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(Stock Exchange Code 3088)  
May 30, 2019

**To Shareholders with Voting Rights:**

Kiyoo Matsumoto  
President  
Matsumotokiyoshi Holdings Co., Ltd.  
9-1 Shinmatsudo-Higashi, Matsudo-shi,  
Chiba, Japan

## **NOTICE OF THE 12TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 12th Annual General Meeting of Shareholders of Matsumotokiyoshi Holdings Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form, or via the Internet. If exercising your voting rights in writing, please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 6:00 p.m. on Wednesday, June 26, 2019, Japan time.**

- 1. Date and Time:** Thursday, June 27, 2019 at 10:00 a.m. Japan time (Open for reception: 8:00 a.m.)
- 2. Place:** Conference room at the Corporate Headquarters located at 9-1 Shinmatsudo-Higashi, Matsudo-shi, Chiba
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company's 12th Fiscal Year (April 1, 2018 - March 31, 2019) and results of audits by the Accounting Auditors and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company's 12th Fiscal Year (April 1, 2018 - March 31, 2019)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Election of 9 Directors
    - Proposal 3:** Election of 1 Corporate Auditor
    - Proposal 4:** Election of 1 Substitute Corporate Auditor
    - Proposal 5:** Determination of Compensation for the Allotment of Shares with Transfer Restrictions to Directors of the Company

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- ◎When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎Systems to Secure the Appropriateness of Business, Summary of Operational Status of Systems to Secure the Appropriateness of Business, Notes on the Consolidated Financial Statements, and Notes on the Non-consolidated Financial Statements, as part of documents that shall be provided with this Notice, have been posted on the Company's website ([URL:https://www.matsumotokiyoshi-hd.co.jp/index.html](https://www.matsumotokiyoshi-hd.co.jp/index.html)), based on laws and regulations and the Company's Articles of Incorporation. Accordingly, the documents attached to the Notice of the 12th Annual General Meeting of Shareholders constitute a part of Consolidated Financial Statements and Non-Consolidated Financial Statements audited by Accounting Auditor and Corporate Auditor in preparation for Accounting Audit Report and Audit Report.
  - ◎If Reference Documents for the General Meeting of Shareholders, Business Report, Non-Consolidated Financial Statements, and Consolidated Financial Statements are amended, the Company will post the updated documents on the Company's website ([URL:https://www.matsumotokiyoshi-hd.co.jp/index.html](https://www.matsumotokiyoshi-hd.co.jp/index.html)).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

Appropriation of surplus shall be as follows:

Matters concerning the year-end dividend

The Company regards the distribution of profit to the shareholders to be one of the most important issues for management. The Company's basic policy is to make payment of dividends in line with earnings growth, with an emphasis on maintaining steady dividends by strengthening management bases and improving profitability.

The consolidated sales and earnings hit record highs in the fiscal year ended March 31, 2019. Taking this result and the Company's financial position into account, the Company proposes to pay a year-end dividend of ¥35 per share for the fiscal year ended March 31, 2019, a year-on-year increase of ¥5.

The Company will utilize its internal reserves for investments that will lead to the Company's growth, such as expansion of existing businesses and development of new businesses including infrastructure development and expansion of services as well as M&A, in order to cope with the expected changes in business environment.

(1) Type of dividend assets

Cash

(2) Appropriation of dividend assets and amount of appropriation

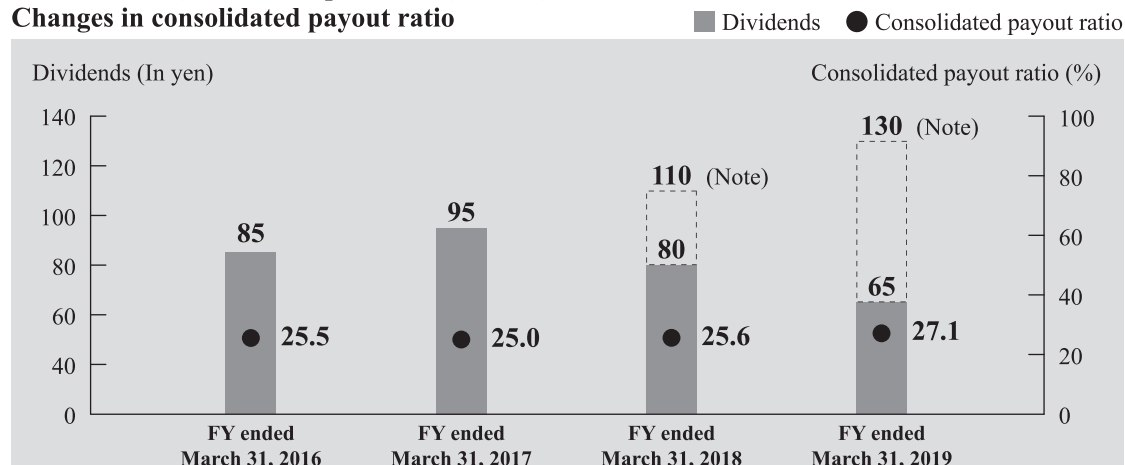
¥35 per share of common stock of the Company

total amount ¥3,596,764,710

(3) Surplus dividend effective date

June 28, 2019

### (For reference) Dividends per share (Annual)/ Changes in consolidated payout ratio



(Note) Effective January 1, 2018, the Company conducted a 2-for-1 stock split of common stock. When converted to a pre-stock split basis, the year-end dividend for FY ended March 31, 2018 is equivalent to ¥110 and the year-end dividend for FY ended March 31, 2019 is equivalent to ¥130.

