

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 1821)  
June 7, 2017

**To Shareholders with Voting Rights:**

Hideo Arai  
Representative Director,  
President  
Sumitomo Mitsui Construction Co., Ltd.  
2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan

**NOTICE OF  
THE 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 14th Annual General Meeting of Shareholders of Sumitomo Mitsui Construction 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. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. on Wednesday, June 28, 2017, Japan time.

**1. Date and Time:** Thursday, June 29, 2017 at 10:00 a.m. Japan time

**2. Place:** Corporate Headquarters (Conference room on the 2nd floor) located at  
2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, the Consolidated Financial Statements for the Company's 14th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. The Non-consolidated Financial Statements for the Company's 14th Fiscal Year (April 1, 2016 - March 31, 2017)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Partial Amendment to the Articles of Incorporation  
**Proposal 3:** Consolidation of Shares  
**Proposal 4:** Election of 9 Directors

- As the following documents are posted on the Company's website pursuant to provisions of laws and regulations as well as Article 13-2 of the Articles of Incorporation, they are not presented in the Appendix of this Notice of the Annual General Meeting of Shareholders.
  - (1) The Notes to the Consolidated Financial Statements
  - (2) The Notes to the Non-consolidated Financial StatementsTherefore, the Appendix of this Notice of the Annual General Meeting of Shareholders were part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and Accounting Auditor when they prepared the audit report.
- Should the Reference Documents for the General Meeting of Shareholders and the Appendix (the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements) require revisions, the revised versions will be posted on the Company's website.
- The Company's website: <http://www.smcon.co.jp>.

## **Instructions on Exercising Voting Rights**

### **For Those Attending the General Meeting of Shareholders**

**Date and time of the Meeting: Thursday, June 29, 2017, at 10:00 a.m.**

Please hand in the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting. In addition, please bring this booklet for reference at the meeting.

- If exercising voting rights via proxy, one (1) other shareholder with voting rights may attend the General Meeting of Shareholders as your proxy. In this case, please submit documentation to the Company proving the right to represent, such as the power of attorney. (Non-shareholding proxies, accompanying persons or anyone else who is not a shareholder may not attend the General Meeting of Shareholders.)

### **For Those Not Attending the General Meeting of Shareholders**

**Deadline for exercising voting rights: Wednesday, June 28, 2017, 5:45 p.m.**

#### **By Mail**

Please indicate whether you approve or disapprove of each proposal on the enclosed Voting Rights Exercise Form and return by mail.

#### **By the Internet**

Please indicate whether you approve or disapprove of each proposal on the voting rights exercise website designated by the Company:

<http://www.web54.net/>

Please see the following page for details.

If exercising voting rights by mobile phone or smartphone, etc., it is also possible to use a barcode reader to scan the "QR Code<sup>®</sup>" shown to the right to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



- If there is no indication of approval or disapproval for each proposal on the Voting Rights Exercise Form, it shall be deemed as an indication of approval.
- If you exercise your voting rights twice, such as by writing and Internet, etc., only the later vote arriving at the Company will be considered a valid exercise of voting rights, and if they arrive on the same day, the vote cast through the Internet, etc., will be deemed valid.
- If you exercise your voting rights multiple times via the Internet, etc., only the latest vote shall be deemed valid.

## **Instructions for Exercise of Voting Rights via the Internet, etc.**

If exercising voting rights via the Internet, please confirm the following items, then access the voting rights exercise website, enter the “Voting rights exercise code” and “Password” shown on the right of the Voting Rights Exercise Form, and follow the instructions on screen to exercise your voting rights.

### **1. Access the Voting Rights Exercise Website**

The voting rights exercise website: <http://www.web54.net/>

If using a mobile phone or smartphone, etc., it is also possible to scan the “QR Code<sup>®</sup>” indicated on the right of the Voting Rights Exercise Form to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



### **2. Login**

Enter the “**Voting rights exercise code**” indicated on the bottom right of your Voting Rights Exercise Form.

### **3. Enter Password**

Enter the “**Password**” indicated on the bottom right of your Voting Rights Exercise Form.

Then follow the instructions on screen.

For inquiries regarding the use of the voting rights exercise website:

**Sumitomo Mitsui Trust Bank, Limited**  
**Stock Transfer Agency Web Support Dedicated Hotline**  
**[Telephone] 0120-652-031** (9 a.m. to 9 p.m. Japan time)

#### **About the Password**

- The password is a means of verifying whether or not the person exercising voting rights is a legitimate shareholder.  
Please store this password carefully until the end of this General Meeting of Shareholders.
- The Company shall not respond to inquiries regarding passwords by telephone.
- Incorrectly inputting the password more than a certain number of times will lock it and disable it. To request reissuance of your password, please follow the on screen instructions.

