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(Securities Code: 1824)

June 6, 2018

To our shareholders:

Soji Maeda,  
President and Representative Director  
**MAEDA CORPORATION**  
2-10-2 Fujimi, Chiyoda-ku, Tokyo

## Notice of the 73rd Ordinary General Meeting of Shareholders

You are cordially invited to attend the 73rd Ordinary General Meeting of Shareholders of MAEDA CORPORATION (the “Company”), which will be held as indicated below.

**If you are unable to attend the meeting in person, you may exercise your voting rights in writing or by electromagnetic method (via the internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:30 p.m. on Thursday, June 21, 2018 (JST) in accordance with the instructions presented on pages 3 and 4.**

- 1. Date and Time:** Friday, June 22, 2018, at 10:00 a.m. (JST)
- 2. Venue:** Head office of the Company  
2-10-2 Fujimi, Chiyoda-ku, Tokyo  
(Please refer to the Guide Map to the Venue for the Ordinary General Meeting of Shareholders attached at the end.)

### 3. Purpose of the Meeting

#### Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 73rd fiscal year (from April 1, 2017 to March 31, 2018), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 73rd fiscal year (from April 1, 2017 to March 31, 2018)

#### Matters to be resolved

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Election of 13 Directors  
**Proposal No. 3:** Determination of Remuneration for Directors to Grant Restricted Shares Thereto

### 4. Instructions for Exercising Voting Rights

Please refer to “Instructions for Exercising Voting Rights” presented on pages 3 and 4.

- When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception.
- If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements or the Consolidated Financial Statements, such changes will be posted on the Company's website (<http://www.maeda.co.jp/>) (in Japanese only).
- The meeting will be carried out in light clothing with no neckties ("Cool Biz") on the day. We ask that you also attend the meeting dressed in light clothing.
- Among the documents to be attached to this Notice of the Ordinary General Meeting of Shareholders, following documents are posted on the Company's website pursuant to laws and regulations, as well as Article 15 of the Articles of Incorporation of the Company; therefore, they are not included in the documents attached to this notice. Consequently, the documents attached to this notice consist of part of the documents audited by the Audit & Supervisory Board Members and the Financial Auditor in preparing their audit reports.
  1. "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements
  2. "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

**The Company's website (<http://www.maeda.co.jp/>)**

## Instructions for Exercising Voting Rights

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders on pages 5 to 14.

You may exercise your voting rights using one of the following three methods.

### Attending the General Meeting of Shareholders

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Please present the enclosed voting form at the reception. (No seal is necessary.)

**Date and time**

Friday, June 22, 2018, at 10:00 a.m. (JST)

**Venue**

Head office of the Company

2-10-2 Fujimi, Chiyoda-ku, Tokyo

(Please refer to the Guide Map to the Venue for the Ordinary General Meeting of Shareholders attached at the end.)

### Exercising voting rights by postal mail

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Please indicate your approval or disapproval on each of the proposals on the enclosed voting form and return it without affixing a stamp.

**Deadline**

No later than 5:30 p.m. on Thursday, June 21, 2018 (JST)

In the event that duplicate voting is made in writing or by electromagnetic method (via the internet, etc.), the votes will be treated as follows:

- (i) In the event that duplicate voting is made in writing, the exercise of voting rights using the reissued voting form will be treated as valid.
- (ii) In the event that duplicate voting is made by electromagnetic method (via the internet, etc.), only the last exercise of voting rights will be treated as valid.
- (iii) In the event that duplicate voting is made in writing and by electromagnetic method (via the internet, etc.), the vote received last will be treated as valid. If both votes are received on the same day, the exercise of voting rights by electromagnetic method (via the internet, etc.) will be treated as valid.

Where there is no indication of approval or disapproval for a respective proposal, it will be treated as an approval vote for such proposal.

If you diversely exercise your voting rights, you are requested to notify the Company in writing of your intention to do so and state the reason for this no later than three (3) days before the meeting.