**Proposal 2: Election of 9 Directors**

The terms of office of all 8 Directors will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the election of 9 Directors is proposed.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	Namio Matsumoto (March 4, 1943) [Reelection]	<p>April 1965      Joined Drugstore Matsumotokiyoshi, Ltd. (now Matsumoto Kiyoshi Co., Ltd.)</p> <p>April 1975      Senior Managing Director, Drugstore Matsumotokiyoshi, Ltd.</p> <p>July 1997        Director and Vice President, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 1998        Representative Director and Vice President, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 1999        Chairman, Japan Association of Chain Drug Stores</p> <p>February 2001    President, Matsumoto Kiyoshi Co., Ltd.</p> <p>May 2002        Vice Chairman, Self-Medication Advocacy Council</p> <p>October 2007    President of the Company</p> <p>April 2009        Chairman and CEO of the Company</p> <p>April 2011        Chairman, President and CEO of the Company</p> <p>June 2011        Chairman and President of the Company</p> <p>April 2014        Chairman of the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>Representative Director, Your Sports Club Co., Ltd.</p> <p>Representative Director, Nankai Kousan Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director]</p> <p>Since Mr. Namio Matsumoto's assumption of the position of Representative Director of the Company, he has led the Group with his powerful vision and strong leadership, and through his efforts to increase corporate value he has established the Group's firm position in the drug store industry.</p> <p>He also made efforts to establish the Japan Association of Chain Drug Stores, and through those activities, he has established the overall position of the drug store industry, contributing to the industry's development as a result.</p> <p>In order for him to use this abundant experience, deep insight, etc., in order to further create corporate value for the Group, the Company would like to request his continued election as Director.</p> <p>[Special interest between the candidate and the Company]</p> <p>Mr. Namio Matsumoto is concurrently serving as Representative Director of Nankai Kousan Co., Ltd., with which the Company has business relationship for real estate leasing.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)]</p> <p>14/14 (attendance rate: 100%)</p>	2,940,980

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
2	Kiyoo Matsumoto (January 20, 1973) [Reelection]	<p>June 1995      Joined Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2005      General Manager of Merchandise Department, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 2005      Director and General Manager of Merchandise Department, Matsumoto Kiyoshi Co., Ltd.</p> <p>July 2007      Director and Merchandise Manager of Sales Division, Matsumoto Kiyoshi Co., Ltd.</p> <p>October 2007    Director of the Company</p> <p>April 2008      Managing Director of the Company</p> <p>July 2008      Managing Director in charge of Sales Planning and Merchandise Control of the Company</p> <p>April 2009      Senior Managing Director in charge of Sales Planning and Merchandise Control of the Company</p> <p>April 2010      Senior Managing Director supervising Corporate Planning, Sales Planning and Merchandise Control of the Company</p> <p>April 2011      President, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2013      Representative Director and Vice President supervising Corporate Planning, Sales Planning and Merchandise Control of the Company</p> <p>April 2014      President of the Company (current position) Chairman, Matsumoto Kiyoshi Co., Ltd.</p> <p>[Significant concurrent positions] Advisor, Matsumoto Kiyoshi Co., Ltd. Representative Director, Nankai Kousan Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] Since Mr. Kiyoo Matsumoto's assumption of the position of Representative Director of the Company, he has carried on the "feelings" of past company heads within a difficult business environment, provided the "Matsumotokiyoshi WAY" as shared principles for all people working in the Group and striven for their widespread adoption, and further strengthened the unity of the Group as a whole. In addition, as President, he achieved historic highs in both net sales and each profit indicator for the fiscal year ended March 31, 2013, and contributed to the increase of the Group's corporate value. In order for him to use this abundant experience, deep insight, etc., in order to further create corporate value for the Group, the Company would like to request his continued election as Director.</p> <p>[Special interest between the candidate and the Company] Mr. Kiyoo Matsumoto is concurrently serving as Representative Director of Nankai Kousan Co., Ltd., with which the Company has business relationship for real estate leasing.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 14/14 (attendance rate: 100%)</p>	2,513,400

