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(Securities Code: 4927)  
March 9, 2018

**To Shareholders with Voting Rights:**

Satoshi Suzuki  
Representative Director and President  
POLA ORBIS HOLDINGS INC.  
2-2-3 Nishigotanda, Shinagawa-ku, Tokyo  
[Head Office:  
1-7-7 Ginza, Chuo-ku, Tokyo]

**NOTICE OF  
THE 12TH ANNUAL SHAREHOLDERS' MEETING**

- 1. Date and Time:** 1:30 p.m. on Tuesday, March 27, 2018  
(Reception will start from 0:30 p.m.)
- 2. Place:** Hiten Main Banquet Hall, Grand Prince Hotel New Takanawa, located at  
3-13-1 Takanawa, Minato-ku, Tokyo, Japan  
(The venue has changed from the previous shareholders' meeting)
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. The Business Report, Consolidated Financial Statements for the Company's 12th fiscal year (January 1, 2017 - December 31, 2017) and the auditing report for the Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors
  2. Non-consolidated Financial Statements for the Company's 12th fiscal year (January 1, 2017 - December 31, 2017)  
**Proposal to be resolved:**
  - Proposal 1:** Appropriation of Surplus
  - Proposal 2:** Election of Six (6) Directors
  - Proposal 3:** Election of Three (3) Corporate Auditors

- Any revisions to the Reference Document for the Shareholders' Meeting, the Business Report, and/or the Consolidated and the Non-consolidated Financial Statements will be posted on the Company's website. (URL: <http://www.po-holdings.co.jp/>).
- This Notice of the Shareholders' Meeting and the attached documents hereto as well as their English translation are available on the Company's website.
- Of the documents required to be attached to this Notice of the Shareholders' Meeting, Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are posted on the Company's website (<http://ir.po-holdings.co.jp/ja/Stock/Meeting.html>) on the Internet based on relevant laws and regulations and Article 15 of the Company's Articles of Incorporation, and are therefore not included in this Notice. Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Board of Corporate Auditors and Accounting Auditors comprise documents attached to this Notice and Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements posted on the Company's website.

[Guidance for Exercise of Voting Rights]

■ If you are “able to attend” the Shareholders’ Meeting:

Please submit the enclosed Voting Rights Exercise Form at the reception desk of the Meeting.

- Please note that the attendance commemoration gifts will be limited to one per shareholder, regardless of the number of Voting Rights Exercise Forms each shareholder may bring.

■ If you are “unable to attend” the Shareholders’ Meeting:

<Exercise of Voting Rights in Writing>

We kindly request you to indicate approval or disapproval for the agenda item on the Voting Rights Exercise Form enclosed herewith, and return it so that it reaches us no later than the voting deadline below.

Voting deadline: No later than 5:40 p.m. on Monday, March 26, 2018

<Exercise of Voting Rights via the Internet>

Please exercise your voting rights no later than the voting deadline below on the website for exercise of voting rights (<https://evote.tr.mufg.jp/>).

Voting deadline: No later than 5:40 p.m. on Monday, March 26, 2018

● The Electronic Voting Rights Exercise Platform

Nominee shareholders (including standing proxies) such as management trust banks can use the electronic voting rights exercise platform operated by ICJ, Inc. if application for participation in the platform is made in advance.

## Reference Document for the Shareholders' Meeting

### Proposal 1: Appropriation of Surplus

The Company regards the return of profits to shareholders as one of its significant management issues, and has set the enhancement of shareholder return through stable profit growth as a basic policy. Accordingly, in consideration of its consolidated performance for the 12th fiscal year, the Company would like to set the amount of year-end dividend as follows.

If this proposal is approved, the total dividend for the 12th fiscal year, including the interim dividend, will be 70 yen per share.