## Exercising Voting Rights via the internet



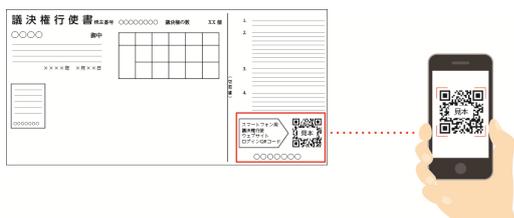
**Deadline**

No later than 5:30 p.m. on Thursday, June 21, 2018 (JST)

### Method 1: Scanning QR code® “Smart Vote”

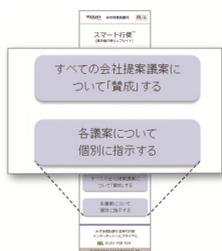
You can simply login to the website for exercising voting rights without entering your voting code and password.

1. Please scan the QR code® located at the bottom right of the voting form.



\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Indicate your approval or disapproval by following the instructions on the screen.



Note that your voting rights can be exercised **only once** by using the “Smart Vote” method.

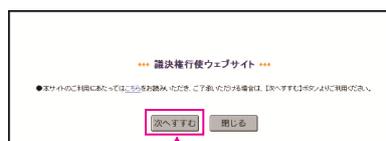
If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and login by entering your voting code and password printed on the voting form, and exercise your voting rights again.

\* You can access the website for personal computer by scanning the QR Code® again.

### Method 2: Entering voting code and password

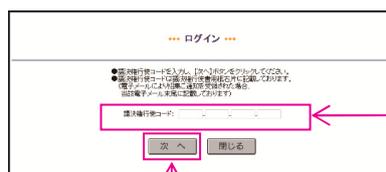
Website for exercising voting rights:  
<https://soukai.mizuho-tb.co.jp/>

1. Please access the website for exercising voting rights.



Click “Proceed to the next”

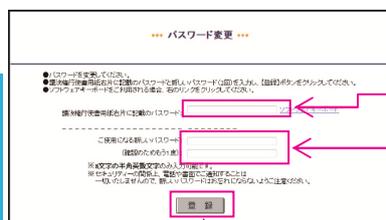
2. Enter your voting code printed on the voting form.



Enter your voting code.

Click “Next”

3. Enter your password printed on the voting form



Enter the initial password

Enter the new password that you will actually use

Click “Register”

4. Indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your personal computer/smartphone/mobile phone in order to exercise your voting rights via the internet, please contact:

Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.  
 Internet Help Dial  
 0120-768-524 (toll free only from Japan)  
 (9:00 a.m. to 9:00 p.m. on weekdays) (JST)

Institutional investors may use the voting rights exercise platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

The Company considers the appropriate return of profits to its shareholders as a key management policy. Striving to maintain long-term stable dividends, the Company's basic policy is to return profits to shareholders, while considering its operating performance and also enhancing internal reserves to provide for future business development such as the de-contracting business (which involves applying our contracting skills and knowhow to concession projects, a business model in which the Company carries out investment, construction and management, and to renewable energy projects). After comprehensively considering business performance, future business development and so forth, the Company proposes that the year-end dividend for the fiscal year be ¥16 per share, an increase of ¥2 compared with the previous fiscal year.

#### 1. Year-end dividends

Type of dividend property

Cash

Allotment of dividend property and the aggregate amount thereof

¥16 per common share of the Company

Total payment: ¥3,165,110,928

Effective date of dividends of surplus

June 25, 2018

#### 2. Other appropriation of surplus

(1) Item of surplus to be increased and amount of increase

General reserve: ¥16,000,000,000

(2) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥16,000,000,000

### <Reference>

#### Dividend trends

(Yen)



**Proposal No. 2:** Election of 13 Directors

The terms of office of all 13 currently serving Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of 13 Directors.

The candidates for Director are as follows:

No.	Name	Current Positions	Nature of Candidacy
1	<b>Koichi Obara</b>	Chairman and Representative Director	Reappointment
2	<b>Soji Maeda</b>	President and Representative Director/ President and Chief Executive Officer	Reappointment
3	<b>Kojiro Fukuta</b>	Representative Director and Executive Vice President/ Executive Vice President	Reappointment
4	<b>Makoto Nagao</b>	Director/ Executive Vice President	Reappointment
5	<b>Shogo Sekimoto</b>	Director and Senior Managing Officer In charge of Sales Planning	Reappointment
6	<b>Hiromi Adachi</b>	Director and Senior Managing Officer Responsible for Safety General Manager of Civil Engineering Division	Reappointment
7	<b>Seiichi Kondo</b>	Director and Senior Managing Officer In charge of Sales Planning	Reappointment
8	<b>Yasuhiko Imaizumi</b>	Director and Senior Managing Officer General Manager of Building Division	Reappointment
9	<b>Kazunari Kibe</b>	Director and Managing Officer In charge of Corporate Planning General Manager of Business Strategy Division	Reappointment
10	<b>Naoya Okawa</b>	Director and Managing Officer In charge of CSV Supervisor of Technology Deputy General Manager of Building Division (in charge of Technology) Deputy General Manager of Civil Engineering Division (in charge of Technology)	Reappointment
11	<b>Nobuyuki Nakashima</b>	Director and Managing Officer In charge of CSR and Environment General Manager of Business Administration Division	Reappointment
12	<b>Akira Watanabe</b>	Outside Director	Reappointment Outside Independent
13	<b>Akio Dobashi</b>	Outside Director	Reappointment Outside Independent

Reappointment : Candidate for reappointment as Director    Outside : Candidate for Outside Director

Independent : Independent Officer set forth by the  
stock exchanges

No.	1
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## Koichi Obara

(June 22, 1949)

Number of shares of the Company held 17,300 shares

Tenure as Director 11 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1972	Joined the Company
Nov. 2003	General Manager of Corporate Planning Dept. of Business Administration Division
Apr. 2005	Executive Officer
Jan. 2007	Deputy General Manager of Procurement Division
June 2007	Director
Nov. 2007	General Manager of Procurement Division
June 2008	Managing Officer, General Manager of Business Administration Division
Apr. 2009	President and Representative Director
Apr. 2016	Chairman and Representative Director (current position)

### Reasons for nomination as candidate for Director

He has abundant experience as a leading corporate manager of the Company and broad insight of the overall business of the construction industry. Accordingly, the Company has nominated him again as a candidate for Director so that his supervision of business execution, etc. can contribute to the sustainable growth of the Group.

No.	2
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## Soji Maeda

(December 6, 1967)

Number of shares of the Company held 85,406 shares

Tenure as Director 16 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1997	Joined the Company
Apr. 2000	Deputy General Manager of Kanto (currently Tokyo Building Works Branch) Branch
June 2002	Director, Managing Officer
June 2004	Senior Managing Officer
Nov. 2004	General Manager of Building Division
Jan. 2007	Project Leader of TPM
June 2008	In charge of TPM, and in charge of Sales Promotion of Building Division
Apr. 2009	In charge of Iidabashi Redevelopment PJ
Jan. 2010	Responsible for Energy
Apr. 2011	Deputy General Manager of Kansai Branch
Apr. 2014	Responsible for Sales
Apr. 2016	President and Representative Director (current position)

### Reasons for nomination as candidate for Director

He has abundant practical experience in the Company. Furthermore, he has shown strong leadership as President and Representative Director in driving the Group forward. Accordingly, the Company has nominated him again as a candidate for Director.

No.

3

**Kojiro Fukuta**

(March 31, 1950)

Number of shares of the Company held 42,200 shares

Tenure as Director 16 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

Career Summary, and Positions and Responsibilities at the Company  
(Significant Positions Held at Other Companies)

Apr. 1973	Joined the Company
June 1998	General Manager of Accounting (currently Finance) Dept. of Business Administration Division
June 2000	Executive Officer
Apr. 2002	Deputy General Manager of Business Administration Division
June 2002	Director
Apr. 2006	Managing Officer, in charge of Finance
Jan. 2007	Senior Managing Officer, General Manager of Business Administration Division, General Manager of Procurement Division
June 2008	Managing Officer, responsible for Finance
Apr. 2009	Senior Managing Officer
Apr. 2009	Responsible for Management
Apr. 2012	Executive Vice President (current position)
Apr. 2013	Representative Director
Apr. 2014	Representative Director and Executive Vice President (current position)
Apr. 2014	Responsible for Safety

**Reasons for nomination as candidate for Director**

He has abundant practical experience in the Company and keen insight in finance and accounting. Therefore, judging him a suitable person to advance the Group's management as Representative Director, the Company has nominated him again as a candidate for Director.