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
3	Takashi Matsumoto (May 8, 1975) [Reelection]	<p>April 1999      Joined Sato Pharmaceutical Co., Ltd.</p> <p>April 2002      Joined Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2008      General Manager of Drugstore Business Division and General Manager of Business Support Office, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2009      Executive Officer of the Company Director, Assistant General Manager of Drugstore Business Division, General Manager of Business Support Office and General Manager of PJ Promotion Planning Office, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2010      Director, General Manager of Sales Promotion Division, General Manager of Sales Promotion Department and General Manager of Mail-order Sales, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2012      Managing Director (in charge of Store Operations), General Manager of Store Operations Division, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 2013      Director supervising Sales of the Company</p> <p>April 2014      Director supervising Sales Planning and Merchandise Control of the Company</p> <p>April 2015      Managing Director supervising Sales Planning and Merchandise Control of the Company Senior Managing Director and General Manager of Store Operations Division, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2017      Managing Director and General Manager supervising Sales of the Company</p> <p>April 2019      Senior Managing Director and General Manager supervising Sales of the Company (current position)</p> <p>[Significant concurrent positions] Director and Vice President, General Manager of Store Operations Division, Matsumoto Kiyoshi Co., Ltd. Chairman, Matsumotokiyoshi (Taiwan) Limited (Joint venture company)</p> <p>[Reasons for nomination as a candidate for Director] Since Mr. Takashi Matsumoto's assumption of the position of Director of the Company, he has supervised sales departments in the fields of sales promotion, sales planning, online business, merchandize, overseas business, etc. He has strived to oversee the sales departments with a focus on business strategies of building a new business model tailored toward demand creation, the further evolution of customer relationship management (CRM) based on an omnichannel strategy, the increase of market share, and the establishment of a strong revenue base, and has contributed to the increase of the Group's corporate value. In order for him to use this abundant experience, deep insight, etc., to further create corporate value for the Group, the Company would like to request his continued election as Director.</p> <p>[Special interest between the candidate and the Company] Mr. Takashi Matsumoto is concurrently serving as Director of Nankai Kousan Co., Ltd., with which the Company has business relationship for real estate leasing.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 14/14 (attendance rate: 100%)</p>	2,516,500

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
4	Takao Ota (December 23, 1951) [New]	<p>April 1974      Joined The Daiei, Inc.</p> <p>March 2005      General Manager of Home Living Group, The Daiei, Inc.</p> <p>September 2005      Joined Sugi Pharmacy Co., Ltd.</p> <p>January 2006      Executive Manager of Products Department, Sugi Pharmacy Co., Ltd.</p> <p>May 2008      Director, General Manager of Products Department, Sugi Pharmacy Co., Ltd.</p> <p>September 2008      Executive Officer in charge of Group Product Strategy, Sugi Holdings Co., Ltd.</p> <p>January 2010      Executive Officer, General Manager of Merchandise Division, Sugi Holdings Co., Ltd. Managing Director, General Manager of Sales Division, Sugi Pharmacy Co., Ltd.</p> <p>March 2011      Executive Officer, General Manager of Group Merchandise Division, Sugi Holdings Co., Ltd. Representative Director and Vice President, General Manager of Sakes Division, Sugi Pharmacy Co., Ltd.</p> <p>March 2013      Director, General Manager of Product Management Office, Sugi Holdings Co., Ltd. Chairman, Sugi Pharmacy Co., Ltd.</p> <p>May 2014      Joined Matsumoto Kiyoshi Co., Ltd. Seconded to the Company as Consultant to Senior Managing Director supervising Management and Control</p> <p>January 2015      Director, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2015      Executive Officer of the Company Senior Managing Director, Matsumoto Kiyoshi Co., Ltd.</p> <p>April 2016      Director and Vice President, Matsumoto Kiyoshi Co., Ltd. Representative Director and President, Koyo Drug Co., Ltd.</p> <p>April 2017      Executive Officer, General Manager of Strategic Business Development Division, the Company</p> <p>[Significant concurrent positions] President, Matsumoto Kiyoshi Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Takao Ota has worked mainly with a focus on business strategies of building a new business model, expanding multi-store networks, strengthening and expanding the pharmacy business, optimizing the overall supply chain, and expanding market share, as the Company's Executive Officer and General Manager of Strategic Business Development Division as well as President of the Group's core company, Matsumoto Kiyoshi Co., Ltd., and has contributed to the increase of the Group's corporate value. In order for him to use this abundant experience and deep insight to further create corporate value for the Group, the Company would like to request his election as Director.</p> <p>[Special interest between the candidate and the Company] There are no special interests between Mr. Takao Ota and the Company.</p>	—