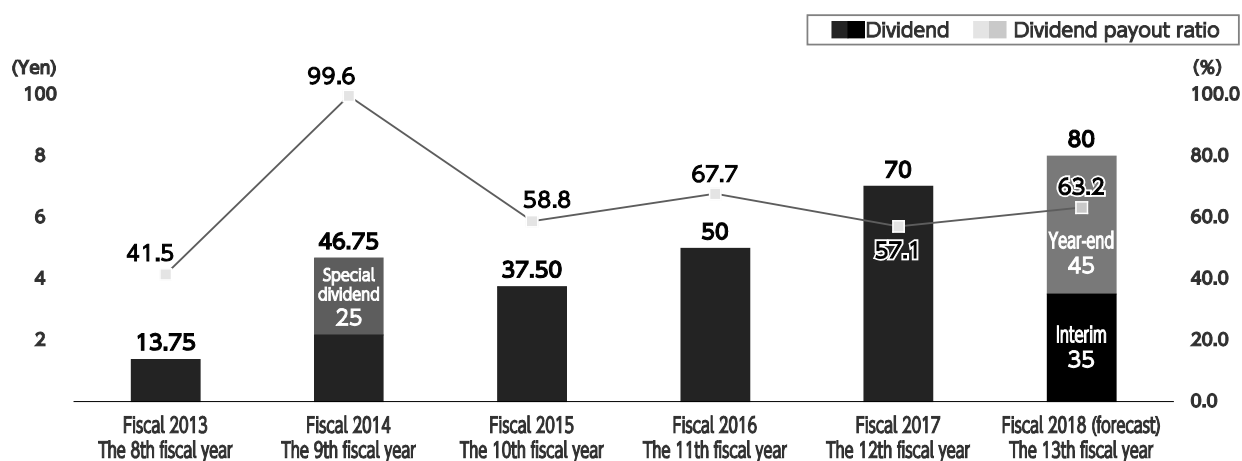
#### Matters pertaining to year-end dividend

- (1) Type of dividend property  
Cash
- (2) Allocation of dividend property to shareholders and the total amount thereof  
45 yen per share (ordinary dividend)  
Total: 9,953,024,355 yen
- (3) Date when dividends of surplus become effective  
March 28, 2018

#### (Reference) Trends of Dividends

	The 8th fiscal year	The 9th fiscal year	The 10th fiscal year	The 11th fiscal year	The 12th fiscal year
Dividend	55 yen	187 yen	150 yen	200 yen	70 yen
After taking stock split into account	13.75 yen	46.75 yen	37.50 yen	50 yen	70 yen

#### ■ Trends of Dividends and Dividend Payout Ratio



\* Effective on April 1, 2017 (the 12th fiscal year), the Company conducted a 4-for-1 stock split. Therefore, dividend per share has been calculated on the assumption that the said stock split was conducted at the beginning of the 8th fiscal year.

**Proposal 2:** Election of Six (6) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the election of six (6) Directors is proposed, including the election of one (1) new Outside Director, reducing the size of the Board by two (2) Directors to streamline our management structure.

The names, career summary, etc. of the candidates for Directors are as follows:

No.	Name	Current positions and responsibility	Attendance at meetings of the Board of Directors
1	(Reappointment) Satoshi Suzuki	Representative Director and President	25/25 (100%)
2	(Reappointment) Naoki Kume	Director and Vice President, General Manager of International Business Management Division In charge of Management Planning, IT, HR and Group International Business	25/25 (100%)
3	(Reappointment) Akira Fujii	Director and General Manager of Corporate Communications Division In charge of Finance, Legal & Administration, PR, IR and CSR	25/25 (100%)
4	(Reappointment) Yoshikazu Yokote	Director	25/25 (100%)
5	(Reappointment) (Outside Director) Kazuyoshi Komiya	Outside Director	25/25 (100%)
6	(New Appointment) (Outside Director) Naomi Ushio		

Candidate No. 1

**Satoshi Suzuki** (March 18, 1954)

(Reappointment)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Number of shares of the Company held: 50,674,480 shares

Career summary:

April 1979	Joined Honda R&D Co., Ltd.	January 2000	Representative Director and President, POLA Cosmetics, Inc.
May 1986	Joined POLA Cosmetics, Inc. (currently POLA INC.)	September 2006	Representative Director and President, POLA ORBIS HOLDINGS INC. (current)
	General Manager, General Coordination Office, POLA Cosmetics, Inc.	April 2010	Representative Director and Chairman, POLA INC.
February 1996	Director, POLA Cosmetics, Inc.	January 2016	Chairman, POLA INC. (current)
June 1996	Representative Director and President, POLA CHEMICAL INDUSTRIES INC.		

Significant concurrent positions:  
Chairman, POLA INC.

Reasons for nominating the candidate for Director:

Mr. Satoshi Suzuki has a proven record of success in attaining continuous growth for the Group as Representative Director and President, and has demonstrated leadership in the drive to achieve the long-term vision for 2020 of realizing stable growth in the overall earnings of the Group and improvement of corporate value.

According to the “Director Competency” evaluation used for reference during the process of nomination of candidates for Directors at the Company’s Board of Directors, Mr. Suzuki exhibits an ability to hammer out creative concepts and strategies from a long-term perspective and, with a particular knack for strategic thinking and a determination to succeed, he will make bold moves, as necessary, after careful consideration and selectively apply management styles appropriate to the situation.

For the reasons mentioned above, we propose reelection of Mr. Suzuki as Director.

Candidate No. 2

**Naoki Kume** (June 9, 1961)

(Reappointment)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Number of shares of the Company held: 111,708 shares

Career summary:

April 1984	Joined POLA Cosmetics, Inc. (currently POLA INC.)	January 2008	Director, General Manager of Management Planning and Group Organization Strategy, POLA ORBIS HOLDINGS INC.
October 2004	General Manager, Accounting Division, POLA Cosmetics, Inc.		
April 2005	Corporate Officer and General Manager, Group Organization Strategy Division, POLA Cosmetics, Inc.	July 2011	Director, H2O PLUS HOLDINGS, LLC (currently H2O PLUS HOLDINGS INC.)
January 2007	Director, POLA Cosmetics, Inc. Corporate Officer, General Manager of Management Planning and Group Organization Strategy, POLA ORBIS HOLDINGS INC.	February 2012	Director, Jurlique International Pty. Ltd.
		January 2014	Director and Vice President, POLA ORBIS HOLDINGS INC.
		March 2018	Director and Vice President, General Manager of International Business Management, POLA ORBIS HOLDINGS INC. (current)

Significant concurrent positions:

No significant concurrent positions

Responsibility:

In charge of Management Planning, IT, HR and Group International Business  
General Manager of International Business Management Division

Reasons for nominating the candidate for Director:

Mr. Naoki Kume has abundant experience and achievements in management and accounting & finance as a director responsible for management planning and accounting & finance divisions.

According to the "Director Competency" evaluation used for reference during the process of nomination of candidates for Directors at the Company's Board of Directors, Mr. Kume strikes a good attack and defense balance, utilizing an ability to quickly detect changes in the market and operating environment and isolate possible impact on the Group, and then calmly initiate steps that tie into strategies and measures and easily tackle even highly challenging issues.

For the reasons mentioned above, we propose reelection of Mr. Kume as Director.

Candidate No. 3

**Akira Fujii** (March 9, 1957)

(Reappointment)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Number of shares of the Company held: 96,684 shares

Career summary:

April 1979	Joined POLA Cosmetics, Inc. (currently POLA INC.)	March 2008	Director, POLA ORBIS HOLDINGS INC.
September 2000	General Manager, Fashion Business, Planning and Sales Division, POLA Cosmetics, Inc.	July 2008	Director and General Manager, Group PR, POLA ORBIS HOLDINGS INC.
January 2004	Representative Director and President, Osaka POLA	December 2010	Director, POLA INC. Director and General Manager, PR & IR, POLA ORBIS HOLDINGS INC.
April 2005	Corporate Officer, POLA Cosmetics, Inc.	January 2015	Director and General Manager, Corporate Communications, POLA ORBIS HOLDINGS INC. (current)
January 2007	Director and General Manager, Catalog Business Division, POLA Cosmetics, Inc.		
January 2008	Director and General Manager, Public Relations Division, POLA Cosmetics, Inc.		