No.	4
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## ***Makoto Nagao***

(December 27, 1953)

Number of shares of the Company held 23,000 shares

Tenure as Director 12 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1977	Joined the Company
Oct. 2001	General Manager of Building Dept. of Building Division
Apr. 2004	Deputy General Manager of Building Division (in charge of Construction), Deputy General Manager of Safety and Environment Division
June 2004	Executive Officer
Apr. 2005	Managing Officer
June 2006	Director (current position)
June 2008	In charge of Vanke PJ, General Manager of Building Division
Apr. 2011	Senior Managing Officer
Apr. 2012	General Manager of International Operations Division
Apr. 2013	Responsible for Business Strategy
Apr. 2015	Responsible for International Operations
Apr. 2016	Executive Vice President (current position)

### Reasons for nomination as candidate for Director

He has abundant practical experience relating to construction and overseas businesses and business strategy of the Company. Judging that he can use this broad experience and insight in the Company's management, the Company has nominated him again as a candidate for Director.

No.	5
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## ***Shogo Sekimoto***

(November 6, 1957)

Number of shares of the Company held 8,000 shares

Tenure as Director 6 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

June 2003	General Manager of Shizuoka Corporate Business Office of Sumitomo Mitsui Banking Corporation
June 2005	General Manager of Strategic Corporate Business Dept. I
Apr. 2006	General Manager of Planning Dept., Investment Banking Unit, Senior Manager of Head Office General Manager of Planning Dept., Investment Banking Unit of Sumitomo Mitsui Financial Group, Inc.
Apr. 2008	Director, General Manager of Tokyo Corporate Banking Dept. I of Sumitomo Mitsui Banking Corporation
Apr. 2011	Managing Director of Tokyo Corporate Banking Division
May 2012	Consultant of the Company
June 2012	Director, Senior Managing Officer, in charge of Sales Planning (current position)

### Reasons for nomination as candidate for Director

He has broad practical experience related to sales, planning, and investment banking operations in a major financial institution. Judging that he can use this abundant experience and knowledge in the Company's management, the Company has nominated him again as a candidate for Director.

No.

6

## *Hiromi Adachi*

(April 15, 1955)

Number of shares of the Company held 8,400 shares

Tenure as Director 5 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1978	Joined the Company
Apr. 2004	General Manager of Civil Engineering Dept. of Kyushu Branch
Oct. 2010	Deputy General Manager of Kyushu Branch
Apr. 2011	General Manager of Civil Engineering Dept. of Civil Engineering Division
Apr. 2012	Executive Officer, Deputy General Manager of Civil Engineering Division
Apr. 2013	Managing Officer
Apr. 2013	General Manager of Civil Engineering Division (current position)
June 2013	Director (current position)
Apr. 2015	Senior Managing Officer (current position)
Apr. 2016	Responsible for Safety (current position)

### Reasons for nomination as candidate for Director

He has abundant practical experience in the Company and broad insight in civil engineering. Therefore, judging him the suitable person to create the foundation for the future sustainable growth of the Company's civil engineering business, the Company has nominated him again as a candidate for Director.

No.

7

## *Seiichi Kondo*

(September 6, 1960)

Number of shares of the Company held 5,000 shares

Tenure as Director 3 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

July 2006	General Manager of Gotanda Branch of Mizuho Bank, Ltd.
Apr. 2008	General Manager of Human Resources Division
Apr. 2010	Executive Officer, General Manager of Human Resources Division
Apr. 2011	Executive Officer, General Manager of Kobunacho Branch
Apr. 2013	Managing Executive Officer, in charge of Banking
May 2015	Consultant of the Company
June 2015	Director, Senior Managing Officer, in charge of Sales Planning (current position)

### Reasons for nomination as candidate for Director

He has abundant practical experience and broad knowledge in planning, human resources, and sales in a major financial institution. Judging that he can use this experience and knowledge in the Company's management, the Company has nominated him again as a candidate for Director.

No.