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
5	Shingo Obe (August 5, 1962) [Reelection]	<p>April 1985      Joined The Daiei, Inc.</p> <p>September 1999      Manager of Employment and Education Section, Employment and Education Department, Personnel Planning Office and Manager of Personnel Section, Personnel Department, The Daiei, Inc.</p> <p>June 2002      Joined MEDICAL ASSOCIA INC., General Manager of Staffing Department</p> <p>April 2003      Joined Adecco Career Staff Co., Ltd. (now Adecco Ltd.), Manager of Personnel Administration Section, Personnel Department and General Manager of Personnel Department, Personnel Division</p> <p>December 2006      Joined Matsumoto Kiyoshi Co., Ltd., Deputy General Manager of Personnel Department</p> <p>July 2007      General Manager of Personnel Department, Matsumoto Kiyoshi Co., Ltd.</p> <p>January 2008      General Manager of Personnel Department of the Company</p> <p>July 2010      Executive Officer and General Manager of Personnel Department of the Company</p> <p>April 2012      Director and General Manager of Personnel, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 2015      Executive Officer and General Manager of Personnel Department (concurrently General Manager of Internal Controls Office) of the Company</p> <p>April 2016      Executive Officer and General Manager of Personnel Department of the Company</p> <p>April 2017      Executive Officer, General Manager of Administration Department and General Manager of Personnel Department of the Company</p> <p>June 2017      Director, General Manager of Administration Department and General Manager of Personnel Department of the Company</p> <p>April 2019      Director, General Manager of Administration Department of the Company (current position)</p> <p>[Significant concurrent positions] Director of Management, Matsumoto Kiyoshi Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Shingo Obe has been involved in creating the personnel structure and building the personnel strategy for the Group, and additionally has held posts as the individual responsible for internal controls and legal affairs, and possesses not only experience and insight regarding personnel and human resources management, but also broad experience and insight regarding compliance and risk management. Additionally, he has supervised administrative departments as Director, contributing to maintaining management foundations through initiatives such as promotion of new business models and shift to omni-channel, in addition to creating an environment where group companies can focus on each business. In order for him to use this abundant experience and insight in order to further create corporate value for the Group, the Company requests his continued election as Director.</p> <p>[Special interest between the candidate and the Company] There are no special interests between Mr. Shingo Obe and the Company.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 14/14 (attendance rate: 100%)</p>	3,034



No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
6	Akio Ishibashi (November 15, 1964) [Reelection]	<p>April 1989      Joined Mitsui Bank (now Sumitomo Mitsui Banking Corporation), Tokyo Corporate Banking Department</p> <p>August 1989    Seconded to General Research Institute (now The Japan Research Institute, Limited), Mitsui Bank</p> <p>June 1999       M&amp;A Advisory Services Department, Wholesale Banking Unit, Mitsui Bank</p> <p>February 2002   Joined Mitsubishi Corporation, M&amp;A Unit, Finance Business Division</p> <p>January 2008    Treasurer's Office, Mitsubishi Corporation</p> <p>October 2009    Joined Matsumoto Kiyoshi Co., Ltd. General Manager of Business Development Office of the Company</p> <p>July 2011        General Manager of Corporate Planning Department of the Company</p> <p>April 2012       Executive Officer and General Manager of Corporate Planning Department of the Company Director and General Manager of Operation Planning Department, Store Operations Division, Matsumoto Kiyoshi Co., Ltd.</p> <p>June 2015       Executive Officer and General Manager of Corporate Planning Department (concurrently General Manager of Finance and Accounting Department) of the Company</p> <p>April 2017       Executive Officer, General Manager of Corporate Planning Division and General Manager of Corporate Planning Department of the Company</p> <p>June 2017       Director, General Manager of Corporate Planning Division and General Manager of Corporate Planning Department of the Company</p> <p>April 2019       Director, General Manager of Corporate Planning Division of the Company (current position)</p> <p>[Significant concurrent positions] Director, Matsumoto Kiyoshi Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Akio Ishibashi has been involved in formulation of the Group management policy and management strategy, and formulation and management of annual plans, and additionally has contributed to expanding business scale and increasing management efficiency through internal Group reorganization and management of KPIs for each Group company. Additionally, he has supervised corporate planning department as Director, contributing to creating the Group's growth foundations through initiatives such as making proposals and providing operational support toward the creation and evolution of new business models as well as implementing advancements in CRM based on customer data held by the Company. In order for him to use this abundant experience and insight in order to further create corporate value for the Group, the Company requests his continued election as Director.</p> <p>[Special interest between the candidate and the Company] There are no special interests between Mr. Akio Ishibashi and the Company.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 14/14 (attendance rate: 100%)</p>	3,514

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
7	Isao Matsushita (April 3, 1947) [Outside Director] [Reelection] [Independent]	<p>April 1970      Joined Nippon Mining Co. (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>April 2001      Executive Officer, Assistant to General Manager of Corporate Planning Department and Chief of Corporate Planning Department (in charge of Finance), Japan Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>September 2002      Director and in charge of Finance at Finance Group, Nippon Mining Holdings, Inc. (now JXTG Holdings, Inc.)</p> <p>June 2003      Managing Director, Nippon Mining Holdings, Inc. (now JXTG Holdings, Inc.)</p> <p>April 2004      Managing Executive Officer, Japan Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>June 2004      Director and Managing Executive Officer, Japan Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>April 2005      Director and Senior Executive Officer, Japan Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>June 2006      Representative Director and President, Japan Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>July 2010      Representative Director, Vice President, Executive Officer and Assistant to President, JX Nippon Oil &amp; Energy Corporation (now JXTG Nippon Oil &amp; Energy Corporation)</p> <p>June 2012      Representative Director and President, JX Holdings, Inc. (now JXTG Holdings, Inc.)</p> <p>June 2015      Advisor, JXTG Holdings, Inc. (current position)</p> <p>June 2016      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions]            Outside Director of INPEX CORPORATION            External Director of Sumitomo Mitsui Trust Holdings, Inc.</p> <p>[Reasons for nomination as a candidate for Outside Director]            Mr. Isao Matsushita has been involved in corporate management in JXTG Group's companies for many years, and possesses abundant experience and insight regarding management. In addition, he has experience as an Outside Director at other companies, and as the Company expects him to use this high level of insight, experience, and auditing ability in corporate management in the supervision of the management of the Company, we would like request his continued election as Outside Director.</p> <p>[Special interest between the candidate and the Company]            There are no special interests between Mr. Isao Matsushita and the Company.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)]            12/14 (attendance rate: 85.7%)</p>	—

