	Chairman and	Representative Director of the Co	ompany	_	
March	2016	Top Advisor a	nd Director of the Company (to the	he present)		
[Reasons	for the nomin	nation as a cand	idate for Director]			
		-	eru Ozaki as a candidate for Directly because of his achievements as	*		
			nt of the Company, his deep know			
-	abundant insights and experience as a business manager.					
[Attenda	[Attendance at Board of Directors meetings in the current fiscal year] [Number of shares of the Company held]					
10 out of	13 meetings			3,912		

No. 2	Atsush	i Ozaki (Date of birth: March 12, 1970)) Reelection
[Past ex	perience, pos	itions and responsibilities]	
March	1994	Joined the Company	
July 2	000	Head of President's Office of the Company	
March	2001	Director of the Company	
Augus	t 2001	Vice President and Director of the Company	
March	2002	President and Representative Director of the Company (to the	e present)
March	2008	President and Executive Officer of the Company (to the prese	ent)
[Reason	s for the nom	ination as a candidate for Director]	
qualifi perfor Repres	ed for Direct med his dutie sentative Dire	minated Mr. Atsushi Ozaki as a candidate for Director. The Co or of the Company, as he has been engaged in overall operatio as since he joined the Company, and since he assumed the offic ector in March 2002, he has accumulated deep knowledge about sights and experience as a business manager.	ns of the Company and appropriately ee of Director in March 2001 and
		······	of shares of the Company held]
13 out	of 13 meetin	gs 3.760.000)

No. 3	b. 3 Toshihiro Sugita		(Date of birth: June 1	7, 1954)	Reelection
[Past exp	erience, posi	tions and responsibili	ties]		
Septem	ber 1981	Joined the Compan	У		
March	2005	Director, General M Sales Division of th	6	sion and General M	Ianager of Osaka Head Office
December 2005General Manager of Corporate Sales Supervisory Division of the CompanyOctober 2006General Manager in charge of Direct Sales of Sales Strategy Division of the Company			- ·		
Februa March	ry 2007 2007	-	f Direct Sales Strategy Super-	•••	
Novem	ber 2007		Sales (to the present)		
March	2008	Managing Executiv	ve Officer of the Company		
March	2014	Senior Managing D	Director of the Company (to th	e present)	
		Senior Managing E	Executive Officer of the Comp	any (to the present	t)
Decem	ber 2014	In charge of Sales	(to the present)		
April 2	016	In charge of Corpo	rate Business (to the present)		
[Reasons	for the nomi	nation as a candidate	for Director]		
The Co	mpany renon	ninated Mr. Toshihiro	Sugita as a candidate for Dir	ector. The Compan	y finds that he is very well
qualifie	ed for Directo	or of the Company, as	he has appropriately perform	ed his duties and g	ained a wealth of knowledge
	and experience in the sales division, and deepened his understanding about the Company's overall business, since he				
	joined the Company. In addition, since he assumed the office of Director in March 2005, he has been accumulating				
achievements in sales operations of the Company.					-
[Attenda	nce at Board	of Directors meetings	in the current fiscal year]	[Number of share	es of the Company held]
13 out o	of 13 meeting	s		10,466	

No. 4	Kaoru	Maekawa	(Date of birth: June 27	7 , 1951)	Reelection
[Past ex]	perience, pos	sitions and responsib	pilities]		
April 1	1974	Joined Matsushi	ta Electric Industrial Co., Ltd. (currently, Panason	nic Corporation)
October 2002 General Man		General Manage	er of Cooking System Business	Division of the same	me company
Octobe	er 2006	Vice President o	of Home Appliances Company of	f the same compa	iny
Augus	t 2011	Technical Advis	or of Cooking Business Divisio	n of the same con	npany
April 2	2012	Technical Advis	or of Panasonic Manufacturing	Malaysia Bhd.	
August 2014 Joined the Company, Advisor in charge of Development and Manufacturing				ufacturing	
Februa	ary 2015	Executive Office	er in charge of Plants of the Cor	npany (to the pres	sent)
March	2015	Director of the C	Company (to the present)		
[Reason	s for the non	nination as a candidation	ate for Director]		
The Co	ompany rend	minated Mr. Kaoru	Maekawa as a candidate for Di	rector. The Compa	any finds that he is very well
qualifi	ed for Direct	tor of the Company,	as he owns a wealth of knowled	lge and experienc	e cultivated over his career at an
electri	cal manufact	uring company, and	has developed his understanding	ig about the Com	cany's overall business, mainly
throug	h operations	of the manufacturin	ng division, since he joined the	Company. In addit	ion, since he assumed the office
of Dire	ector in Marc	ch 2015, he has beer	accumulating achievements in	the Company's m	nanagement, acting as a
respon	sible person	of the manufacturin	g division, being in charge of p	lants.	
[Attenda	ance at Board	l of Directors meetin	ngs in the current fiscal year]	[Number of sha	ares of the Company held]
13 out of 13 meetings			-	1,189	- •