#### **About the Voting Rights Exercise Platform**

Institutional investors may utilize the Voting Rights Exercise Platform operated by ICJ, Inc.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

Concerning the appropriation of surplus, the Company proposes the following.

- Matters concerning year-end dividends

The Company, fundamentally seeks to strengthen its corporate structure and enrich its internal reserves in preparation for future business expansion while maintaining a stable dividend policy, and determines dividend distribution in comprehensive consideration of trends in business results and the future management environment.

Based on the above policy, upon consideration of the financial contents, business results, and future management initiatives, etc., for the 14th fiscal year, for year-end dividends for the 14th fiscal year, the Company proposes the following.

(1) Dividend asset type

Cash

(2) Matters concerning distribution of dividends to shareholders and the total amount

3 yen per Ordinary Share of the Company, an increase of 1 yen compared to the previous fiscal year, for a total of 2,438,565,483 yen

(3) Date on which the dividend of surplus becomes effective

June 30, 2017

**Proposal 2:** Partial Amendment to the Articles of Incorporation

1. Reason for Amendment

In order to prepare for diversification of the content of the Company’s businesses, the Company proposes additions to Article 2 (Purposes) of the present Articles of Incorporation.

2. Contents of the Amendment

Contents of the amendment are as follows.

(Amended parts are underlined.)

Present Articles of Incorporation	Proposed Amendment
<p>(Purposes) Article 2 The Company shall be organized for the purpose of operating the following Business activities.</p> <p>(1) – (13) (Text omitted) (Newly established)</p> <p>(Newly established) (Newly established) (Newly established)</p> <p>(14) – (21) (Text omitted) Article 3 – Article 38 (Text omitted)</p>	<p>(Purposes) Article 2 The Company shall be organized for the purpose of operating the following Business activities.</p> <p>(1) – (13) (Same as the present)</p> <p><u>(14) To plan, design, construct, hold, maintain and administer, and operate roads, railroads, ports, airports, rivers, water and sewage facilities, government office buildings, educational and cultural facilities, parking lots, waste treatment facilities and other public facilities, and other facilities equivalent to the above</u></p> <p><u>(15) To conduct freight forwarding business</u></p> <p><u>(16) To purchase and sell secondhand goods</u></p> <p><u>(17) To sell and lease machines and equipment, etc. for medical use</u></p> <p>(18) – (25) (Unchanged) Article 3 – Article 38 (Unchanged)</p>

### Proposal 3: Consolidation of Shares

#### 1. Reason for the Consolidation of Shares

As of March 31, 2017, the total number of issued shares of the Company was 813,366,605 shares, owing to an increase in the number of shares of common stock as a result of the exercise of call options on preferred stock issued in September 2005.

This number of shares is very high, at approximately 4.3 times the average number of listed shares of companies listed on the First Section of the Tokyo Stock Exchange, and the current share price level is also significantly below the minimum range of 50,000 yen, which is the investment unit level that is seen as desirable in the Securities Listing Regulations of the Tokyo Stock Exchange.

As a result, the rate of fluctuation in the share price per one yen move is relatively large, and may attract large fluctuations in the share price as a target of speculative trading, and the Company thus recognizes that this has a considerable impact on general investors.

Taking this situation into consideration, the Company intends to consolidate five (5) shares into one (1) share. The ratio of consolidation has been carefully determined in order to limit the number of shareholders that will lose the opportunity to hold the Company's shares as much as possible, while also adjusting the investment unit to a level that is deemed desirable.

Furthermore, the Company believes that this consolidation of shares will adjust the total number of issued shares to a level that reflects the Company's scale, and thus make the flexible distribution of profits possible in future.

In addition, as Japanese stock exchanges are promoting an initiative to ultimately unify the trading units of the stock of all domestic listed companies at one hundred (100) shares, based on the "Action Plan for Consolidating Trading Units," the Company shall maintain a unit number constituting one unit of shares unchanged at the current level of one hundred (100) shares.

#### 2. Consolidation of Shares Ratio

The Company intends to consolidate five (5) shares of the Company's stock into one (1) share.