(Notes)

1. Term of office of Mr. Isao Matsushita  
His term of office will have reached 3 years at the conclusion of this General Meeting of Shareholders.
2. Mr. Isao Matsushita is now serving as Outside Director of the Company, and the Company has entered into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, as per Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The limit of liability for damages under the agreement shall be the higher of ¥10 million or the minimum liability amount provided by laws and regulations. If Mr. Matsushita is elected, the Company intends to enter into the same agreement to limit his liability for damages.
3. Mr. Isao Matsushita is now serving as Outside Director of the Company, he fulfills the criteria for independence set forth by the Company (see page 16), and the Company has designated him as Independent Officer as stipulated by regulations of the Tokyo Stock Exchange and has reported it thereat.

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
8	Hiroo Omura (November 27, 1946) [Outside Director] [Reelection] [Independent]	<p>May 1970      Joined Sumitomo Life Insurance Company</p> <p>July 1980      General Manager of Training Department, Higashi Naniwa Branch, Sumitomo Life Insurance Company</p> <p>July 1982      Acting General Manager of Tokyo Finance Department (stationed in Aomori), Sumitomo Life Insurance Company</p> <p>January 1986    Acting General Manager of Tokyo Corporate Sales Division No. 4, Sumitomo Life Insurance Company</p> <p>July 1988      Seconded to THE NIPPON ROAD Co., Ltd., General Manager of Development Business Department</p> <p>April 1991      Returned to Sumitomo Life Insurance Company, Corporate Sales Manager of Shinjuku-Chuo Branch</p> <p>September 1991    Joined THE NIPPON ROAD Co., Ltd., General Manager of Sales Department No. 1</p> <p>April 1998      General Manager of Sales Planning Department, THE NIPPON ROAD Co., Ltd.</p> <p>April 2002      General Manager of Kanto Manufacturing and Sales Branch, THE NIPPON ROAD Co., Ltd.</p> <p>April 2003      General Manager of Manufacturing and Sales Department at the Head Office, THE NIPPON ROAD Co., Ltd.</p> <p>April 2004      Executive Officer and Executive Manager of Sales Department No. 2, THE NIPPON ROAD Co., Ltd.</p> <p>April 2008      Senior Executive Officer and Deputy General Manager of Sales Division, THE NIPPON ROAD Co., Ltd.</p> <p>April 2012      Executive Advisor, THE NIPPON ROAD Co., Ltd.</p> <p>April 2014      Administrative Manager of Planning Department, Japan Environment Association</p> <p>March 2017      Retired from Japan Environment Association</p> <p>June 2018      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions]</p> <p>—</p> <p>[Reasons for nomination as a candidate for Outside Director] Mr. Hiroo Omura has been involved in sales, development, and sales planning for many years at insurance companies and other companies, and possesses abundant experience and insight. In addition, he has also been involved in environmental businesses at the Japan Environment Association, and as the Company expects him to use this high level of insight, experience, and auditing ability in corporate management in the supervision of the management of the Company, we would like request his election as Outside Director.</p> <p>[Special interest between the candidate and the Company] There are no special interests between Mr. Hiroo Omura and the Company.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 10/10 (attendance rate: 100%)</p>	—

(Notes)

1. Term of office of Mr. Hiroo Omura  
His term of office will have reached 1 year at the conclusion of this General Meeting of Shareholders.
2. Mr. Hiroo Omura is now serving as Outside Director of the Company, and the Company has entered into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, as per Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The limit of liability for damages under the agreement shall be the higher of ¥10 million or the minimum liability amount provided by laws and regulations. If Mr. Hiroo Omura is elected, the Company intends to enter into the same agreement to limit his liability for damages.
3. Mr. Hiroo Omura is now serving as Outside Director of the Company, he fulfills the criteria for independence set forth by the Company (see page 16), and the Company has designated him as Independent Officer as stipulated by regulations of the Tokyo Stock Exchange and has reported it thereat.

