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Stock Exchange Code: 1954

September 6, 2018

To Shareholders with Voting Rights:

Ryuichi Arimoto
Representative Director and President
NIPPON KOEI CO., LTD.
(Headquarters) 4, Kojimachi 5-chome,
Chiyoda-ku, Tokyo
(Main Office) 14-6, Kudankita 1-chome,
Chiyoda-ku, Tokyo

NOTICE OF THE 74TH 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 74th Annual General Meeting of Shareholders of NIPPON KOEI 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 by post or via the Internet (Note 1).

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Wednesday, September 26, 2018, Japan time.

1. **Date and Time:** Thursday, September 27, 2018 at 10:00 a.m. Japan time
2. **Place:** Shirakaba and Tsuru, 3F, Hotel Grand Palace
1-1 Iidabashi 1-chome, Chiyoda-ku, Tokyo
3. **Meeting Agenda:**
 1. **Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Nonconsolidated Financial Statements for the Company's 74th Fiscal Year (July 1, 2017 - June 30, 2018)
 2. Results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. **Proposals to be resolved:**
 - Proposal 1:** Election of 11 Directors
 - Proposal 2:** Election of 2 Audit & Supervisory Board Members
 - Proposal 3:** Election of 1 Substitute Audit & Supervisory Board Member
 - Proposal 4:** Revision of Compensation Amount for Audit & Supervisory Board Members

(Note 1) Please access the website (<https://soukai.mizuho-tb.co.jp/>) and enter your voting rights code and password. To exercise your voting rights, please follow the guidance on the screen.

Additionally, if you are an institutional investor, you can exercise your voting rights through ICJ platform run by ICJ, Inc.

Disclosure via the Internet

◎ "Notes to Consolidated Financial Statements" and "Notes to Nonconsolidated Financial Statements" are posted at the following Company's website pursuant to the laws and regulations, and provisions in Article 14 of the Articles of Incorporation, and they are not included in the Appendix to this notice. Therefore, the Appendix to this notice of convocation is a part of Consolidated Financial Statements and Nonconsolidated Financial Statements audited by Accounting Auditor in preparing the Accounting Audit Report. Also, the Appendix is a part of Consolidated Financial Statements and Nonconsolidated Financial Statements audited by Audit & Supervisory Board members in preparing their Audit Report.

◎ Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Nonconsolidated Financial Statements require revisions, the revised versions will be posted on the following Company's website.

The Company's website: <https://www.n-koei.co.jp/ir/>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of 11 Directors

