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Securities Code: 2531

June 2, 2017

To our shareholders:

Toshio Kakimoto
Director and President
TAKARA HOLDINGS INC.
20 Naginataboko-cho, Shijo-dori Karasuma Higashi-iru,
Shimogyo-ku, Kyoto, Japan

Notice of the 106th Annual General Meeting of Shareholders

You are cordially invited to attend the 106th Annual General Meeting of Shareholders of TAKARA HOLDINGS INC. (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 by either of the following methods. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by Wednesday, June 28, 2017, at 5:30 p.m. (JST)

Voting by Mail

Please indicate your approval or disapproval of the proposals in the enclosed voting form and return it so that your vote is received by the voting deadline indicated above.

Voting via the Internet

Please review the “Instructions on Exercise of Voting Rights via the Internet” (in Japanese only), access to the voting website designated by the Company, and enter your approval or disapproval of the proposals according to on-screen instructions by the deadline indicated above.

- 1. Date and Time:** Thursday, June 29, 2017, at 10:00 a.m. (JST)
- 2. Venue:** RIHGA Royal Hotel Kyoto, 2nd floor, “Shunju”
Shimogyo-ku Higashihorikawa-dori Shiokoji-sagaru Taimatsu-cho 1, Kyoto
- Please note that the venue has changed this year.

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 106th fiscal year (from April 1, 2016 to March 31, 2017), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 106th fiscal year (from April 1, 2016 to March 31, 2017)

Matter to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Nine Directors |
| Proposal No. 3 | Election of Three Audit & Supervisory Board Members |
| Proposal No. 4 | Revision of Remuneration Amount for Directors and Audit & Supervisory Board Members |

- If you attend the meeting in person, please present the enclosed voting form at the venue’s reception. The reception desk is scheduled to open at 9:00 a.m.
- If you attend the meeting in person, voting by mail or via the Internet in advance is not necessary.
- Of the documents that should be attached to the notice, the following documents are posted on the Company’s website (<http://www.takara.co.jp>), pursuant to laws and regulations and the provisions of the Company’s Articles of Incorporation, and are not attached to the notice. Consequently, the documents attached to the notice are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Accounting Auditor in preparing the financial audit report

and part of the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Audit & Supervisory Board Members in preparing the audit report.

- (i) “Overview of Systems to Ensure Properness of Operations and Outline of Management of such Systems” and “Basic Guidelines on Company’s Control” in the Business Report
 - (ii) “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements
 - (iii) “Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” in the Non-consolidated Financial Statements
- If any revision is made to the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements and the Reference Documents for General Meeting of Shareholders, the Company will post such revision on the Company’s website (<http://www.takara.co.jp>).
 - The Company participates in “electronic voting platforms” for institutional investors operated by ICJ Inc.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company views proactive profit returns to shareholders as one of its important management issues, and returns are provided after comprehensive consideration of a range of factors that include business performance, financial position and future business development.

In accordance with this policy, the Company proposes to pay year-end dividends for the fiscal year under review, increasing its common dividends by ¥2 from ¥11 per share in the previous fiscal year to ¥13 per share as follows:

Year-end dividends

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥13 per common share of the Company
Total amount of dividend: ¥2,615,912,156
- (3) Effective date of dividends of surplus
June 30, 2017

(Reference)

Results in previous fiscal year	Current fiscal year
¥12 per share (Common dividends: ¥11) (90th anniversary commemorative dividends: ¥1)	¥13 per share

Proposal No. 2 Election of Nine Directors

The terms of office of all nine Directors, Hisashi Omiya, Toshio Kakimoto, Mutsumi Kimura, Koichi Nakao, Kazuyoshi Ito, Minoru Washino, Kenji Murata, Yukiko Yabu and Toshihiko Yoshida will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of nine Directors.

The candidates for Director are as follows:

Please refer to page 15 and thereafter for the criteria for candidates for Director and the independence criteria for outside officers established by the Company.