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No. 5	Hiroya	su Nishikubo	(Date of birth: Octob	er 20, 1940)	Reelection, Outside & Independent
[Past exp	erience, posi	tions and responsibilit	ies]		
Decem	ber 1985	Director of Fuyo Sh	okai Co., Ltd. (currently, Fu	yo Co., Ltd.)	
Septem	ber 1986	Director of F.M.S.	Co., Ltd. (currently, Fuyo Ma	intenance System	n Co., Ltd.)
May 19	93	Managing Director	of the same company	-	
May 20	003	Senior Managing D	irector of the same company		
May 2004 Director of the same company					
March	March 2008 Company Auditor of the Company				
March	2013	Outside Director of	the Company (to the present)	
[Reasons	for the nom	ination as a candidate	for Director]		
very we owns b career, the Cor	ell qualified f usiness exper as well as ins npany. The to	for Outside Director to rience and knowledge sights concerning the O	be responsible for the super regarding business managen Company's overall business b ishikubo as Outside Director	vision of the Con ent decisions, etc based on his expe	c. accumulated through his rience as Company Auditor of
[Attenda	nce at Board	of Directors meetings	in the current fiscal year]	[Number of sha	ares of the Company held]
12 out c	of 13 meeting	5S		2,187	

No. 6	Yoshiaki	Ono	(Date of birth: Septer	mber 1, 1942)	Reelection, Outside & Independent
[Past exp	erience, positio	ns and responsibiliti	es]		
June 19		Manager of Koshien Corporation)	Branch of Taiyo Kobe Ban	k, Ltd. (currently, Su	mitomo Mitsui Banking
June 1	987	Assistant Manager o	f Personnel Planning Divisi	on of the same bank	
April 1	988	Assistant Manager o	f Tokyo Personnel Division	of the same bank	
June 1	989	Manager of Osaka E	ki-mae Branch of the same	bank	
April 1	991	Manager of Business	s Administration Division 1	of Mitsui Taiyo Kobe	e Bank, Ltd.
June 1	992	Manager of Semba H	Branch of The Sakura Bank,	Limited (currently, S	umitomo Mitsui Banking
		Corporation)			
July 1994 Managing Director of Kobe Bankers Association					
July 20	07	Resigned from the p	osition of Managing Directo	or of the same associa	tion
March	2013	Outside Company A	uditor of the Company		
April 2	016	Outside Director of t	the Company (to the present	t)	
[Reasons	for the nomina	tion as a candidate f	or Director]		
qualifi	ed for Outside I	Director to be response	sible for the supervision of	the Company's manag	· •
his car	er, as well as ir	sights concerning th	d a wealth of knowledge reg te Company's overall busing e of Mr. Ono as Outside Dir	ess based on his exper	
	-	's Annual Sharehold		1.5	2
			in the current fiscal year]	[Number of shares	of the Company held]
	10 meetings			570	

No. 7	Masahi	ro Ozaki	(Date of birth: Januar	y 23, 1973)	Reelection
[Past ex	perience, posi	tions and responsib	pilities]		
March	1999	Joined the Comp	bany		
Augus	st 2001	Head of Presider	nt's Office of the Company		
March	2002	Director of the C	Company		
June 2	2002	General Manage	r of Service Technology Divisio	n of the Company	
Decen	nber 2005	General Manage	r of Service Division of the Com	npany	
Februa	ary 2007	General Manage	r of Direct Sales Strategy Superv	visory Division of	the Company
March	2008	Resigned from the	he position of Director of the Co	mpany	
		Executive Office	er of the Company (to the presen	t)	
May 2	008	Head of Presider	nt's Office of the Company (to th	ne present)	
March	2013	Director of the C	Company (to the present)		
June 2	016	In charge of Adr	ninistration (to the present)		
[Reason	s for the nom	ination as a candida	ate for Director]		
qualifi experi	ied for Directo ence and also	or of the Company, deepened his know	ahiro Ozaki as a candidate for Di as he has appropriately performed ledge about the Company's over	ed his duties, gaine rall business throug	ed abundant insights and gh his career in the
			s, since he joined the Company.		
••••••			ccumulating achievements in the	·····	
[Attenda	ance at Board	of Directors meeting	ngs in the current fiscal year]	[Number of share	es of the Company held]
13 out	of 13 meeting	ζS		2,300,000	