Significant concurrent positions:

No significant concurrent positions

Responsibility:

In charge of Finance, Legal & Administration, PR, IR and CSR

General Manager of Corporate Communications Division

Reasons for nominating the candidate for Director:

Mr. Akira Fujii has abundant business experience in the Group's business and is well versed in the fields of PR and IR as a director responsible for the corporate communications division.

According to the "Director Competency" evaluation used for reference during the process of nomination of candidates for Directors at the Company's Board of Directors, Mr. Fujii shows his strengths by enthusiastically voicing suggestions for strategies and measures that the Company should pursue, based on present and forward-looking points viewed over a medium- to long-term and broad-ranging perspective.

For the reasons mentioned above, we propose reelection of Mr. Fujii as Director.

Candidate No. 4

**Yoshikazu Yokote** (September 10, 1967)

(Reappointment)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Number of shares of the Company held: 18,800 shares

Career summary:

April 1990	Joined POLA Cosmetics, Inc. (currently POLA INC.)
August 2006	Representative Director and President, FUTURE LABO INC.
July 2011	Chairman, Managing Director, POLA CHINA BEAUTY CO. LTD. (POLA Shenyang)
January 2015	Corporate Officer, General Manager, Product Planning Division, POLA INC.
January 2016	Representative Director and President, POLA INC. (current)
March 2016	Director, POLA ORBIS HOLDINGS INC. (current)

Significant concurrent positions:

Representative Director and President, POLA INC.

Reasons for nominating the candidate for Director:

As Representative Director and President of POLA INC., Mr. Yoshikazu Yokote has spearheaded POLA's growth with his excellent business execution ability.

According to the "Director Competency" evaluation used for reference during the process of nomination of candidates for Directors at the Company's Board of Directors, Mr. Yokote's forte is conceptual thinking, where he builds a theory from experience and observable facts and paints a picture of the ideal situation. He is able to hammer out a concept, rally those around him to get on board and move forward to realization.

For the reasons mentioned above, we propose reelection of Mr. Yokote as Director.



Candidate No. 5

**Kazuyoshi Komiya** (December 20, 1957) (Reappointment) (Outside Director)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Number of shares of the Company held: -

Career summary:

April 1981	Joined The Bank of Tokyo, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)	March 2005	Outside Corporate Auditor, Sankei Giken Holdings Co., Ltd. (current)
November 1991	Resigned from The Bank of Tokyo, Ltd.	June 2011	Outside Corporate Auditor, APOLLO MEDICAL HOLDINGS Co., Ltd. (current)
December 1991	Joined Okamoto Associates, Inc.	May 2012	Outside Director, Kindware Corporation (current)
March 1994	Resigned from Okamoto Associates, Inc.	October 2014	Visiting professor, Nagoya University (current)
April 1994	Joined Nippon Fukushi Service K.K. (currently SAINT-CARE HOLDING CORPORATION)	March 2015	Outside Director, POLA ORBIS HOLDINGS INC. (current)
January 1996	Resigned from Nippon Fukushi Service K.K.	April 2015	Representative Director, President, Head Office, Komiya Consultants, Inc. (current)
January 1996	Representative Director, President, Komiya Consultants, Inc.	April 2017	Representative Director, Chairman, Komiya Consultants, Inc. (current)
June 1997	Outside Corporate Auditor, Sankei Giken Kogyo Co., Ltd. (current)		
June 2002	Outside Director, WAO CORPORATION (current)		
March 2003	Outside Director, CAS Capital, Inc. (current)		