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Hisashi Omiya [Reelection] June 9, 1943</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p>	<p>Apr. 1968 Joined the Company May 1974 Director of the Company June 1982 Managing Director of the Company June 1988 Senior Managing Director of the Company June 1991 Representative Director and Vice President of the Company June 1993 Representative Director and President of the Company Apr. 2002 Representative Director and President of the Company Representative Director and President of Takara Shuzo Co., Ltd. Chairman of Takara Bio Inc. June 2012 Representative Director and Chairman of the Company Representative Director and Chairman of Takara Shuzo Co., Ltd. Chairman of Takara Bio Inc. (to the present)</p> <p>Significant concurrent positions outside the Company Representative Director and Chairman of Takara Shuzo Co., Ltd. Chairman of Takara Bio Inc.</p>	435,450 shares
<p>Reasons for nomination as candidate for Director Hisashi Omiya has displayed leadership as Representative Director of the Company for many years, possesses abundant experience and track records in various businesses and areas at the Group including the Company, Takara Shuzo Co., Ltd. and Takara Bio Inc., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.</p>			

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p>Toshio Kakimoto [Reelection] August 9, 1950</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p>	<p>Apr. 1973 Joined the Company</p> <p>Apr. 2003 Executive Officer of Takara Shuzo Co., Ltd.</p> <p>June 2003 Director of Takara Shuzo Co., Ltd.</p> <p>June 2004 Managing Director of Takara Shuzo Co., Ltd.</p> <p>June 2010 Representative Director and Vice President of the Company</p> <p> Representative Director and Vice President of Takara Shuzo Co., Ltd.</p> <p>June 2012 Representative Director and President of the Company</p> <p> Representative Director and President of Takara Shuzo Co., Ltd. (to the present)</p> <p>Significant concurrent positions outside the Company Representative Director and President of Takara Shuzo Co., Ltd.</p>	73,900 shares
<p>Reasons for nomination as candidate for Director</p> <p>Toshio Kakimoto has displayed his leadership as Representative Director of the Company, possesses not only abundant experience and track records in the areas of technology and supply at the Company and Takara Shuzo Co., Ltd. but also experience in supervision of personnel, alcoholic beverages business and seasonings business, and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.</p>			
3	<p>Mutsumi Kimura [Reelection] February 3, 1963</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2002 Director of Takara Bio Inc.</p> <p>June 2004 Managing Director of Takara Bio Inc.</p> <p>June 2007 Senior Managing Director of Takara Bio Inc.</p> <p>May 2009 Director and Vice President of Takara Bio Inc.</p> <p>June 2009 Representative Director and Vice President of Takara Bio Inc.</p> <p>June 2014 Director of the Company Senior Managing Director of Takara Shuzo Co., Ltd.</p> <p>June 2016 Representative Director and Vice President of the Company Senior Managing Director of Takara Shuzo Co., Ltd. (to the present)</p> <p>Current responsibility in the Company In charge of Business Management, Investor Relations, Personnel, Accounting & Shared Services and Business Support & IT Promotion</p> <p>Significant concurrent positions outside the Company Senior Managing Director of Takara Shuzo Co., Ltd. (in charge of Business Management, Accounting and Personnel)</p>	27,300 shares
<p>Reasons for nomination as candidate for Director</p> <p>Mutsumi Kimura has displayed leadership as Representative Director of the Company, possesses abundant experience and track records in the areas of management planning, finance, accounting, etc., at the Company, Takara Shuzo Co., Ltd., and Takara Bio Inc., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.</p>			