The terms of office of all 11 directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 11 directors, inclusive of 2 outside directors, is proposed.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Noboru Takano (September 14, 1952) [Reelection]	<p>April 1975 Joined the Company</p> <p>July 2008 General Manager of Operations Planning Office and General Manager of Business Planning Office, Domestic Consulting Operations of the Company</p> <p>June 2009 Executive Officer of the Company Deputy Director General of Domestic Consulting Operations, General Manager of Operations Planning Office, and General Manager of Business Planning Office, Domestic Consulting Operations of the Company</p> <p>June 2010 Deputy Director General of Domestic Consulting Operations and General Manager of Operations Planning Office, Domestic Consulting Operations of the Company</p> <p>June 2011 Director and Executive Officer of the Company Acting Director General of Domestic Consulting Operations and General Manager of Operations Planning Office, Domestic Consulting Operations of the Company</p> <p>June 2012 Director and Managing Executive Officer of the Company Director General of Domestic Consulting Operations of the Company</p> <p>September 2014 Representative Director and Senior Managing Executive Officer of the Company</p> <p>July 2015 Representative Director and Executive Vice President in charge of technology of the Company</p> <p>July 2017 Representative Director and Chairman of the Company (current position)</p>	19,403
<p>[Reasons for selection]</p> <p>Mr. Noboru Takano has been engaged in the management of the Company as Director since June 2011, and is appropriately fulfilling these duties and responsibilities. Additionally, after serving as Representative Director and Executive Vice President (in charge of technology and Director General of Domestic Consulting Operations), he currently serves as Representative Director and Chairman and is appropriately fulfilling his duties in supervision and promotion of overall management of the Company Group based on his wealth of experience and achievements gained mainly in the field of Domestic Consulting Operations. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Akira Mizukoshi (September 30, 1950) [Reelection]	<p>April 1976 Joined the Company</p> <p>July 2007 General Manager of Business Promotion Department, Domestic Consulting Operations of the Company</p> <p>June 2008 Executive Officer of the Company Deputy Director General of International Consulting Operations of the Company</p> <p>June 2010 Director and Executive Officer of the Company</p> <p>June 2012 Director and Managing Executive Officer of the Company</p> <p>July 2012 General Manager of Business Promotion Headquarters of the Company</p> <p>September 2014 Director and Senior Managing Executive Officer of the Company Director General of Corporate Headquarters and Director General of Business Promotion Headquarters of the Company</p> <p>October 2014 Director General of Corporate Headquarters of the Company</p> <p>July 2015 Director and Executive Vice President in charge of Head Office of the Company</p> <p>February 2016 Director and Executive Vice President in charge of Head Office and IR of the Company</p> <p>September 2016 Representative Director and Executive Vice President in charge of Head Office and IR of the Company</p> <p>July 2017 Director and Vice Chairman of the Company (current position)</p>	11,517
<p>[Reasons for selection]</p> <p>Mr. Akira Mizukoshi has been engaged in the management of the Company as Director since June 2010, and is appropriately fulfilling these duties and responsibilities. Additionally, after serving as Director General of Business Promotion Headquarters, Director General of Corporate Headquarters and Representative Director and Executive Vice President, he currently serves as Director and Vice Chairman and is appropriately fulfilling his role in promotion of management and improvement of value of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Ryuichi Arimoto (November 27, 1952) [Reelection]	April 1977 Joined the Company July 2007 Deputy Director General of Corporate Headquarters of the Company July 2008 Deputy Director General of Corporate Headquarters and General Manager of Corporate Planning Department of the Company June 2009 Director and Executive Officer of the Company Director General of Corporate Headquarters and General Manager of Corporate Planning Department of the Company June 2011 Director General of Corporate Headquarters and General Manager of Personnel & General Affairs Department of the Company June 2012 Director and Managing Executive Officer of the Company July 2012 Director General of Corporate Headquarters and General Manager of Personnel Department of the Company September 2014 Representative Director and President of the Company (current position)	19,503