Significant concurrent positions:

Outside Corporate Auditor, Sankei Giken Kogyo Co., Ltd  
Outside Director, WAO CORPORATION  
Outside Director, CAS Capital, Inc.  
Outside Corporate Auditor, Sankei Giken Holdings Co., Ltd.  
Outside Corporate Auditor, APOLLO MEDICAL HOLDINGS Co., Ltd.  
Outside Director, Kindware Corporation  
Visiting professor, Nagoya University  
Representative Director, President, Head Office, Komiya Consultants, Inc.  
Representative Director, Chairman, Komiya Consultants, Inc.

Reasons for nominating the candidate for Director:

Mr. Kazuyoshi Komiya has a wealth of knowledge and experience through his involvement in corporate management. As Outside Director, he has been playing an appropriate role in overseeing business execution and other operations.

For the reasons mentioned above, we propose reelection of Mr. Komiya as Outside Director.

Candidate No. 6

**Naomi Ushio** (March 8, 1961)

(New Appointment) (Outside Director)

Attendance at meetings of the Board of Directors: -

Number of shares of the Company held: -

Career summary:

April 1983	Joined Fuji Television Network, Inc.	August 2009	Expert Member, Liaison Conference for the Promotion of Gender Equality, Cabinet Office
April 1998	Senior Assistant Professor, Meiji University Educational Foundation	June 2011	Outside Audit & Supervisory Board Member, Seven Bank, Ltd. (current)
April 2003	Associate Professor (" <i>Jokyoju</i> "), Meiji University Educational Foundation	June 2014	Outside Corporate Auditor, JX Holdings, Inc. (currently JXTG Holdings, Inc.) (current)
April 2007	Associate Professor (" <i>Junkyoju</i> "), Meiji University Educational Foundation	April 2016	Vice President, Meiji University Educational Foundation (current)
April 2009	Professor, School of Information and Communication, Meiji University Educational Foundation (current)		

Significant concurrent positions:

Outside Corporate Auditor, JXTG Holdings, Inc.

Outside Audit & Supervisory Board Member, Seven Bank, Ltd.

Vice President, Meiji University Educational Foundation

Reasons for nominating the candidate for Director:

Ms. Naomi Ushio specializes in business administration and human resource management theories. She has broad knowledge and expertise in addressing the issue of utilizing the abilities of working women, and has experience as outside corporate auditor for listed companies.

For the reasons mentioned above, we propose election of Ms. Ushio as Outside Director.

Although Ms. Ushio has no past experience of involvement in corporate management other than as outside corporate auditor, for the reasons above, the Company believes she is capable of appropriately conducting her duty as Outside Director.

(Notes)

1. There are no special conflicts of interest between any of the candidates and the Company.
2. The numbers of shares of the Company held by the candidates are based on the final register of shareholders as of December 31, 2017.
3. Mr. Kazuyoshi Komiya is a candidate for Outside Director. The Company has appointed Mr. Kazuyoshi Komiya as Independent Director as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified such to the Exchange.
4. Ms. Naomi Ushio is a candidate for Outside Director. If appointment of Ms. Naomi Ushio is approved, the Company will appoint her as Independent Director as provided for in the regulations of the Tokyo Stock Exchange, Inc. and will notify such to the Exchange.
5. The term of office of Mr. Kazuyoshi Komiya as Outside Director of the Company will be three years, at the conclusion of this Annual Shareholders' Meeting.
6. The Company has established a provision concerning liability limitation agreements with Outside Directors under its current Articles of Incorporation. Pursuant to said provision of the Articles of Incorporation, the Company has entered into a liability limitation agreement with Mr. Kazuyoshi Komiya regarding the liability specified in Article 423, Paragraph 1 of the Companies Act. Under said agreement, he shall be liable for damages within the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act, if he performs his duties in good faith and without gross negligence. If this proposal is approved and Mr. Kazuyoshi Komiya is reelected, the Company plans to continue the aforementioned liability limitation agreement with him. In addition, if appointment of Ms. Naomi Ushio is approved, the Company plans to enter into the same liability limitation agreement with her.