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Koichi Nakao [Reelection] June 16, 1962	Apr. 1985 Joined the Company Apr. 2002 Director of Takara Bio Inc. June 2003 Managing Director of Takara Bio Inc. June 2004 Senior Managing Director of Takara Bio Inc. June 2007 Representative Director and Vice President of Takara Bio Inc. May 2009 Representative Director and President of Takara Bio Inc. June 2009 Director of the Company Representative Director and President of Takara Bio Inc. (to the present)	17,600 shares
	Relationship of special interest in the Company: See below	Significant concurrent positions outside the Company Representative Director and President of Takara Bio Inc.	
<p>Reasons for nomination as candidate for Director Koichi Nakao possesses abundant experience and a track record at the bio business of Takara Bio Inc., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.</p> <p>Relationship of special interest in the Company The Company has the following transactions with Takara Bio Inc., where Mr. Nakao serves as Representative Director.</p> <ul style="list-style-type: none"> - Licensing of the Company's trademarks - Consigned operations and maintenance of information systems, consigned development, equipment rental, and sales of equipment, software and supplies - Office (part of building owned by Takara Bio Inc.) rental 			
5	Kazuyoshi Ito [Reelection] January 25, 1961	Apr. 1985 Joined the Company Apr. 2008 Managing Executive Officer of Takara Shuzo Co., Ltd. June 2013 Director of the Company Director and Managing Executive Officer of Takara Shuzo Co., Ltd. June 2014 Director of the Company Managing Director of Takara Shuzo Co., Ltd. June 2016 Director of the Company Senior Managing Director of Takara Shuzo Co., Ltd. (to the present)	15,900 shares
	Relationship of special interest in the Company: See below	Significant concurrent positions outside the Company Senior Managing Director of Takara Shuzo Co., Ltd. (Chief General Manager of Overseas Business Division) Directeur Général of FOODEX S.A.S. Chairman of the Board of The Tomatin Distillery Co., Ltd. Chairman of the Board of Cominport Distribucion S.L.	
<p>Reasons for nomination as candidate for Director Kazuyoshi Ito possesses abundant experience and a track record in the overseas business at Takara Shuzo Co., Ltd., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.</p> <p>Relationship of special interest in the Company The Company loans funds to The Tomatin Distillery Co., Ltd., where Mr. Ito serves as Chairman of the Board.</p>			

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Minoru Washino [Reelection] April 23, 1955	Apr. 1978 Joined the Company June 2013 Executive Officer of Takara Shuzo Co., Ltd. June 2014 Director of the Company Director of Takara Shuzo Co., Ltd. (to the present)	33,800 shares
	Relationship of special interest in the Company: None	Current responsibility in the Company In charge of Environment & Public Relations and General Affairs	
	Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12	Significant concurrent positions outside the Company Director of Takara Shuzo Co., Ltd. (in charge of Environment & Public Relations, General Affairs and Quality Assurance)	
Reasons for nomination as candidate for Director Minoru Washino possesses abundant experience and track records in the areas of general affairs, legal affairs and compliance at the Company and Takara Shuzo Co., Ltd., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.			
7	Kenji Murata [Reelection] November 27, 1959	Apr. 1983 Joined the Company June 2010 Director and Managing Executive Officer of Takara Shuzo Co., Ltd. June 2014 Managing Director of Takara Shuzo Co., Ltd. June 2016 Director of the Company Representative Director and Vice President of Takara Shuzo Co., Ltd. (to the present)	28,900 shares
	Relationship of special interest in the Company: None	Significant concurrent positions outside the Company Representative Director and Vice President of Takara Shuzo Co., Ltd. (In supervision of Domestic Business)	
	Attendance at the Board of Directors meeting during the fiscal year under review: 7 of 7 (after appointment as Director)		
Reasons for nomination as candidate for Director Kenji Murata possesses not only abundant experience and track records in the areas of technology and supply, but also experience in charge of the seasonings and alcohol business and in supervision of domestic business at Takara Shuzo Co., Ltd., and meets the criteria for candidates for Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as a Director.			