<p>[Reasons for selection]</p> <p>Mr. Ryuichi Arimoto has been engaged in the management of the Company as Director since June 2009, and is appropriately fulfilling these duties and responsibilities. Additionally, after serving as Director General of Corporate Headquarters, he is currently tasked with management of the Company Group as Representative Director and President. The Company has judged that his insights, based on a wealth of operational experience in overall management and achievements from leading the Group with strong leadership and decision-making are suitable for the advancement of the management and strengthening of corporate governance of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Hiroyuki Akiyoshi (March 11, 1956) [Reelection]	April 1979 Joined the Company June 2004 Senior General Manager of Plant Division, Power Engineering Company of the Company June 2010 Executive Officer of the Company Deputy Director General of Power Engineering Operations (in charge of electromechanical consultation and new businesses) of the Company June 2012 Director and Executive Officer of the Company Acting Director General of Power Engineering Operations and General Manager of Fukushima Works of the Company June 2013 Director General of Power Engineering Operations of the Company July 2015 Director and Managing Executive Officer of the Company July 2016 Director and Senior Managing Executive Officer of the Company July 2017 Representative Director and Senior Managing Executive Officer of the Company April 2018 Director General of Power Engineering Operations and Representative Director and Senior Managing Executive Officer in charge of energy business of the Company July 2018 Representative Director and Senior Managing Executive Officer in charge of energy business and power engineering of the Company (current position)	13,845
<p>[Reasons for selection]</p> <p>Mr. Hiroyuki Akiyoshi has been engaged in the management of the Company as Director since June 2012, and is appropriately fulfilling these duties and responsibilities. Additionally, after serving as Director General of Power Engineering Operations, he currently serves as Representative Director and Senior Managing Executive Officer (concurrently being in charge of energy business and power engineering), and is fulfilling his duty of further enriching the energy business of the Company Group responding to reform of the electric power system. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Takayasu Tsuyusaki (February 10, 1956) [Reelection]	April 1979 Joined the Company July 2003 General Manager of Marketing & Promotion Department of Marketing & Operations Division, International Consulting Company of the Company October 2009 General Manager of Operations Planning Office, International Consulting Operations of the Company July 2010 Acting General Manager of Global Strategy Office of the Company June 2012 Executive Officer of the Company Deputy Director General of International Consulting Operations of the Company October 2015 Director General of Global Strategy Headquarters and General Manager of Strategy Development Office of the Company July 2016 Managing Executive Officer of the Company May 2017 Director General of Global Strategy Headquarters, General Manager of Business Development Office and General Manager of Singapore Office of the Company September 2017 Director and Managing Executive Officer of the Company (current position) July 2018 Director General of Global Strategy Headquarters of the Company (current position)	6,431
<p>[Reasons for selection]</p> <p>Mr. Takayasu Tsuyusaki has been engaged in the management of the Company as Director since September 2017 and is appropriately fulfilling these duties and responsibilities. Additionally, currently he serves as Director and Managing Executive Officer (Director General of Global Strategy Headquarters) and is fulfilling his duty in enriching new businesses for global expansion of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Haruhiko Kanai (March 1, 1958) [Reelection]	April 1982 Joined the Company April 2007 General Manager of Energy Development Department, Urban Society Division, International Consulting Operations of the Company April 2010 Deputy Senior General Manager of Infrastructure Development Division and General Manager of Energy Development Department, International Consulting Operations of the Company April 2011 Deputy Senior General Manager of Environmental Solution Division, International Consulting Operations of the Company July 2012 Senior General Manager of Environmental Solution Division, International Consulting Operations of the Company September 2014 Executive Officer of the Company Acting Senior General Manager of Asian Regional Division, International Consulting Operations of the Company October 2015 Deputy Director General of International Consulting Operations and Senior General Manager of Water Resources Division of the Company July 2016 Acting Director General of International Consulting Operations of the Company July 2017 Managing Executive Officer of the Company Director General of International Consulting Operations of the Company (current position) September 2017 Director and Managing Executive Officer of the Company (current position)	2,931