Kazushige Hirade	(Date of birth: October 25, 1951)	New candidate		
ence, positions and responsibi	lities]			
Joined Matsushita	Electric Industrial Co., Ltd. (currently, Pana	sonic Corporation)		
997 President and Rep	presentative Director of Niigata Matsushita S	ystem Co., Ltd.		
000 President and Rep	presentative Director of Chugoku Matsushita	System Co., Ltd.		
Joined the Compa	ny, General Manager of Corporate Sales Pla	nning		
10 Executive Officer	of the Company (to the present)			
General Manager	of West Japan Corporate Sales Division			
General Manager	of Regional Corporate Sales Division (to the	present)		
r the nomination as a candidat	e for Director]			
The Company nominated Mr. Kazushige Hirade as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he owns a wealth of knowledge and experience cultivated over his career at an electrical manufacturing company, has developed his understanding about the Company's overall business, mainly through operations of corporate sales planning and corporate sales, and also has been accumulating achievements in overall corporate business, after joining the Company.				
[Attendance at Board of Directors meetings in the current fiscal year] [Number of shares of the Company held] - 0				
	4 Joined Matsushita 997 President and Rep 000 President and Rep 009 Joined the Compa 10 Executive Officer 11 General Manager General Manager r the nomination as a candidat bany nominated Mr. Kazushige for Director of the Company, as manufacturing company, has d perations of corporate sales p rporate business, after joining	ence, positions and responsibilities] 4 Joined Matsushita Electric Industrial Co., Ltd. (currently, Pana 997 President and Representative Director of Niigata Matsushita S 000 President and Representative Director of Chugoku Matsushita 009 Joined the Company, General Manager of Corporate Sales Pla 10 Executive Officer of the Company (to the present) 11 General Manager of West Japan Corporate Sales Division General Manager of Regional Corporate Sales Division (to the r the nomination as a candidate for Director] pany nominated Mr. Kazushige Hirade as a candidate for Director. The Com- for Director of the Company, as he owns a wealth of knowledge and experi- manufacturing company, has developed his understanding about the Compa- perations of corporate sales planning and corporate sales, and also has be- rporate business, after joining the Company. at Board of Directors meetings in the current fiscal year] [Number of		

0 Totauro Kudo

(Data of hirth: January 8, 1050)