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
9	Keiji Kimura (February 21, 1947) [Outside Director] [Reelection] [Independent]	<p>May 1970      Joined MITSUBISHI ESTATE CO., LTD.</p> <p>June 1988      Deputy General Manager of Secretary Department, Mitsubishi Estate Co., Ltd.</p> <p>June 1996      General Manager of Secretary Department, Mitsubishi Estate Co., Ltd.</p> <p>January 1998    General Manager of Planning Department, Mitsubishi Estate Co., Ltd.</p> <p>April 2000      General Manager of Corporate Planning Department, Corporate Planning Division, Mitsubishi Estate Co., Ltd.</p> <p>June 2000      Director and General Manager of Corporate Planning Department, Corporate Planning Division, Mitsubishi Estate Co., Ltd.</p> <p>April 2003      Director and Senior Executive Officer, Deputy General Manager of Corporate Planning &amp; Administration Division, Mitsubishi Estate Co., Ltd.</p> <p>June 2003      Senior Executive Officer and Deputy General Manager of Corporate Planning &amp; Administration Division, Mitsubishi Estate Co., Ltd.</p> <p>April 2004      Executive Vice President in charge of International Business Division, Mitsubishi Estate Co., Ltd. Concurrently President and Director, Royal Park Hotels and Resorts Company, Limited.</p> <p>June 2004      Representative Director and Executive Vice President in charge of International Business Division, Mitsubishi Estate Co., Ltd. Concurrently President and Director, Royal Park Hotels and Resorts Company, Limited.</p> <p>June 2005      President and Chief Executive Director, Mitsubishi Estate Co., Ltd.</p> <p>April 2011      Chairman &amp; Representative Director, Mitsubishi Estate Co., Ltd.</p> <p>June 2016      Chairman of the Board, Mitsubishi Estate Co., Ltd.</p> <p>April 2017      Director, Mitsubishi Estate Co., Ltd.</p> <p>June 2017      Senior Advisor, Mitsubishi Estate Co., Ltd. (current position)</p> <p>June 2018      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions] Outside Director, PALACE HOTEL CO., LTD. Outside Director, Nippon Venture Capital Co., Ltd. Outside Director, Yokohama shintosh center corporation Outside Director, Royal Park Hotel Co., Ltd. Outside Director, Shonan country club co. ltd</p> <p>[Reasons for nomination as a candidate for Outside Director] Mr. Keiji Kimura has been involved in corporate management for many years, and possesses abundant experience and insight regarding management. In addition, he has also served as a supervisor of departments related to overseas business. With additional experience as Outside Director at other companies, the Company expects him to use this high level of insight, experience, and auditing ability in corporate management for the supervision of the management of the Company, and we would like request his election as Outside Director.</p> <p>[Special interest between the candidate and the Company] There are no special interests between Mr. Keiji Kimura and the Company.</p> <p>[Attendance at meetings of the Board of Directors (12th Fiscal Year)] 7/10 (attendance rate: 70%)</p>	—

(Notes)

1. Term of office of Mr. Keiji Kimura  
His term of office will have reached 1 year at the conclusion of this General Meeting of Shareholders.
2. Mr. Keiji Kimura is now serving as Outside Director of the Company, and the Company has entered into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, as per Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The limit of liability for damages under the agreement shall be the higher of ¥10 million or the minimum liability amount provided by laws and regulations. If Mr. Keiji Kimura is elected, the Company intends to enter into the same agreement to limit his

liability for damages.

3. Mr. Keiji Kimura is now serving as Outside Director of the Company, he fulfills the criteria for independence set forth by the Company (see page 16), and the Company has designated him as Independent Officer as stipulated by regulations of the Tokyo Stock Exchange and has reported it thereat..
4. There is no business transaction relationship between Mitsubishi Estate Co., Ltd. and the Company. There are business transactions between Mitsubishi Estate Co., Ltd. and its group companies and group companies of the Company, but the proportion of the value of these transactions to the net sales of the Company in the most recent fiscal year was less than 0.07%, and it is not classed as a major business partner.

**Proposal 3:** Election of 1 Corporate Auditor

The term of office of Corporate Auditor Yukio Koyama will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the election of 1 Corporate Auditor is proposed.

The Board of Corporate Auditors has previously given its approval to this Proposal.

The candidate is as follows:

Name (Date of birth)	Past experience and significant concurrent positions	Number of shares of the Company held
<p>Hisao Honta (February 24, 1960) [New]</p>	<p>March 1979      Joined Matsumoto Kiyoshi Co., Ltd.            October 1986    Central Executive Committee in charge of welfare,                                     Matsumotokiyoshi Labor Union of ZENSEN Federation (now                                     UA ZENSEN)            October 1989    Central Executive Committee Vice Chairman,                                     Matsumotokiyoshi Labor Union            October 1996    Central Executive Committee Chairman, Matsumotokiyoshi                                     Labor Union            May 2007        Store Manager, Kashiwamatsugasaki Store            September 2013 Store Manager, Mabashi Store            October 2018    Resigned Central Executive Committee Chairman,                                     Matsumotokiyoshi Labor Union of UA ZENSEN            November 2018 Manager to General Affairs Department, Administration                                     Department of the Company (current position)</p>	<p>5,621</p>
	<p>[Reasons for nomination as a candidate for Corporate Auditor]            Mr. Hisao Honta has engaged in store operations at the Group's core company, Matsumoto Kiyoshi Co., Ltd., for many years, and possesses abundant business experience and expertise.            In addition, he served as Central Executive Committee Chairman of Matsumotokiyoshi Labor Union for many years, and has leadership, faith in compliance, and industry knowledge cultivated through the experience.            Accordingly, the Company has judged that he will be able to utilize this experience to judge the legality and appropriateness of Directors' performance, reasonableness of accounting audits without partiality from an objective perspective, and contribute to ensuring soundness of the Company's business management, and we would like request his election as Corporate Auditor.</p>	
	<p>[Special interest between the candidate and the Company]            There are no special interests between Mr. Hisao Honta and the Company.</p>	