<p>[Reasons for selection] Mr. Haruhiko Kanai has been engaged in the management of the Company as Director since September 2017 and is appropriately fulfilling these duties and responsibilities. Additionally, he currently serves as Director and Managing Executive Officer (Director General of International Consulting Operations) and is fulfilling his duty in international business expansion of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Hideyuki Sakunaka (May 1, 1960) [Reelection]	<p>April 1983 Joined the Company</p> <p>April 2006 General Manager of Integrated Information Technology Department, Metropolitan Area Business Division, Domestic Consulting Company of the Company</p> <p>May 2009 Deputy Senior General Manager of Social Systems Division, Domestic Consulting Operations of the Company</p> <p>April 2011 Deputy Senior General Manager of Infrastructure Development Division, International Consulting Operations of the Company</p> <p>April 2013 Senior General Manager of Infrastructure Development Division, International Consulting Operations of the Company</p> <p>July 2015 Executive Officer of the Company</p> <p>October 2015 Deputy Director General of International Consulting Operations and Senior General Manager of Infrastructure Development Division of the Company</p> <p>July 2016 Director General of Technology Headquarters of the Company (current position)</p> <p>September 2016 Director and Executive Officer of the Company</p> <p>July 2018 Director and Managing Executive Officer of the Company (current position)</p>	8,447
<p>[Reasons for selection]</p> <p>Mr. Hideyuki Sakunaka has been engaged in the management of the Company as Director since September 2016 and is appropriately fulfilling these duties and responsibilities. Additionally, he currently serves as Director and Managing Executive Officer (Director General of Technology Headquarters) and is appropriately fulfilling the duty of undertaking technology development, which is the core of all businesses of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	Hiroaki Shinya (May 28, 1960) [Reelection]	April 1985 Joined the Company July 2007 General Manager of Disaster Prevention Department, Land Conservation Division, Domestic Consulting Operations of the Company May 2009 Deputy Senior General Manager of Land Conservation Division, Domestic Consulting Operations of the Company July 2010 Senior General Manager of Land Conservation Division, Domestic Consulting Operations of the Company April 2011 Senior General Manager of Watershed Management & Disaster Prevention Division, Domestic Consulting Operations of the Company July 2013 General Manager of Sendai Branch Office of Domestic Consulting Operations of the Company July 2015 Executive Officer of the Company February 2016 Deputy Director General of Domestic Consulting Operations, General Manager of Business Planning Office and General Manager of Tokyo Branch Office of the Company July 2016 Acting Director General of Domestic Consulting Operations, General Manager of Business Planning Office and General Manager of Tokyo Branch Office, Domestic Consulting Operations of the Company July 2017 Director General of Domestic Consulting Operations of the Company (current position) September 2017 Director and Executive Officer of the Company July 2018 Director and Managing Executive Officer of the Company (current position)	2,716
<p>[Reasons for selection]</p> <p>Mr. Hiroaki Shinya has been engaged in the management of the Company as Director since September 2017 and is appropriately fulfilling these duties and responsibilities. Additionally, he currently serves as Director and Managing Executive Officer (Director General of Domestic Consulting Operations) and is fulfilling his duty in business expansion of domestic consulting operations of the Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Yasushi Hirusaki (May 18, 1962) [Reelection]	<p>April 1985 Joined the Company</p> <p>July 2010 General Manager of Logistics & Operations Department of International Consulting Operations of the Company</p> <p>October 2014 Acting Senior General Manager of Global Support Division and General Manager of Compliance Office, International Consulting Operations of the Company</p> <p>October 2015 Acting General Manager of Corporate Planning Department and General Manager of International Group Management Office, Corporate Headquarters of the Company</p> <p>October 2016 Acting Director General of Corporate Headquarters and General Manager of Corporate Planning Department of the Company</p> <p>July 2017 Executive Officer in charge of IR and Director General of Corporate Headquarters and General Manager of Personnel Department of the Company (current position)</p> <p>September 2017 Director and Executive Officer of the Company (current position)</p>	1,816