Furthermore, if fractional shares of less than one share arise as a result of the consolidation of shares, a number of shares equivalent to the total number of such fractional shares shall be subject to a bulk disposal or acquisition as treasury shares in accordance with the provisions of the Companies Act, and the proceeds from the disposal, etc. shall be distributed to shareholders for which fractions arise in proportion to their respective fractional share ratios.

#### 3. Effective Date of the Consolidation of Shares

October 1, 2017

#### 4. Total Number of Authorized Shares as of the Effective Date

533,892,994 shares

#### [Reference]

If this proposal is approved as proposed, the Articles of Incorporation of the Company shall be partially amended as follows, effective October 1, 2017.

(Amended parts are underlined.)

Present Articles of Incorporation		After Amendment	
(Total Number of Shares)		(Total Number of Shares)	
Article 5	The total number of shares authorized to be issued by the Company shall be <u>2,669 million 4 hundreds 64 thousands 9 hundreds 70 (2,669,464,970) shares.</u>	Article 5	The total number of shares authorized to be issued by the Company shall be <u>533 million 8 hundreds 92 thousands 9 hundreds 94 (533,892,994) shares.</u>

**Proposal 4: Election of 9 Directors**

The terms of office of all Directors (9 persons) 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, and from the viewpoint that the Company is a comprehensive construction company mainly in the civil engineering business and building construction business, the Company sets it as basic policy to form a well-balanced Board comprising persons with adequate knowledge regarding both businesses, as well as persons well-versed in governance, fund procurement, and corporate management. The candidates are determined at the Board of Directors upon consideration of the results of deliberations at the Nomination and Compensation Advisory Committee, which serves as advisory bodies to the Board of Directors.

Furthermore, if this proposal is approved as proposed, five (5) of the total number of fourteen (14) Directors and Audit & Supervisory Board Members shall be Independent Directors or Independent Auditors as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

No.		Name	Position	Responsibilities	Attendance at Board of Directors Meetings
1	Reappointment	Yoshiyuki Norihisa	Representative Director, Chairman		100% (18 out of 18 times)
2	Reappointment	Hideo Arai	Representative Director, President		100% (18 out of 18 times)
3	Reappointment	Yoshio Nagamoto	Representative Director, Vice President and Executive Officer	In charge of Audit, Secretariat, Public Relations, Corporate Planning, Affiliated Business, Administration Division, Business Innovation & Incubation Division, and Global Division Division Director, Audit Department	100% (18 out of 18 times)
4	Reappointment	Kazuhiko Hirokawa	Representative Director, Vice President and Executive Officer	In charge of Safety and Building Construction Division Division Director, Safety & Environment Management Department	100% (18 out of 18 times)
5	Reappointment	Yoshitaka Mimori	Director, Senior Managing Executive Officer	Division Director, Building Construction Division	100% (18 out of 18 times)
6	Reappointment	Shoji Kimijima	Director, Senior Managing Executive Officer	Division Director, Secretariat, Public Relations Office, Administration Division	100% (18 out of 18 times)
7	Reappointment	Tomohiko Sato	Director, Senior Managing Executive Officer	Division Director, Corporate Planning Department and Affiliated Business Department	100% (18 out of 18 times)
8	Reappointment	Kumiko Kitai	External Independent Director	Director	94.4% (17 out of 18 times)
9	Reappointment	Sakio Sasamoto	External Independent Director	Director	100% (14 out of 14 times)



No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held	
1	Yoshiyuki Norihisa (December 9, 1946)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1969	Joined Sumitomo Construction Co., Ltd.	31,880	
		June 1999	General Manager, PC Marketing Administration Department, Civil Engineering Division		
June 2000	Director				
June 2001	Executive Officer				
January 2003	Managing Executive Officer				
April 2003	Executive Managing Director and Managing Executive Officer Deputy Division Director of Civil Engineering Business Division General Manager, PC Marketing Administration Department of the Company				
June 2005	Senior Executive Managing Director and Senior Managing Executive Officer				
April 2007	Director, Executive Officer and Vice President				
April 2008	Representative Director				
April 2010	Representative Director, President				
April 2015	Representative Director, Chairman (to present)				
Reasons for selection as a candidate for Director Since joining the Company, Mr. Yoshiyuki Norihisa has accumulated a wealth of experience from serving important posts in the civil engineering section. Subsequent to assuming office as Chairman, he has worked with successor President Arai to strengthen corporate governance and further enrich the management structure. Based on the fact that he has been adequately fulfilling his responsibilities, the Company has judged it appropriate to renominate him as a candidate for Director.					
2	Hideo Arai (January 11, 1955)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1977	Joined Sumitomo Construction Co., Ltd.	27,621	
		July 2001	General Manager, Technical Consulting Department, Civil Engineering Administration Department, Civil Engineering Division		
April 2003	General Manager, Civil Engineering Technical Consulting Department, Civil Engineering Administration Department, Civil Engineering Business Division General Manager, Renewal Project Office, Project Office, Civil Engineering Business Division of the Company				
April 2010	Executive Officer				
April 2011	General Manager, Tokyo Civil Engineering Branch				
June 2012	Managing Executive Officer				
April 2013	Director				
April 2015	Senior Managing Executive Officer				
April 2015	Representative Director (to present), President (to present)				
Reasons for selection as a candidate for Director Since joining the Company, Mr. Hideo Arai has accumulated a wealth of experience from serving important posts in the civil engineering section, and is currently working with Chairman Norihisa to strengthen corporate governance and further enrich the management structure. Based on the fact that he has been adequately fulfilling his responsibilities as top manager, the Company has judged it appropriate to renominate him as a candidate for Director.					