**Proposal 4: Election of 1 Substitute Corporate Auditor**

In case the number of Corporate Auditors falls short of the legally stipulated number, the Company proposes the election of 1 Substitute Corporate Auditor. Accordingly, the election of 1 Substitute Corporate Auditor is proposed.

The Board of Corporate Auditors has previously given its approval to this Proposal.

The candidate is as follows:

Name (Date of birth)	Past experience and positions	Number of shares of the Company held
Yoshiaki Senoo (May 15, 1949) [Reelection]	April 1974 Entered the Legal Training and Research Institute of Japan (the 28th graduating class)	—
	April 1976 Registered as a lawyer (Daini Tokyo Bar Association) Joined Seiichi Ishii Law Office	
	April 1979 Founded Yoshiaki Senoo Law Office (current position)	
	October 2004 Founded MOS (MATSUZAKI OKU SANO & SENOO) Joint Law Office (current position)	
	[Significant concurrent positions] —	
	[Reasons for nomination as a candidate for Substitute Outside Corporate Auditor] Mr. Yoshiaki Senoo possesses abundant business experience and specialized knowledge as a lawyer, and as there are no special interests between Mr. Senoo and the Company, his independence has been ensured, and we would like to nominate him as candidate for Substitute Corporate Auditor as Outside Corporate Auditor.	
	[Special interest between the candidate and the Company] There are no special interests between Mr. Yoshiaki Senoo and the Company.	

(Notes)

1. Mr. Yoshiaki Senoo is a member of the Independent Committee for the Defensive Measures, approved at the 11th General Meeting of Shareholders held on June 28, 2018.
2. If Mr. Yoshiaki Senoo is appointed as Corporate Auditor, the Company will enter into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, as per Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The limit of liability for damages under the agreement shall be the higher of ¥5 million or the minimum liability amount provided by laws and regulations.
3. If Mr. Yoshiaki Senoo is appointed as Corporate Auditor, he fulfills the criteria for independence set forth by the Company (see page 16), and the Company will designate him as Independent Officer as stipulated by regulations of the Tokyo Stock Exchange and report it thereat.

### **[Independence Criteria]**

- In the event that any of the following items apply, the Company shall deem a lack of independence.
  - (1) An executive officer of the Company or a company in the Group;
  - (2) A Non-executive Director or accounting advisor of the Company or a company in the Group (in the case of an Outside Corporate Auditor);
  - (3) A person whose major business partner (the annual amount of transactions with the Company is 2% or more of consolidated sales in the most recent fiscal year) is the Company or an executive officer thereof;
  - (4) A person who is a major business partner (the annual amount of transactions with the Company is 2% or more of consolidated sales in the most recent fiscal year) of the Company or an executive officer thereof;
  - (5) A financial institution or other major creditor that is essential for the fundraising of the Company, and whom the Company relies on to the extent that they are irreplaceable, or an executive officer thereof;
  - (6) A certified public accountant who is the Accounting Auditor of the Company, or a member, partner or employee of the audit firm (however, this excludes support staff);
  - (7) A major shareholder of the Company (a shareholder with a voting rights ownership ratio of 10% or more) (or if the major shareholder is a corporation, an executive officer thereof);
  - (8) An executive officer of an organization with which the Company has a relationship through the mutual appointment of Outside Officers;
  - (9) An executive officer of an organization to which the Company has made a donation (the average transaction amount per fiscal year over the past three (3) years is ¥5 million or more);
  - (10) An attorney-at-law, certified public accountant, certified tax accountant, or other consultant who has received a significant amount of cash or other property (the average transaction amount per fiscal year over the past three (3) years is ¥5 million or more) from the Company other than officer compensation;
  - (11) A person belonging to a legal firm, audit firm, certified tax accountant firm, consulting firm, or other specialized advisory firm that has received a significant amount of cash or other property (the average transaction amount per fiscal year over the past three (3) years is ¥10 million or more) from the Company other than officer compensation (however, this excludes support staff);
  - (12) A person who fell under either of the above categories (1) or (2) at any point over the past ten (10) years;
  - (13) A person who fell under any of the above categories (3) to (9) at any point over the past three (3) years;
  - (14) A relative within the second degree of kinship of a person falling under any of the above categories (1) to (13).