<p>[Reasons for selection]</p> <p>Mr. Yasushi Hirusaki has been engaged in the management of the Company as Director since September 2017 and is appropriately fulfilling these duties and responsibilities. Additionally, he currently serves as Director and Executive Officer (concurrently being in charge of IR and Director General of Corporate Headquarters and General Manager of Personnel Department) and is appropriately fulfilling his duty in management and control of the entire Company Group. Due to the above, the Company has continued to designate him as a candidate for Director.</p>			
10	Hiizu Ichikawa (December 8, 1946) [Reelection] [Outside Director]	<p>April 1970 Joined The Mitsubishi Bank, Ltd.</p> <p>May 1993 General Manager of Singapore Branch of The Mitsubishi Bank, Ltd.</p> <p>June 1996 General Manager of Industrial Research Department of The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>January 1997 General Manager of Sales Screening Department of The Bank of Tokyo-Mitsubishi, Ltd.</p> <p>June 1999 Senior Executive Director of The Resolution and Collection Corporation</p> <p>June 2001 Senior Executive Director of Chiyoda Corporation</p> <p>June 2004 Representative Director and Managing Director of Mitsubishi Motors Corporation</p> <p>April 2010 Representative Director and Executive Vice President of Mitsubishi Motors Corporation</p> <p>June 2014 Outside Corporate Auditor of The Hyakugo Bank, Ltd.</p> <p>September 2014 Outside Director of the Company (current position)</p>	1,400
<p>[Reasons for selection] (including reasons for designation as a candidate for Outside Director)</p> <p>Mr. Hiizu Ichikawa has experience in serving as General Manager of the Sales Screening Department of The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.), in addition to Senior Executive Director of The Resolution and Collection Corporation, Senior Executive Director of Chiyoda Corporation, and Representative Director, Executive Vice President of Mitsubishi Motors Corporation, and Outside Corporate Auditor of The Hyakugo Bank, Ltd. As Outside Director of the Company since September 2014, he has been monitoring the management of the Company Group from an objective viewpoint and wide perspective based on a wealth of experience as a manager, and the Company has judged that in the future, while increasing transparency of the Board of Directors of the Company, he is suitable to work toward strengthening corporate governance. Due to the above, the Company has continued to designate him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	Kazumasa Kusaka (January 23, 1948) [Reelection] [Outside Director]	<p>April 1970 Joined Ministry of International Trade and Industry</p> <p>August 2003 Commissioner of Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry</p> <p>June 2004 Vice-Minister for International Affairs of Ministry of Economy, Trade and Industry</p> <p>June 2007 President of Japan Cooperation Center for the Middle East</p> <p>February 2008 Special Advisor to the Cabinet</p> <p>October 2009 Senior Vice President of Mitsubishi Electric Corporation</p> <p>April 2011 Visiting Professor of Graduate School of Public Policy, The University of Tokyo (current position)</p> <p>January 2013 President of The Foundation for International Trade and Industrial Co-operation</p> <p>April 2013 Chairman of Japan Economic Foundation (current position)</p> <p>September 2015 Outside Director of the Company (current position)</p>	3,600
<p>[Reasons for selection] (including reasons for designation as a candidate for Outside Director)</p> <p>Mr. Kazumasa Kusaka has experience in serving as Vice-Minister for International Affairs of the Ministry of Economy, Trade and Industry, in addition to President of the Japan Cooperation Center for the Middle East, Special Advisor to the Cabinet, Senior Vice President of the Mitsubishi Electric Corporation, and President of The Foundation for International Trade and Industrial Co-operation, and as Outside Director of the Company since September 2015, he has been monitoring the management of the Company Group from an objective viewpoint and wide perspective based on a wealth of experience and knowledge as a manager at the Ministry of Economy, Trade and Industry, etc. and the Company has judged that in the future, while increasing transparency of the Board of Directors of the Company, he is suitable to work toward strengthening corporate governance. Due to the above, the Company has continued to designate him as a candidate for Outside Director. Additionally, he currently concurrently serves as Visiting Professor of Graduate School of Public Policy, The University of Tokyo, and Chairman of the Japan Economic Foundation.</p>			