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held	
3	Yoshio Nagamoto (May 10, 1952)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1975	Joined Sumitomo Bank	22,800	
		May 2004	General Manager, Credit Department I, Corporate Banking Unit, Sumitomo Mitsui Banking Corporation		
November 2005	Representative Director and President, SMFG Corporate Recovery Servicer Co., Limited				
June 2007	Corporate Auditor (full-time), Daiwa Securities SMBC Co., Ltd.				
September 2009	Advisor, Sumitomo Mitsui Banking Corporation				
March 2010	Corporate Advisor of the Company				
April 2010	Vice President and Executive Officer (to present) Division Director, Audit Department (to present)				
June 2010	Representative Director (to present) In charge of Audit, Public Relations and Administration Division (to present)				
April 2013	In charge of Secretariat (to present)				
April 2014	In charge of Corporate Planning, Affiliated Business, Business Innovation & Incubation Division and Global Division (to present)				
Reasons for selection as a candidate for Director Mr. Yoshio Nagamoto has accumulated a wealth of experience through his career at banks, and currently, he is adequately fulfilling his responsibilities as the director in charge of the corporate administration section, global section, and business innovation & incubation section of the Company. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.					
4	Kazuhiko Hirokawa (October 17, 1951)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1974	Joined Mitsui Construction Co., Ltd.	20,400	
		April 2002	General Manager, Building Construction Department, Eastern Kanto Branch		
April 2003	General Manager, Building Construction Department, Eastern Kanto Branch of the Company				
April 2008	General Manager, Eastern Kanto Branch				
October 2010	Executive Officer				
April 2012	Managing Executive Officer				
April 2014	Senior Managing Executive Officer				
June 2014	Director				
April 2016	Representative Director (to present), Vice President and Executive Officer (to present), In charge of Safety and Building Construction Division (to present), Division Director, Safety & Environment Management Department (to present)				
Reasons for selection as a candidate for Director Since joining the Company, Mr. Kazuhiko Hirokawa has accumulated a wealth of experience from serving important posts in the building construction section, and currently, he is adequately fulfilling his responsibilities as the director in charge of the building construction section and safety section. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.					
5	Yoshitaka Mimori (March 12, 1956)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1979	Joined Sumitomo Construction Co., Ltd.	21,400	
		January 2000	General Manager, Building Construction Department, Building Construction Administration Department and Tokyo Branch		
April 2003	General Manager, Building Construction Department, Building Construction Administration Department, Tokyo Building Construction Branch of the Company				
April 2011	Executive Officer				
April 2013	Managing Executive Officer				
April 2015	Senior Managing Executive Officer (to present)				
June 2015	Director (to present)				
April 2016	Division Director, Building Construction Division (to present)				
Reasons for selection as a candidate for Director Since joining the Company, Mr. Yoshitaka Mimori has accumulated a wealth of experience from serving important posts in the building construction section, and currently, he is adequately fulfilling his responsibilities as Division Director of Building Construction Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.					