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<p>Yukiko Yabu [Reelection] <Outside> <Independent> June 23, 1958</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p> <p>Tenure as outside Director of the Company: 2 years (at the conclusion of this meeting)</p>	<p>Apr. 1981 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)</p> <p>Apr. 2006 Director of Lifestyle Value Research Laboratory, R&D Headquarters, Home Appliances Company of Panasonic Corporation</p> <p>Jan. 2011 Director of Global Consumer Research Center, Corporate Brand Strategy Division of Panasonic Corporation</p> <p>Apr. 2012 Director of Consumer Research Center, Global Consumer Marketing Sector of Panasonic Corporation</p> <p>Apr. 2013 Director in charge of Consumer Research and Group Manager, Global Marketing Planning Center, Appliances Company of Panasonic Corporation</p> <p>Mar. 2014 Retired from Panasonic Corporation</p> <p>June 2014 Outside Director of Duskin Co., Ltd. (current position)</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>June 2016 Outside Director of Takara Shuzo Co., Ltd. (current position)</p> <p>June 2016 Outside Director of Daiwa House Industry Co., Ltd. (current position)</p> <p>June 2016 Director (non-Executive Director) of Takara Shuzo Co., Ltd. (current position) (to the present)</p> <p>Significant concurrent positions outside the Company Director (non-Executive Director) of Takara Shuzo Co., Ltd. Outside Director of Duskin Co., Ltd. Outside Director of Daiwa House Industry Co., Ltd.</p>	0 shares
<p>Reasons for nomination as candidate for outside Director, etc.</p> <ul style="list-style-type: none"> - Yukiko Yabu is a candidate for outside Director. The Company judges that her abundant experience and track records in the areas of planning and development of general consumable products, market research and analysis, and marketing, etc., could be incorporated in the further enrichment of the Company's management structure, and she meets the criteria for candidates for outside Director established by the Company. Therefore, the Company nominated her as a candidate to continue serving as an outside Director. - She has never been involved in the management of a company except as an outside officer or non-executive officer. However, the Company judges that she will appropriately fulfill her duties as an outside Director based on the above reasons. - She is a Director (non-Executive Director) of Takara Shuzo Co., Ltd., which is a specified affiliated business operator (subsidiary) of the Company. - She fulfills the requirements of the independence criteria for outside officers established by the Company, and the Company has submitted notification to the Tokyo Stock Exchange, Inc., where the shares of the Company are listed, concerning her appointment as an independent officer as provided for by the regulations of the aforementioned exchange. Please note that transactions (building leases) exist between Daiwa House Industry Co., Ltd., for which she serves as outside Director, and the Company's subsidiaries. However, the annual amount of the transactions accounts for less than 0.1% of each consolidated net sales of the Company and Daiwa House Industry Co., Ltd., which is insignificant. <p>Limited liability agreement The Company has entered into a limited liability agreement with her to limit her liability for damages to the total amount under each item of Article 425, paragraph 1 of the Companies Act. If her election is approved in accordance with this proposal, the Company plans to continue this limited liability agreement.</p>			

Candidate no.	Name, date of birth, etc.	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	<p>Toshihiko Yoshida [Reelection] <Outside> <Independent> March 18, 1955</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 7 of 7 (after appointment as Director)</p> <p>Tenure as outside Director of the Company: 1 year (at the conclusion of this meeting)</p>	<p>Apr. 1973 Joined Sendai Regional Taxation Bureau of National Tax Agency</p> <p>July 2003 Special Officer for Research on Tax of Tax Bureau of Ministry of Finance</p> <p>July 2004 District Director of Choshi Tax Office, Tokyo Regional Taxation Bureau of National Tax Agency</p> <p>July 2006 Special Officer (Liquor Tax and Industry) of Second Taxation Department, Tokyo Regional Taxation Bureau of National Tax Agency</p> <p>July 2007 Director (Liquor Tax and Industry) of Liquor Tax and Industry Division, Taxation Department of National Tax Agency</p> <p>July 2009 Director of the Planning Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau of National Tax Agency</p> <p>July 2010 Director of the Liquor Tax and Industry Division, Second Taxation Department, Tokyo Regional Taxation Bureau of National Tax Agency</p> <p>July 2012 Director of the Consumption Tax Office, Taxation Department of National Tax Agency</p> <p>July 2014 Regional Commissioner of the Takamatsu Regional Taxation Bureau of National Tax Agency</p> <p>July 2015 Retired from National Tax Agency</p> <p>Aug. 2015 Tax accountant of Toshihiko Yoshida Certified Tax Accountant Office (current position)</p> <p>June 2016 Outside Director of the Company (current position) Director (non-Executive Director) of Takara Shuzo Co., Ltd. (current position) (to the present)</p> <p>Significant concurrent positions outside the Company Director of Takara Shuzo Co., Ltd. (non-Executive Director) Tax accountant of Toshihiko Yoshida Certified Tax Accountant Office</p>	0 shares
<p>Reasons for nomination as candidate for outside Director, etc.</p> <ul style="list-style-type: none"> - Toshihiko Yoshida is a candidate for outside Director. The Company judges that his abundant experience and a track record in tax affairs could be incorporated in the further enrichment of the Company's management structure, and he meets the criteria for candidates for outside Director established by the Company. Therefore, the Company nominated him as a candidate to continue serving as an outside Director. - He has never been involved in the management of a company except as an outside officer or non-executive officer. However, the Company judges that he will appropriately fulfill his duties as an outside Director based on the above reasons. - He is a Director (non-Executive Director) of Takara Shuzo Co., Ltd., which is a specified affiliated business operator (subsidiary) of the Company. - He fulfills the requirements of the independence criteria for outside officers established by the Company, and the Company has submitted notification to the Tokyo Stock Exchange, Inc., where the shares of the Company are listed, concerning his appointment as an independent officer as provided for by the regulations of the aforementioned exchange. <p>Limited liability agreement The Company has entered into a limited liability agreement with him to limit his liability for damages to the total amount under each item of Article 425, paragraph 1 of the Companies Act. If his election is approved in accordance with this proposal, the Company plans to continue this limited liability agreement.</p>			