(Notes)

1. There are no special interests between each candidate for director and the Company.
2. Messrs. Hiizu Ichikawa and Kazumasa Kusaka
 - (1) Messrs. Hiizu Ichikawa and Kazumasa Kusaka are the candidates for Outside Director. Mr. Hiizu Ichikawa currently serves as an Outside Director of the Company, and the tenure of office as Director will be four years at the closing of this General Meeting of Shareholders. Additionally, Mr. Kazumasa Kusaka currently serves as an Outside Director of the Company, and the tenure of office as Director will be three years at the closing of this General Meeting of Shareholders.
 - (2) The Company has designated Messrs. Hiizu Ichikawa and Kazumasa Kusaka as independent officers as stipulated by the Tokyo Stock Exchange and notified the Exchange to that effect.
 - (3) Liability limitation agreement
The Company has concluded a liability limitation agreement in accordance with the Companies Act with each of its Outside Directors. Under these agreements, the limitation of damage liability of each Outside Director shall be the larger of ¥6 million or the minimum liability amount stipulated by the Companies Act, if such Outside Director has performed his or her duties in good faith and without gross negligence.
The Company intends to continue the same agreement with both Messrs. Hiizu Ichikawa and Kazumasa Kusaka if their elections are approved.

Proposal 2: Election of 2 Audit & Supervisory Board Members

Audit & Supervisory Board Member Mr. Toshiaki Shimizu will resign at the conclusion of this General Meeting of Shareholders. With the intent of reinforcing and enriching the audit system, the election of two Audit & Supervisory Board Members, an increase of one Audit & Supervisory Board Member, is proposed.

Additionally, both of the candidates will not be elected as substitutes to the resigned Audit & Supervisory Board Member, and their terms of office will be until the conclusion of Annual General Meeting of Shareholders for the final fiscal year ending within four years after their appointment.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Yoshizo Goto (June 15, 1959) [New appointment]	<p>April 1982 Joined the Company</p> <p>July 2008 General Manager of Logistics & Operations Department of International Consulting Operations of the Company</p> <p>July 2010 General Manager of Operations Planning Office, International Consulting Operations of the Company</p> <p>September 2010 General Manager of Revenue Management Office, International Consulting Operations of the Company</p> <p>October 2011 General Manager of Revenue Management Office and General Manager of Compliance Office, International Consulting Operations of the Company</p> <p>June 2013 General Manager of Internal Auditing Office of the Company</p> <p>July 2015 Deputy Director General of International Consulting Operations of the Company</p> <p>October 2015 Deputy Director General of International Consulting Operations and General Manager of Compliance Office of the Company</p> <p>July 2017 Deputy Director General of International Consulting Operations, General Manager of Compliance Office and General Manager of Safety & Health Management Office, Technical Management Division of the Company</p> <p>July 2018 Deputy Director General of International Consulting Operations of the Company (current position)</p>	200
<p>[Reasons for selection]</p> <p>Mr. Yoshizo Goto, after serving as General Manager of Logistics & Operations Department of International Consulting Operations and General Manager of Compliance Office, engaged in auditing the Company Group's internal controls as General Manager of Internal Auditing Office directly under the President. Subsequently he has been engaged in areas of departmental control such as revenue management, compliance, and safety management as Deputy Director General of International Consulting Operations. Due to a wealth of operational experience and broad insights, the Company has judged that he is qualified to serve as an Audit & Supervisory Board Member. Based on the above, the Company has decided to designate Mr. Yoshizo Goto as a candidate for Audit & Supervisory Board Member.</p>			

(Note) There are no special interests between the candidate for Audit & Supervisory Board Member and the Company.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	Naoki Honjo (July 3, 1954) [New appointment]	<p>April 1978 Joined the Company</p> <p>July 2008 General Manager of Finance & Accounting Department, Corporate Headquarters of the Company</p> <p>June 2011 Executive Officer of the Company Deputy Director General of Corporate Headquarters and General Manager of Finance & Accounting Department of the Company</p> <p>September 2014 Director and Executive Officer of the Company Acting Director General of Corporate Headquarters and General Manager of Finance & Accounting Department of the Company</p> <p>October 2014 Acting Director General of Corporate Headquarters of the Company</p> <p>April 2015 Acting Director General of Corporate Headquarters and General Manager of Finance & Accounting Department of the Company</p> <p>July 2015 Director General of Corporate Headquarters and General Manager of Finance & Accounting Department of the Company</p> <p>September 2015 Director General of Corporate Headquarters of the Company</p> <p>September 2017 Special Adviser of the Company (current position)</p>	7,800
<p>[Reasons for selection]</p> <p>Mr. Naoki Honjo was engaged in corporate management of the Company as Director from September 2014 to September 2017 and was appropriately fulfilling these duties and responsibilities. After retirement from the position of Director, he has provided support to operations within Corporate Headquarters from diverse viewpoints. Additionally, he served as General Manager of Finance & Accounting Department from July 2008 to August 2015 and was engaged in the Company Group's financial management and internal controls. Due to a wealth of operational experience and broad knowledge in finance and accounting, the Company has judged that he is qualified to serve as an Audit & Supervisory Board Member. Based on the above, the Company has decided to designate Mr. Naoki Honjo as a candidate for Audit & Supervisory Board Member.</p>			