8

**Yasuhiko  
Imaizumi**

(October 18, 1957)

Number of shares of the Company held 10,100 shares

Tenure as Director 1 year

Attendance at Board of Directors Meetings  
15/15 meetings

Reappointment

**Career Summary, and Positions and Responsibilities at the Company  
(Significant Positions Held at Other Companies)**

Apr. 1981	Joined the Company
Apr. 2003	General Manager of Building Sales & Marketing Dept. 3 of Building Division
Apr. 2010	Executive Officer, General Manager of Planning Promotion Dept. of Building Division
Apr. 2011	In charge of International Operations (Building Construction) of Building Division, General Manager of Overseas Operations Department
Apr. 2012	Deputy General Manager of International Operations Division, in charge of Sales of Building Division
June 2013	Managing Officer
Apr. 2014	Branch General Manager of Chubu Branch
Apr. 2016	Branch General Manager of Tokyo Building Works Branch
Apr. 2017	Senior Managing Officer, General Manager of Building Division (current position)
Jun. 2017	Director (current position)

**Reasons for nomination as candidate for Director**

He has abundant practical experience in the Company and achievements managing a branch as a branch general manager. Therefore, judging him the suitable person to create the foundation for the future sustainable growth of the Company's building construction business, the Company has nominated him again as a candidate for Director.

No.

9

**Kazunari Kibe**

(April 25, 1961)

Number of shares of the Company held 10,100 shares

Tenure as Director 2 years

Attendance at Board of Directors Meetings  
21/21 meetings

Reappointment

**Career Summary, and Positions and Responsibilities at the Company  
(Significant Positions Held at Other Companies)**

Apr. 1986	Joined the Company
Jan. 2007	General Manager of Corporate Planning Dept. of Business Administration Division
Apr. 2009	Deputy General Manager of Business Administration Division
Jan. 2010	Executive Officer, Deputy General Manager of Civil Engineering Division
Jan. 2010	In charge of Corporate Planning (current position)
Apr. 2013	General Manager of Business Strategy Office
Apr. 2014	Managing Officer (current position)
Apr. 2016	General Manager of Business Strategy Division (current position)
June 2016	Director (current position)

**Reasons for nomination as candidate for Director**

He has abundant practical experience in the Company's corporate planning divisions and achievements in managing a division headquarters as the General Manager of Business Strategy Division. Therefore, judging him the suitable person to promote the Company's medium-term business plan, the Company has nominated him again as a candidate for Director.

<i>No.</i>	10
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## *Naoya Okawa*

(August 24, 1959)

Number of shares of the Company held    5,000 shares

Tenure as Director    2 years

Attendance at Board of Directors Meetings  
21/21 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1982	Joined the Company
Apr. 2009	General Manager of CSR and Environment Dept.
Jan. 2010	General Manager of Corporate Planning Dept. of Business Administration Division
Apr. 2011	General Manager of Civil Engineering Design and Technology Dept. of Civil Engineering Division, Deputy General Manager of Technology Research Institute
Apr. 2013	Executive Officer, in charge of Technology
Apr. 2014	General Manager of Technology Research Institute, General Manager of Civil Engineering Design and Technology Dept. of Civil Engineering Division
Apr. 2015	Managing Officer (current position)
Apr. 2015	In charge of CSR and Environment, Supervisor of Design and Technology of Civil Engineering Division
Apr. 2016	In charge of CSV
Apr. 2016	Supervisor of Technology, Deputy General Manager of Building Division (in charge of Technology), Deputy General Manager of Civil Engineering Division (in charge of Technology) (current position)
June 2016	Director (current position)
Apr. 2017	Responsible for CSV
Apr. 2018	In charge of CSV (current position)

### Reasons for nomination as candidate for Director

He has abundant practical experience and insight in technology related divisions in the Company and he is also in charge of CSV. Therefore, judging him the suitable person to promote the Company's medium-term business plan, the Company has nominated him again as a candidate for Director.