Proposal No. 3 Election of Three Audit & Supervisory Board Members

The terms of office of the three Audit & Supervisory Board Members, Toshihito Yamanaka, Shinji Ueda and Tomoyuki Mieda will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three Audit & Supervisory Board Members.

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

The candidates for Audit & Supervisory Board Member are as follows:

Please refer to page 15 and thereafter for the criteria for candidates for Audit & Supervisory Board Member and the independence criteria for outside officers established by the Company.

Candidate no.	Name, date of birth, etc.	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Toshihito Yamanaka [Reelection] <Outside> January 26, 1961</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p> <p>Attendance at the Audit & Supervisory Board meeting during the fiscal year under review: 14 of 14</p> <p>Tenure as Audit & Supervisory Board Member of the Company: 4 years (at the conclusion of this meeting)</p>	<p>Apr. 1984 Joined The Fuji Bank, Limited</p> <p>Oct. 2006 General Manager of Meguro Branch of Mizuho Bank, Ltd.</p> <p>Apr. 2009 General Manager of Financial Institutions and Public-Sector Entities Management Department, Corporate Officer Assistant to Supervising Officer of Financial Institutions and Public Sector Business Unit, and Councilor of Human Resource Management Department, of Mizuho Corporate Bank, Ltd.</p> <p>Apr. 2010 General Manager of Sapporo Branch of Mizuho Bank, Ltd.</p> <p>Apr. 2012 General Manager of Branch Banking Department No. 3 of Mizuho Bank, Ltd.</p> <p>Apr. 2013 Deputy Director-General of Group Human Resources Division of Mizuho Bank, Ltd.</p> <p>June 2013 Retired from Mizuho Bank, Ltd.</p> <p>June 2013 Standing Audit & Supervisory Board Member (outside Audit & Supervisory Board Member) of the Company (current position) Audit & Supervisory Board Member (outside Audit & Supervisory Board Member) of Takara Shuzo Co., Ltd.</p> <p>June 2016 Audit & Supervisory Board Member of Takara Shuzo Co., Ltd. (current position) (to the present)</p> <p>Significant concurrent positions outside the Company Audit & Supervisory Board Member of Takara Shuzo Co., Ltd.</p>	4,500 shares
<p>Reasons for nomination as candidate for outside Audit & Supervisory Board Member, etc.</p> <ul style="list-style-type: none"> - Toshihito Yamanaka is a candidate for outside Audit & Supervisory Board Member. The Company judges that the successive key positions he served at Mizuho Bank, Ltd. and Mizuho Corporate Bank, Ltd. and his many years of experience and track records in financial institutions could be incorporated in the further enrichment of the Company's audit system, and he meets the criteria for candidates for outside Audit & Supervisory Board Member established by the Company. Therefore, the Company nominated him as a candidate to continue serving as an outside Audit & Supervisory Board Member. - He has never been involved in the management of a company except as an outside officer or non-executive officer. However, the Company judges that he will appropriately fulfill his duties as an outside Audit & Supervisory Board Member based on the above reasons. - He has a solid knowledge of finance and accounting gained through many years of operational experience at financial institutions, and other experience. - He is an Audit & Supervisory Board Member of Takara Shuzo Co., Ltd., which is a specified affiliated business operator (subsidiary) of the Company. He was also a business executive of Mizuho Bank, Ltd., which is a specified affiliated business operator of the Company (a lender noted in 1. (10) "Major lenders" of the above-mentioned Business Report; however, the amount of loans was less than 2% of consolidated total assets of the Company). Except for this, there is no conflict with the independence criteria established by the Company. <p>Limited liability agreement</p> <p>The Company has entered into a limited liability agreement with him to limit his liability for damages to the total amount under each item of Article 425, paragraph 1 of the Companies Act. If his election is approved in accordance with this proposal, the Company plans to continue this limited liability agreement.</p>			