(Note) There are no special interests between the candidate for Audit & Supervisory Board Member and the Company.

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

The effect of election of Substitute Audit & Supervisory Board Member Hideaki Sudo, who was elected at the 73rd Annual General Meeting of Shareholders held on September 28, 2017 shall expire at the beginning of this General Meeting of Shareholders. In preparation of a shortage in the number of Audit & Supervisory Board Members stipulated in the laws and regulations, the election of 1 Substitute Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidate is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
Hideaki Sudo (July 20, 1944)	April	1971 Registered in bar association (The Daini Tokyo Bar Association)	0
	April	2003 Representative of Tokyo Fuji Law Office	
	April	2004 Professor of Nihon University Law School	
	June	2008 Substitute Audit & Supervisory Board Member of the Company, to present	
	May	2011 Representative Commissioner of Business Rehabilitation Research Institute	
	January	2016 Partner at Tokyo Fuji Law Office (current position)	
	August	2017 Representative Director of Japanese Association of Turnaround Professionals (current position)	
[Reasons for selection] (including reasons for designation as a candidate for Outside Audit & Supervisory Board Member) Mr. Hideaki Sudo possesses specialized knowledge regarding overall law including corporate law as an attorney, and the Company has judged that he can appropriately audit the execution of duties by Directors from an objective and fair standpoint. Due to the above, the Company has continued to designate him as a candidate for Substitute Audit & Supervisory Board Member. Additionally, while Mr. Hideaki Sudo has not been engaged directly in the management of companies, the Company has judged due to the above that he will be able to appropriately fulfill his duties as an Outside Audit & Supervisory Board Member of the Company.			

(Notes)

1. There are no special interests between the candidate for Substitute Audit & Supervisory Board Member and the Company.
2. Mr. Hideaki Sudo
 - (1) Mr. Hideaki Sudo is a candidate for Outside Audit & Supervisory Board Member.
 - (2) Mr. Hideaki Sudo satisfies the qualification for the independent officer stipulated by the Tokyo Stock Exchange.
 - (3) Liability limitation agreement

The Company has concluded a liability limitation agreement in accordance with the Companies Act with each of its Outside Audit & Supervisory Board Members. Under these agreements, the limitation of damage liability of each Outside Audit & Supervisory Board Member shall be the larger of ¥6 million or the minimum liability amount stipulated by the Companies Act, if such Outside Audit & Supervisory Board Member has performed his or her duties in good faith and without gross negligence.

If Mr. Hideaki Sudo assumes office as Audit & Supervisory Board Member, the Company intends to conclude an aforementioned agreement with him as an Outside Audit & Supervisory Board Member.

Proposal 4: Revision of Compensation Amount for Audit & Supervisory Board Members

At the 62nd Annual General Meeting of Shareholders held on June 28, 2007, the amount of compensation for Audit & Supervisory Board Members of the Company was approved as “not exceeding an annual amount of ¥60 million”. In consideration of various factors such as subsequent changes in financial trends and the requirement for reinforcing and enriching the audit system, at this time the Company proposes that the amount of compensation for Audit & Supervisory Board Members of the Company be revised to “not exceeding an annual amount of ¥80 million”.

Additionally, the Company currently has a total of three Audit & Supervisory Board Members, but if the aforementioned Proposal 2 is approved as proposed, then the Company will have a total of four Audit & Supervisory Board Members.