No.	11
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## *Nobuyuki Nakashima*

(March 3, 1961)

Number of shares of the Company held    6,500 shares  
 Tenure as Director    1 year  
 Attendance at Board of Directors Meetings  
 15/15 meetings



Reappointment

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1983	Joined the Company
Apr. 2010	General Manager of Finance Dept. of Business Administration Division
Apr. 2014	Executive Officer, in charge of Finance, Deputy General Manager of Business Administration Division
June 2014	General Manager of Administration Dept. of Business Administration Division
Apr. 2016	Managing Officer (current position)
Apr. 2017	In charge of CSR and Environment, General Manager of Business Administration Division (current position)
Jun. 2017	Director (current position)

### Reasons for nomination as candidate for Director

He has abundant experience and keen insight in finance, etc. as a person responsible for overall business management in the Company. Judging that he can use this experience and insight in the management as a Director, the Company has nominated him again as a candidate for Director.

No.	12
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## *Akira Watanabe*

(February 16, 1947)

Number of shares of the Company held    0 shares  
 Tenure as outside Director    11 years  
 Attendance at Board of Directors Meetings  
 20/21 meetings



Reappointment

Outside

Independent

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Apr. 1973	Registered as attorney at law (current position)
Apr. 1989	Representative (currently Partner) of Seiwa Kyodo Law Office (currently Seiwa Meitetsu Law Office) (current position)
Nov. 2006	External Statutory Auditor of FAST RETAILING CO., LTD. (current position)
June 2007	Outside Director of the Company (current position)
June 2007	Outside Corporate Auditor of KADOKAWA GROUP HOLDINGS, INC. (currently KADOKAWA DWANGO CORPORATION) (current position)
Apr. 2010	Outside Director of MS&AD Insurance Group Holdings, Inc. (current position) (scheduled to be retired on June 25, 2018)
Mar. 2013	Outside Director of Dunlop Sports Co., Ltd.

### (Significant Positions Held at Other Companies)

Partner attorney of Seiwa Meitetsu Law Office  
 External Statutory Auditor of FAST RETAILING CO., LTD.  
 Outside Corporate Auditor of KADOKAWA DWANGO CORPORATION

### Reasons for nomination as candidate for Director

He has a specialist viewpoint as an attorney at law and extensive knowledge about corporate management. Wishing to reflect this viewpoint and knowledge in the Company's management, the Company has nominated him again as a candidate for outside Director.

No.	13
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## Akio Dobashi

(January 2, 1949)

Number of shares of the Company held	0 shares
Tenure as outside Director	1 year
Attendance at Board of Directors Meetings	14/15 meetings



Reappointment

Outside

Independent

### Career Summary, and Positions and Responsibilities at the Company (Significant Positions Held at Other Companies)

Dec. 2003	President and CEO of Nichimen Corporation
Apr. 2004	President & CEO of Sojitz Corporation
Apr. 2007	Chairman of the Board
June 2015	Outside Director of OSJB Holdings Corporation
Mar. 2016	Outside Director of Canon Marketing Japan Inc. (current position)
Jun. 2017	Outside Director of the Company (current position)

(Significant Positions Held at Other Companies)

Outside Director of Canon Marketing Japan Inc.

### Reasons for nomination as candidate for Director

He has abundant experience and broad knowledge as a corporate manager. Wishing that he supervise the business execution of the Company and give advice on the overall management based on this experience and knowledge, the Company has nominated him again as a candidate for outside Director.

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Akira Watanabe and Akio Dobashi are candidates for outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Watanabe and Mr. Dobashi have been designated as independent officers. If this proposal is approved and adopted, and Mr. Watanabe and Mr. Dobashi both assume the position of outside Director, the Company plans for their designation as independent officers to continue.
  3. Reasons why, in cases where the candidate has never been involved in the management of a company by methods other than being an outside officer in the past, the Company judges a candidate for outside Director to be capable of appropriately performing duties as an outside Director despite being a candidate who has never been involved in the management of a company  
Akira Watanabe has a specialist viewpoint as an attorney at law and extensive achievements in corporate law. Mr. Watanabe also has broad knowledge related to corporate management. Accordingly, the Company judges that Mr. Watanabe is capable of appropriately performing his duties as an outside Director.
  4. Limited liability agreements  
The Company has entered into agreements with Akira Watanabe and Akio Dobashi to limit their liability to the extent permitted by laws and regulations, and if their reelection is approved, the Company plans to renew these agreements with them.