Candidate no.	Name, date of birth, etc.	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p>Shinji Ueda [Reelection] January 24, 1953</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 11 of 12</p> <p>Attendance at the Audit & Supervisory Board meeting during the fiscal year under review: 13 of 14</p>	<p>Apr. 1976 Joined the Company</p> <p>June 2001 General Manager of Secretarial Office of the Company</p> <p>Apr. 2002 General Manager of Secretarial Office of the Company</p> <p> General Manager of Secretarial Office of Takara Shuzo Co., Ltd.</p> <p>June 2013 Audit & Supervisory Board Member of the Company</p> <p> Standing Audit & Supervisory Board Member of Takara Shuzo Co., Ltd. (to the present)</p> <p>Significant concurrent positions outside the Company</p> <p>Standing Audit & Supervisory Board Member of Takara Shuzo Co., Ltd.</p>	6,800 shares
<p>Reasons for nomination as candidate for Audit & Supervisory Board Member</p> <p>Shinji Ueda possesses abundant experience and a track record as General Manager of the Secretarial Office of the Company and of Takara Shuzo Co., Ltd., and meets the criteria for candidates for Audit & Supervisory Board Member established by the Company. Therefore, the Company nominated him as a candidate to continue serving as an Audit & Supervisory Board Member.</p>			