**Proposal 5:** Determination of Compensation for the Allotment of Shares with Transfer Restrictions to Directors of the Company

The amount of compensation for the Company's Directors is up to ¥650 million (including up to ¥33 million for Outside Directors) a year as approved at the 10th Annual General Meeting of Shareholders held on June 29, 2017. Similarly, as approved at the 9th Annual General Meeting of Shareholders held on June 29, 2016, the amount of stock compensation is up to ¥150 million (applicable to three (3) business years) for Directors excluding Outside Directors based on the Stock Compensation Plan using the executive compensation BIP (Board Incentive Plan) Trust ("BIP Trust").

In reviewing its executive compensation system, the Company will pay compensation, separately from the above-mentioned compensation, for the allotment of shares of its common stock with transfer restrictions to Directors of the Company (excluding Outside Directors; hereinafter "Eligible Directors") with the aims of providing incentives for the Eligible Directors to contribute to the sustainable enhancement of the Company's corporate value and promoting their sharing of value with the Company's shareholders.

The compensation to the Eligible Directors for the allotment of shares with transfer restrictions in accordance with this Proposal shall be paid in the form of monetary claims (hereinafter "Monetary Claims"). The total amount thereof is proposed to be up to ¥85 million a year, an amount deemed reasonable in consideration of the aforementioned aims. The specific timing to grant the Monetary Claims and allocation thereof shall be determined by the Board of Directors. The compensation for the allotment of shares with transfer restrictions shall not be awarded to Outside Directors.

On the condition that this Proposal is approved, the current BIP Trust-based Stock Compensation Plan will cease to be used.

The Board of Directors currently comprises eight (8) Directors (including three (3) Outside Directors). If Proposal 2 Election of 9 Directors is approved as proposed, the number of Directors will be nine (9) (including three (3) Outside Directors).

Eligible Directors shall, based on a resolution of the Company's Board of Directors, tender all the Monetary Claims awarded according to this Proposal as a contribution in kind to have shares of the Company's common stock issued thereto or disposed of therefor. The total number of shares of the Company's common stock thus issued or disposed of shall be up to 30,000 a year. Provided, however, said total number may be adjusted within a reasonable range in the case that a stock split (including a gratis allotment) or a reverse stock split of the Company's common stock is conducted on or after the day when this Proposal is approved or whenever any other reason arises that would require the adjustment of the total number of the Company's common shares issued or disposed of as shares with transfer restrictions.

The amount per share to be paid in shall be determined by the Board of Directors, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately before each resolution by the Board of Directors (if no closing price is quoted on such date, the closing price on the closest preceding trading day). The amount to be paid in shall be within the range not particularly advantageous to the Eligible Directors, who subscribe to the shares of the Company's common stock. The Company shall enter into an agreement with each Eligible Director on allotment of the shares with transfer restrictions (the "Allotment Agreement") that includes the terms and conditions described below, for issuance and disposal of shares of the Company's common stock.

(1) Restriction period

Eligible Directors must not transfer, create a security interest on, or dispose of in any other way shares of the Company's common stock allotted under the Allotment Agreement (the "Allotted Shares"), for a period predetermined by the Board of Directors of the Company that comes between three (3) years and five (5) years from the day the shares are allotted under the Allotment Agreement (the "Restriction Period"). The restrictions described in the preceding sentence shall hereinafter be referred to as the Transfer Restrictions.

(2) Treatment at the time of retirement

In the event that a Eligible Director retires from any position as a Director of the Company or its subsidiaries, Executive Officer not concurrently serving as the Company's Board of Director, Corporate Auditor, employee, Counselor, Advisor, or any equivalent thereof before the Restriction Period expires, the Company shall automatically acquire the Allotted Shares without consideration, except in the case of the expiration of the term of office, death, or any other justifiable reason for such retirement.

(3) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions for all Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has been in the positions set out in (2) above throughout the Restriction Period. However, if the Eligible Director retires or resigns from any of the positions stipulated in (2) above prior to the expiration of the Restriction Period due to the expiration of his or her term of office, death or any other justifiable reason, the number of the Allotted Shares whose Transfer Restrictions are to be lifted and the timing of the lifting shall be adjusted as necessary to a reasonable extent. The Company shall automatically acquire without consideration the Allotted Shares that remain under the Transfer Restrictions immediately after the lifting of the Transfer Restrictions implemented pursuant to the aforementioned provision.

(4) Treatment during reorganization

Notwithstanding the provision of above (1), when matters relating to a merger agreement whereby the Company becomes the disappearing company, a share exchange agreement or share transfer plan whereby the Company becomes a wholly owned subsidiary, or other reorganization are approved by the Annual General Meeting of Shareholders of the Company (or by the Board of Directors of the Company where the reorganization is not subject to approval by the Annual General Meeting of Shareholders of the Company) during the Restriction Period, the Company shall lift the Transfer Restrictions on the Allotted Shares in the number reasonably determined in consideration of the period from the start date of the Restriction Period to the day of approval of the reorganization, by means of a resolution of the Board of Directors of the Company, prior to the effective date of the reorganization. In the case as provided above, the Company shall automatically acquire without consideration the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted.

(5) Other matters

Any other matters relating to the Allotment Agreement shall be decided by the Board of Directors of the Company.