**Proposal No. 3:** Determination of Remuneration for Directors to Grant Restricted Shares Thereto

The amount of remuneration, etc. for Directors of the Company is ¥480 million or less per year (of which, ¥60 million or less per year for outside Directors) as approved at the Ordinary General Meeting of Shareholders held on June 24, 2016. For the purpose of providing an incentive for Directors to continuously enhance the corporate value of the Company, and in addition, to further promote shared values between Directors and shareholders, the Company requests an approval for newly paying remuneration to grant shares with transfer restrictions (hereinafter, “restricted shares”; “transfer restrictions” are defined later) to Directors of the Company within the maximum limit established separately from the aforementioned maximum amount of remuneration.

The total amount of monetary remuneration to be provided to the Company’s Directors (excluding outside Directors; hereinafter, “Eligible Directors”) for granting restricted shares based on this proposal shall be ¥84 million or less per year, the level of amount deemed as reasonable in light of the aforementioned purpose. Specific allocation of such remuneration to each of the Eligible Directors shall be determined by the Board of Directors.

Currently the number of Directors is 13 (including two outside Directors), and if Proposal No. 2 is approved and adopted as proposed, the number of Directors will be 13 (including two outside Directors), same as the current number.

In addition, Eligible Directors shall provide all of the monetary remuneration claims to be provided under this proposal in the form of property contributed in kind, in accordance with the resolution of the Board of Directors of the Company, and shall receive common shares of the Company that shall be issued or disposed of by the Company. The total number of common shares of the Company to be issued or disposed of thereby shall be 140,000 shares or less per year (however, in the event of the Company making a share split (including allotment of shares without contribution) or share consolidation of common shares of the Company, or other event which makes it necessary to adjust the total number of common shares of the Company to be issued or disposed of as restricted shares on or after the date on which this proposal is approved and adopted, such total number may be adjusted to the extent reasonable). The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the common shares of the Company on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price of the closest preceding trading day), which will be within the range not specially advantageous to Eligible Directors. For the issuance or disposal of the common shares of the Company, an agreement on allotment of the restricted shares that includes the provisions as summarized below (hereinafter, the “Allotment Agreement”) shall be entered into between the Company and each Eligible Director.

- (1) The Eligible Director shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company allotted under the Allotment Agreement (hereinafter, the “Allotted Shares”) for a period of minimum three years and maximum five years as determined by the Board of Directors of the Company (hereinafter, the “Restricted Period”). These restrictions are hereinafter referred to as the “Transfer Restrictions.”
- (2) In case the Eligible Director loses the position of Director of the Company or any of its subsidiaries and other position determined by the Board of Directors of the Company before the Restricted Period expires, the Company shall automatically acquire such Allotted Shares without contribution, unless there is a reason the Board of Directors of the Company deems justifiable.
- (3) Notwithstanding the provisions in (1) above, the Company shall lift the Transfer Restrictions on all of the Allotted Shares upon expiration of the Restricted Period, on the condition that the Eligible Director has remained in any of the positions defined in (2) above throughout the Restricted Period. In case, however, the Eligible Director loses the positions defined in (2) above before expiration of the Restricted Period for a reason the Board of Directors of the Company deems justifiable as set forth in (2) above, the Company shall make reasonable adjustments to the number of the Allotted Shares on which the Transfer Restrictions are to be lifted and the timing of lifting the Transfer Restrictions as necessary.
- (4) The Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted at the time of expiration of the Restricted Period in accordance with the provisions in (3) above.
- (5) Notwithstanding the provisions in (1) above, if matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the

Company becomes a wholly-owned subsidiary, or other reorganization, etc. are approved at the General Meeting of Shareholders of the Company during the Restricted Period (or approved by the Board of Directors of the Company in cases where approval at the General Meeting of Shareholders of the Company is not required in relation to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the certain number of the Allotted Shares that will be reasonably determined in view of the period from the date of commencement of the Restricted Period through the date of approval on the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company.

- (6) In the event specified in (5) above, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the provisions in (5) above.
- (7) The method for expressing intentions and giving notification in the Allotment Agreement, the method for amending the Allotment Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Allotment Agreement.

(Reference)

The Company intends to grant restricted shares of the same kind as the restricted shares described above, for Senior Managing Officers and Managing Officers not concurrently serving as Directors of the Company.