Candidate no.	Name, date of birth, etc.	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Tomoyuki Mieda [Reelection] <Outside> June 20, 1956</p> <p>Relationship of special interest in the Company: None</p> <p>Attendance at the Board of Directors meeting during the fiscal year under review: 12 of 12</p> <p>Attendance at the Audit & Supervisory Board meeting during the fiscal year under review: 14 of 14</p> <p>Tenure as Audit & Supervisory Board Member of the Company: 4 years (at the conclusion of this meeting)</p>	<p>Apr. 1981 Joined The Norinchukin Bank</p> <p>Jan. 2001 General Manager of Akita Branch of The Norinchukin Bank</p> <p>July 2002 Deputy General Manager of Development Investment Division of The Norinchukin Bank</p> <p>July 2003 Deputy General Manager of Personnel Division of The Norinchukin Bank</p> <p>July 2005 General Manager of Fukuoka Branch of The Norinchukin Bank</p> <p>June 2007 General Manager of Treasury & Forex Division of The Norinchukin Bank</p> <p>June 2008 General Manager of the Internal Audit Division and Chief Internal Auditor of The Norinchukin Bank</p> <p>June 2011 Audit & Supervisory Board Member of The Norinchukin Bank</p> <p>June 2013 Retired as Audit & Supervisory Board Member of The Norinchukin Bank</p> <p>June 2013 Audit & Supervisory Board Member (outside Audit & Supervisory Board Member) of the Company (current position)</p> <p> Standing Audit & Supervisory Board Member (outside Audit & Supervisory Board Member) of Takara Shuzo Co., Ltd.</p> <p>June 2016 Standing Audit & Supervisory Board Member of Takara Shuzo Co., Ltd. (current position) (to the present)</p> <p>Significant concurrent positions outside the Company Standing Audit & Supervisory Board Member of Takara Shuzo Co., Ltd.</p>	6,400 shares
<p>Reasons for nomination as candidate for outside Audit & Supervisory Board Member, etc.</p> <ul style="list-style-type: none"> - Tomoyuki Mieda is a candidate for outside Audit & Supervisory Board Member. The Company judges that the successive key positions he served at the Norinchukin Bank and his many years of experience and track records in financial institutions could be incorporated in the further enrichment of the Company's audit system, and he meets the criteria for candidates for outside Audit & Supervisory Board Member established by the Company. Therefore, the Company nominated him as a candidate to continue serving as an outside Audit & Supervisory Board Member. - He has never been involved in the management of a company except as an outside officer or non-executive officer. However, the Company judges that he will appropriately fulfill his duties as an outside Audit & Supervisory Board Member based on the above reasons. - He has a solid knowledge of finance and accounting gained through many years of operational experience at financial institutions, and other experience. - He is a Standing Audit & Supervisory Board Member of Takara Shuzo Co., Ltd., which is a specified affiliated business operator (subsidiary) of the Company. He was also a business executive, etc., of The Norinchukin Bank, which is a specified affiliated business operator of the Company (a lender noted in 1. (10) "Major lenders" of the above-mentioned Business Report; however, the amount of loans was less than 2% of consolidated total assets of the Company). Except for this, there is no conflict with the independence criteria established by the Company. <p>Limited liability agreement The Company has entered into a limited liability agreement with him to limit his liability for damages to the total amount under each item of Article 425, paragraph 1 of the Companies Act. If his election is approved in accordance with this proposal, the Company plans to continue this limited liability agreement.</p>			

Proposal No. 4 Revision of Remuneration Amount for Directors and Audit & Supervisory Board Members

The annual fixed remuneration amount of not more than ¥126 million for the Company's Directors (including the annual amount of not more than ¥10 million for outside Directors) was resolved at the 104th Annual General Meeting of Shareholders held on June 26, 2015, and a monthly remuneration amount of not more than ¥6 million for the Company's Audit & Supervisory Board Members (equivalent to not more than ¥72 million annually) was resolved at the 82nd Annual General Meeting of Shareholders held on June 29, 1993, respectively. Each amount has remained unchanged to the present. However, taking into consideration such factors as the increase of duties of outside Directors and Audit & Supervisory Board Members to strengthen the Company's corporate governance and changes in economic conditions and the business environment, the Company would like to change each remuneration amount as follows:

1. Fixed remuneration amount for Directors
Not more than ¥136 million annually (of which not more than ¥20 million is for outside Directors)
2. Fixed remuneration amount for Audit & Supervisory Board Members
Not more than ¥120 million annually

The Company proposes that the allocation of remuneration shall be entrusted to the Board of Directors for the payment to the Directors and to deliberations among the Audit & Supervisory Board Members for the payment to the Audit & Supervisory Board Members. In addition, the remuneration amount for Directors will not include the portion paid as salaries to employees serving concurrently as Directors as before.

The current number of Directors is nine (including two outside Directors). If Proposal No. 2 is approved in its original form, the number of Directors will be nine (including two outside Directors), which is the same as the current number. The current number of Audit & Supervisory Board Members is five (including three outside Audit & Supervisory Board Members). If Proposal No. 3 is approved in its original form, the number of Audit & Supervisory Board Members will be five (including three outside Audit & Supervisory Board Members), which is the same as the current number.

(Note) Remuneration for the Company's Directors is comprised of the amount of fixed remuneration and performance-linked remuneration (The annual amount of performance-linked remuneration shall not exceed 1% of consolidated operating profit for the previous fiscal year. However, this only applies to Directors other than outside Directors.), and the Company does not revise the amount of performance-linked remuneration.