[Past experience, positions and responsibilities] October 1976 Joined the Company November 1984 Director of the Company March 1996 Managing Director of the Company March 2006 Resigned from the position of Managing Director of the Company Full-time Company Auditor of the Company November 2006 Resigned from the position of Company Auditor of the Company December 2006 Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the Company March 2007 General Manager of Corporate Sales Strategy Supervisory Division of the Company March 2007 Director of the Company March 2008 Managing Director of the Company March 2008 Managing Director of the Company March 2008 Managing Executive Officer of the Company March 2009 General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present) March 2011 General Manager of Tokyo Corporate Sales Division June 2015 General Manager of Tokyo Corporate Sales Division 2 of the Company Director of the Company (to the present) Executive Officer of Director] Resons for the nomination as a candidate for Director. The Compa	No. 9	Tetsuro	Kudo	(Date of birth: January 8, 1950)	Reelection			
November 1984Director of the CompanyMarch 1996Managing Director of the CompanyMarch 2006Resigned from the position of Managing Director of the Company Full-time Company Auditor of the CompanyNovember 2006Resigned from the position of Company Auditor of the CompanyDecember 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyFebruary 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyMarch 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the CompanyJune 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present)June 2015General Manager of Tokyo Corporate Sales DivisionJune 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016Reasons for the nomination as a candidate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director or the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company, as he cancidate for Director. The Company, finds that he is very well qualified for Director, he has been accumulating achievements in sales operations of the Company. <tr< td=""><td>[Past exp</td><td>erience, posit</td><td>ions and respon</td><td>nsibilities]</td><td></td></tr<>	[Past exp	erience, posit	ions and respon	nsibilities]				
March 1996Managing Director of the CompanyMarch 2006Resigned from the position of Managing Director of the Company Full-time Company Auditor of the CompanyNovember 2006Resigned from the position of Company Auditor of the CompanyDecember 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyDecember 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyMarch 2008Managing Director of the Company Managing Executive Officer of the Company Managing Executive Officer of the Company Managing Executive Officer of the Company (to the present) Executive Officer of Tokyo Corporate Sales DivisionJune 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division 1 Executive Officer of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imaging Executive Auger of Tokyo Corporate Sales Division of the Company (to the present)Imaging Executive Officer of Director]The Company renominated Mr. Testuro Kudo as a candidate for Director. The Company finds that he is very well quified for Director or the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Compan	October	r 1976	Joined the Co	ompany				
March 2006Resigned from the position of Managing Director of the Company Full-time Company Auditor of the CompanyNovember 2006Resigned from the position of Company Auditor of the Company December 2006December 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyFebruary 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyNovember 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the Company Managing Executive Officer of the Company Director of the Company (to the present) Executive Officer of the Company (to the present) Executive Officer of the Company (to the present)June 2009General Manager of East Japan Corporate Sales Division 2 of the Company December 2016March 2011General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016March 2011General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division 2 of the Company (to the present)June 2015General Manager of Tokyo Corporate Sales Division 3 of the Company (to the present)[Reasons for the nomination as a candidate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director well is duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he h	Novem	ber 1984	Director of th	ne Company				
Full-time Company Auditor of the CompanyNovember 2006Resigned from the position of Company Auditor of the CompanyDecember 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyFebruary 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyMarch 2008Managing Director of the CompanyMarch 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present)June 2009General Manager of East Japan Corporate Sales Division Director of the Company (to the present)March 2011General Manager of Tokyo Corporate Sales Division 2 of the Company Executive Officer of the Company (to the present)March 2011General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imaging Executive Officer of the Company Auditor of the Company (to the present)June 2015General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imaging Imaging Ima	March	1996	Managing Di	rector of the Company				
November 2006Resigned from the position of Company Auditor of the CompanyDecember 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyFebruary 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyNovember 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the CompanyJune 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales Division Director of the Company (to the present)March 2011General Manager of Tokyo Corporate Sales Division 1 General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016Imaging Executive Officer of the Company (to the present)General Manager of Tokyo Corporate Sales Division 1 Executive Officer of the Vorporate Sales Division 2 of the Company (to the present)June 2015General Manager of Tokyo Corporate Sales Division of the Company (to the present)June 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imaging Executive Auditate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company.[Attendance at Board of Directors meetings in the current fiscal year] <td>March 2</td> <td>2006</td> <td>Resigned from</td> <td>m the position of Managing Director of the Comp</td> <td>any</td>	March 2	2006	Resigned from	m the position of Managing Director of the Comp	any			
December 2006Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the CompanyFebruary 2007General Manager of Corporate Sales Strategy Supervisory Division of the CompanyMarch 2007Director of the CompanyMovember 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the CompanyJune 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales Division Director of the Company (to the present)March 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016March 2016General Manager of Tokyo Corporate Sales Division 2 of the Company (to the present)Imager 2015General Manager of Tokyo Corporate Sales Division 2 of the Company (to the present)Imager 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imager 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imager 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)Imager 2017The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company			Full-time Co	mpany Auditor of the Company				
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March 2007Director of the CompanyNovember 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the Company Director of the Company (to the present) Executive Officer of the Company (to the present) Executive Officer of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales Division June 2015June 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)[Reasons for the nomination as a candidate for Director] The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company.[Attendance at Board of Directors meetings in the current fiscal year][Number of shares of the Company held]	Decem	ber 2006	Executive Officer and General Manager of Tokyo Corporate Sales Supervisory Division of the					
November 2007In charge of Corporate BusinessMarch 2008Managing Director of the Company Managing Executive Officer of the Company Director of the Company (to the present) Executive Officer of the Company (to the present) Executive Officer of the Company (to the present)June 2009General Manager of East Japan Corporate Sales Division Director of the Company (to the present) Executive Officer of Tokyo Corporate Sales Division 2 of the Company December 2016March 2011 General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016General Manager of Tokyo Corporate Sales Division 0 the Company (to the present)[Reasons for the nomination as a candidate for Director] The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company held]	Februar	y 2007	General Man	ager of Corporate Sales Strategy Supervisory Div	ision of the Company			
March 2008Managing Director of the Company Managing Executive Officer of the CompanyJune 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales Division General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016March 2015General Manager of Tokyo Corporate Sales Division 2 of the Company (to the present)Image: Source Sales Source Sales Division 3 of the Company December 2016General Manager of Tokyo Corporate Sales Division 0 of the Company (to the present)[Reasons for the nomination as a candidate for Director] The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company held]	March 2	2007	Director of th	ne Company				
June 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales Division General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016June 2015General Manager of Tokyo Corporate Sales Division of the Company (to the present)Image: Image: I	Novem	ber 2007	In charge of	Corporate Business				
June 2009General Manager of Regional Corporate Sales Division Director of the Company (to the present) Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales DivisionJune 2015General Manager of Tokyo Corporate Sales Division 2 of the Company December 2016December 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)[Reasons for the nomination as a candidate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company.[Attendance at Board of Directors meetings in the current fiscal year][Number of shares of the Company held]	March 2	2008	Managing Di	rector of the Company				
Director of the Company (to the present) Executive Officer of the Company (to the present)March 2011 June 2015 December 2016General Manager of East Japan Corporate Sales Division 2 of the Company General Manager of Tokyo Corporate Sales Division 2 of the Company (to the present)[Reasons for the nomination as a candidate for Director] The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very well qualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledge and experience in the sales division, attained experience as Company Auditor of the Company, and deepened his understanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company held]			Managing Ex	ecutive Officer of the Company				
Executive Officer of the Company (to the present)March 2011General Manager of East Japan Corporate Sales DivisionJune 2015General Manager of Tokyo Corporate Sales Division 2 of the CompanyDecember 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)[Reasons for the nomination as a candidate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very wellqualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledgeand experience in the sales division, attained experience as Company Auditor of the Company, and deepened hisunderstanding about the Company's overall business, since he joined the Company. In addition, since he assumed the office of Director, he has been accumulating achievements in sales operations of the Company.[Attendance at Board of Directors meetings in the current fiscal year][Number of shares of the Company held]	June 20	09	General Man	ager of Regional Corporate Sales Division				
March 2011General Manager of East Japan Corporate Sales DivisionJune 2015General Manager of Tokyo Corporate Sales Division 2 of the CompanyDecember 2016General Manager of Tokyo Corporate Sales Division of the Company (to the present)[Reasons for the nomination as a candidate for Director]The Company renominated Mr. Tetsuro Kudo as a candidate for Director. The Company finds that he is very wellqualified for Director of the Company, as he has appropriately performed his duties and gained a wealth of knowledgeand experience in the sales division, attained experience as Company Auditor of the Company, and deepened hisunderstanding about the Company's overall business, since he joined the Company. In addition, since he assumed theoffice of Director, he has been accumulating achievements in sales operations of the Company.[Attendance at Board of Directors meetings in the current fiscal year][Number of shares of the Company held]								
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[Attendance at Board of Directors meetings in the current fiscal year] [Number of shares of the Company held]								
	office o	f Director, he	has been accu	mulating achievements in sales operations of the	Company.			
13 out of 13 meetings 1,530								
	13 out o	f 13 meetings	;	1,530				