**Proposal 3:** Election of Three (3) Corporate Auditors

The terms of office of all three (3) Corporate Auditors will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the election of three (3) Corporate Auditors is proposed.

The Company obtained the consent of the Board of Corporate Auditors with respect to the submission of this proposal.

The names, career summary, etc. of the candidates for Corporate Auditors are as follows:

No.	Name	Current positions	Attendance at meetings of the Board of Directors	Attendance at meetings of the Board of Corporate Auditors
1	(Reappointment) Hisao Iwabuchi	Corporate Auditor	25/25 (100%)	19/19 (100%)
2	(Reappointment) Akio Sato	Outside Corporate Auditor	25/25 (100%)	19/19 (100%)
3	(Reappointment) Motohiko Nakamura	Outside Corporate Auditor	23/25 (92%)	19/19 (100%)

Candidate No. 1

**Hisao Iwabuchi** (May 24, 1952)

(Reappointment)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Attendance at meetings of the Board of Corporate Auditors: 19/19 (100%)

Number of shares of the Company held: 153,708 shares

Career summary:

April 1976	Joined POLA CHEMICAL INDUSTRIES INC.
February 1998	General Manager, Product Planning, Door-to-Door Sales and Planning Division, POLA Cosmetics, Inc. (currently POLA INC.)
January 2002	Corporate Officer and General Manager, Research Planning Division, POLA CHEMICAL INDUSTRIES INC.
March 2004	Director and General Manager, Research Planning Division, POLA CHEMICAL INDUSTRIES INC.
January 2007	Director and Vice President, POLA CHEMICAL INDUSTRIES INC.
January 2013	Corporate Auditor, POLA CHEMICAL INDUSTRIES INC.
March 2014	Corporate Auditor, POLA INC.
March 2015	Corporate Auditor, POLA ORBIS HOLDINGS INC. (current)

Significant concurrent positions:

No significant concurrent positions

Reasons for nominating the candidate for Corporate Auditor:

Mr. Hisao Iwabuchi has held positions in charge of product planning and research planning divisions in POLA INC. and POLA CHEMICAL INDUSTRIES INC. He has abundant knowledge and experience with respect to the Group's business.

For the reasons mentioned above, we propose reelection of Mr. Iwabuchi as Corporate Auditor.

Candidate No. 2

**Akio Sato** (February 4, 1966) (Reappointment) (Outside Corporate Auditor)

Attendance at meetings of the Board of Directors: 25/25 (100%)

Attendance at meetings of the Board of Corporate Auditors: 19/19 (100%)

Number of shares of the Company held: -

Career summary:

April 1997	Registered as an attorney at law (Daini Tokyo Bar Association)	June 2016	Outside Director, Aozora Trust Bank, Ltd. (current)
March 2003	Opened Sato Sogo Law Office	December 2016	Outside Corporate Auditor, SnSnap Inc. (current)
March 2008	Outside Corporate Auditor, POLA ORBIS HOLDINGS INC. (current)	July 2017	Outside Director, U-NEXT Co., Ltd. (currently USEN-NEXT HOLDINGS Co., Ltd.) (current)
December 2008	Outside Director, GMO Payment Gateway, Inc. (current)		
April 2012	Part-time Lecturer, Keio Business School (current)		
June 2015	Outside Director, Kirayaka Bank, Ltd. (current)		

Significant concurrent positions:

Attorney at law, Sato Sogo Law Office  
Outside Director, GMO Payment Gateway, Inc.  
Outside Director, Kirayaka Bank, Ltd.  
Outside Director, Aozora Trust Bank, Ltd.  
Outside Corporate Auditor, SnSnap Inc.  
Outside Director, USEN-NEXT HOLDINGS Co., Ltd.