(Reference)

Policy and Procedure for Election of Senior Management and Nomination of Candidates for Director and Audit & Supervisory Board Member

Representative Director and President and the other Representative Directors, based on the following criteria, hold discussions about senior management and candidates for Director and then submit proposals to the Board of Directors meeting for final decisions.

- These individuals must have outstanding character and knowledge, as well as the ability to recognize and solve management issues from a perspective of management as a whole.
- Inside Directors must have sufficient knowledge, experience and track records in their respective fields of expertise, as well as outstanding skill concerning the operation of an organization.
- Outside Directors must have considerable experience in their respective fields, as well as the capability to provide advice and suggestions from an independent standpoint for ensuring that decisions of the Board of Directors meeting are valid and appropriate.

Representative Director and President and the other Representative Directors, based on the following criteria, hold discussions about candidates for Audit & Supervisory Board Member, obtain consent from the Audit & Supervisory Board, and then submit proposals to the Board of Directors meeting for final decisions.

- These individuals must have outstanding character and knowledge, as well as the ability to recognize management issues and advise management from a perspective of management as a whole.
- Inside Audit & Supervisory Board Members must have sufficient knowledge, experience and track records in their respective fields of expertise.
- Outside Audit & Supervisory Board Members must have considerable experience in their respective fields, as well as the capability to provide advice and suggestions from an independent standpoint for ensuring that decisions of the Board of Directors meeting are valid and appropriate.

Independence Criteria for Outside Officers

The Company determines that outside Directors and outside Audit & Supervisory Board Members (hereinafter “outside officers”) are independent of the Company if they fulfill all of the following requirements.

1. Fulfillment of the following requirement presently and at any time in the past:
The individual was never a business executive (an Executive Director, an Executive Officer, or a manager or other employee, same hereinafter) of the Company or a subsidiary or related company of the Company (hereinafter the “Group”).
2. Fulfillment of all of the following requirements presently and at any time during the previous five years:
 - (1) Not a major shareholder (a party who owns at least 10% of the total of voting rights directly or indirectly) or a business executive thereof
 - (2) Not a company or other organization in which the Group owns at least 10% of the total of voting rights or a business executive thereof
 - (3) Not a major business partner (an entity where transactions with the Group account for at least 2% of consolidated sales in the Company’s fiscal year) with the Group or a business executive thereof
 - (4) Not an entity where the Group is a major business partner (an entity where transactions with the Group account for at least 2% of consolidated sales of that entity’s fiscal year) or a business executive thereof
 - (5) Not a major provider of loans to the Group (a lender where loans to the Group account for at least 2% of the Company’s consolidated total assets; however, even when this is not applicable, a lender is treated as a major provider of loans to the Group if it is included in the list of major lenders in the Company’s Business Report or other report) or a business executive thereof
 - (6) Not an attorney at law, certified public accountant, tax accountant, consultant or other provider of professional services (for services provided by companies and other organizations, not an individual who provides the service as a member of the company or organization) who has received from the Group annual compensation, etc., of at least ¥10 million separately from compensation received from the Group as an officer

- (7) Not an Accounting Auditor (for a company, not an individual performing the service as a member of the company) of the Group
 - (8) Not an individual (for a company or other organization, not an individual performing business activities as a member of the company or organization) who has received an annual donation of at least ¥10 million from the Group
 - (9) Not a business executive of a company, between which and the Company outside officers are mutually appointed (a business executive of the Group is an outside officer of a company outside the Group and a business executive of that company outside the Group is an outside officer of the Company)
 - (10) Not a close relative (spouse or persons within the second degree of kinship) is a business executive (if an employee, must be a department's general manager or higher) of the Group or violates any of the preceding criteria (1) through (9) (but for a company business executive, if an employee, must be a department's general manager or higher; if the individual is a member of an organization other than a company, must be a person who performs significant business tasks)
3. In addition, not an individual for whom there is justification for a rational judgment that the individual is unable to perform the duties of an independent outside officer