Notes:

1. There are no special interests between each candidate and the Company.

2. The candidate Mr. Yoshiaki Ono was newly elected and assumed the position of Outside Director at the 55th Annual Shareholders Meeting held on March 25, 2016. Therefore, the status of his attendance at Board of Directors meetings in the 56th fiscal year is based on the number of Board of Directors meetings that were held after his assumption of office.

3. The candidate Mr. Kazushige Hirade is a new candidate, and his position during the 56th fiscal year was executive officer. Therefore, he did not attend any Board of Directors meetings.

4. Messrs. Hiroyasu Nishikubo and Yoshiaki Ono are candidates for Outside Directors. Both candidates have been notified to the Tokyo Stock Exchange as independent directors who possess no potential conflict of interests with general shareholders, as stipulated by the Tokyo Stock Exchange.

(Selection and nomination of Directors)

In nominating candidates for Directors, the Company determines the candidates through deliberation at Board of Directors meetings, considering professional knowledge, abilities, experience, insights, personalities and other factors necessary to carry out Director's responsibilities.

(Independence criteria for Outside Directors)

The Company has adopted the requirements for outside directors and company auditors stipulated in the Companies Act and the criteria of independent directors and company auditors set by the Tokyo Stock Exchange as the Company's independence criteria. In addition, the Company's Board of Directors takes into consideration the achievements, experience, knowledge and other factors of potential candidates, and selects persons who can be expected to contribute to honest, active and constructive discussion as candidates for Independent Outside Directors.

Proposal 2: Provision of Retirement Allowance to a Resigning Director

Mr. Fumio Ono will resign from the position of Director due to expiration of his term of office at the conclusion of this year's Annual Shareholders Meeting. Therefore, shareholders are requested to give approval to the provision of retirement allowance to Mr. Fumio Ono in compensation for his efforts during his term of office, within a reasonable range of the amount, in accordance with the specified standards of the Company.

The Company requests that the specific amount, timing and method of provision of the retirement allowance be left to the discretion of the Board of Directors.

Name	Past experience		
Fumio Ono	March 2005	Director of the Company	
Fullio Olio	March 2008	Managing Director of the Company (to the present)	

Past experience of the resigning Director is as follows:

End