Reasons for nominating the candidate for Corporate Auditor:

Mr. Akio Sato has professional knowledge and experience as an attorney and is well versed in corporate legal affairs. As a legal expert, he provides the Company with management advice.

Although Mr. Sato has no experience of direct involvement in corporate management other than as outside director or outside corporate auditor, for the reasons above, the Company believes he is capable of appropriately conducting his duty as Outside Corporate Auditor.

For the reasons mentioned above, we propose reelection of Mr. Sato as Corporate Auditor.

Candidate No. 3

**Motohiko Nakamura** (December 21, 1965) (Reappointment) (Outside Corporate Auditor)

Attendance at meetings of the Board of Directors: 23/25 (92%)

Attendance at meetings of the Board of Corporate Auditors: 19/19 (100%)

Number of shares of the Company held: 4,000 shares

Career summary:

October 1990	Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)	July 2013 April 2014	Chief Executive, JICPA (current) Associate Professor, Graduate School of Accounting & Finance, MBA Program, Chiba University of Commerce
August 1994	Registered as a certified public accountant		
July 2003	Resigned from Showa Ota & Co.	May 2015	Independent Committee Member, Nitori Holdings Co., Ltd.
August 2003	Opened Certified Public Accountant Nakamura Office	June 2015	Outside Corporate Auditor, Jorte Inc. (current)
October 2003 July 2007	Registered as a tax accountant Partner, Mai Tax Accountant Corporation (current)	April 2016	Professor, Graduate School of Accounting & Finance, MBA Program, Chiba University of Commerce (current)
October 2008	Outside Corporate Auditor, POLA ORBIS HOLDINGS INC. (current)		
March 2011	Outside Corporate Auditor, KAYAC Inc. (current)		

Significant concurrent positions:

Partner, Mai Tax Accountant Corporation

Outside Corporate Auditor, KAYAC Inc.

Chief Executive, JICPA

Professor, Graduate School of Accounting & Finance, MBA Program, Chiba University of Commerce

Outside Corporate Auditor, Jorte Inc.

Reasons for nominating the candidate for Corporate Auditor:

Mr. Motohiko Nakamura has professional knowledge as a certified public accountant and tax accountant, and experience as outside corporate auditor in multiple companies. He provides the Company's senior management with management advice from an independent, objective point of view.

Although Mr. Nakamura has no experience of direct involvement in corporate management other than as outside director or outside corporate auditor, for the reasons above, the Company believes he is capable of appropriately conducting his duty as Outside Corporate Auditor.

For the reasons mentioned above, we propose reelection of Mr. Nakamura as Corporate Auditor.

(Notes)

1. There are no special conflicts of interest between any of the candidates and the Company.
2. The numbers of shares of the Company held by the candidates are based on the final register of shareholders as of December 31, 2017.
3. Corporate Auditor candidates Mr. Akio Sato and Mr. Motohiko Nakamura are candidates for Outside Corporate Auditor. The Company has appointed Mr. Akio Sato and Mr. Motohiko Nakamura as Independent Corporate Auditors as provided for in the regulations of the Tokyo Stock Exchange, Inc. and notified such to the Exchange.
4. The term of office of Mr. Akio Sato and Mr. Motohiko Nakamura as Outside Corporate Auditor of the Company will be ten years, at the conclusion of this Annual Shareholders' Meeting.
5. The Company has established a provision concerning liability limitation agreements with Outside Corporate Auditors under its current Articles of Incorporation. Pursuant to said provision of the Articles of Incorporation, the Company has entered into liability limitation agreements with Mr. Akio Sato and Mr. Motohiko Nakamura regarding the liability specified in Article 423, Paragraph 1 of the Companies Act. Under said agreements, they shall be liable for damages within the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act, if they perform their duties in good faith and without gross negligence. If this proposal is approved and Mr. Akio Sato and Mr. Motohiko Nakamura are reelected, the Company plans to continue the aforementioned liability limitation agreements with them.