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
6	Shoji Kimijima (July 29, 1955)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1979	Joined Sumitomo Construction Co., Ltd.	19,818
		June 1999	General Manager, General Affairs Department, Administration Division	
April 2003	General Manager, General Affairs Department, Global Business Department of the Company			
April 2011	Executive Officer			
April 2012	Division Director, Secretariat (to present)			
April 2013	Managing Executive Officer			
	Division Director, Public Relations Office (to present)			
	Division Director, Administration Division (to present)			
	June 2013	Director (to present)		
	April 2016	Senior Managing Executive Officer (to present)		
Reasons for selection as a candidate for Director Since joining the Company, Mr. Shoji Kimijima has accumulated a wealth of experience from serving important posts in the corporate administration section, and currently, he is adequately fulfilling his responsibilities as Division Director of Administration Division and Division Director of Secretariat and Public Relations Office. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				
7	Tomohiko Sato (March 31, 1954)  [Reappointment]  Attendance at Board of Directors Meetings during fiscal 2016: 18 out of 18 times (100%)	April 1977	Joined Mitsui Construction Co., Ltd.	22,500
		February 2002	General Manager, Alliance and Integration Strategy Office, Corporate Planning Division	
April 2003	Assistant General Manager, Corporate Planning Department, Corporate Planning Division of the Company			
April 2012	Executive Officer			
	Division Director, Corporate Planning Department and Affiliated Business Department (to present)			
	June 2013	Director (to present)		
	April 2014	Managing Executive Officer		
	April 2016	Senior Managing Executive Officer (to present)		
Reasons for selection as a candidate for Director Since joining the Company, Mr. Tomohiko Sato has accumulated a wealth of experience from serving important posts in the corporate administration section, and currently, he is adequately fulfilling his responsibilities as Division Director of Corporate Planning Department and Affiliated Business Department. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	<p>Kumiko Kitai (October 29, 1952)</p> <p>[Reappointment] [Candidate for External Director] [Candidate for Independent Director]</p> <p>Attendance at Board of Directors Meetings during fiscal 2016: 17 out of 18 times (94.4%)</p>	<p>April 1976      Joined Ministry of Labour</p> <p>June 1992      Director, Local Employment Measures Division, Employment Security Bureau</p> <p>June 1994      Director, Women's Welfare Section, Women's Bureau</p> <p>April 1996      Director, Women's Policy Planning Division, Women's Bureau</p> <p>July 1999      Lieutenant Governor, Shizuoka Prefecture</p> <p>August 2001    Deputy Director-General of the Secretariat, Central Labour Relations Commission</p> <p>August 2003    Ministerial Councilor (in charge of Equal Employment, Children and Families), Ministry of Health, Labour and Welfare</p> <p>August 2005    Director-General, Equal Employment, Children and Families Bureau</p> <p>September 2006 Director-General of the Secretariat, Central Labour Relations Commission</p> <p>August 2007    Retired from Ministry of Health, Labour and Welfare</p> <p>August 2007    Senior Managing Director, Japan Industrial Safety and Health Association</p> <p>June 2011      External Audit &amp; Supervisory Board Member, TAKARA HOLDINGS INC. (to present)</p> <p>October 2012   Commissioner, Tokyo Metropolitan Public Safety Commission (to present)</p> <p>June 2014      External Director, KYOWA EXEO CORPORATION (to present)</p> <p>June 2014      External Director of the Company (to present)</p> <p>July 2014      Established Kachidoki Law Office</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Attorney-at-law, Kachidoki Law Office</li> <li>• External Director, KYOWA EXEO CORPORATION</li> <li>• External Audit &amp; Supervisory Board Member, TAKARA HOLDINGS INC.</li> <li>• Commissioner, Tokyo Metropolitan Public Safety Commission</li> </ul>	0
<p>1. Reasons, etc. for selection as a candidate for External Director</p> <p>1) Ms. Kumiko Kitai is an External Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Company Law.</p> <p>2) Ms. Kumiko Kitai has been selected as a candidate for External Director as the Company wishes to have her continue to exercise her wide range of views and wealth of experience from her past experiences in the management of the Company. Furthermore, during her term of office as External Director, she has been adequately fulfilling her responsibilities as Director of the Company, and as stated in (4. Matters regarding Corporate Officers (4) Matters regarding External Officers 2) Main Activities for the Fiscal Year Under Review c. Status of Response to Violations of Laws and Regulations, etc.) of the Business Report for the 14th fiscal year (available in Japanese only), she is appropriately fulfilling her responsibilities during the fiscal year under review as well. Therefore, the Company has judged that she will appropriately fulfill the responsibilities of External Director.</p> <p>2. Independence of candidate for External Director</p> <p>In view of the fact that no transactions exist between the law office that Ms. Kumiko Kitai operates and the Company, the Company has judged that she does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and has thereby registered her as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If she is reelected as Director and appointed External Director, the Company plans to continue her registration as an Independent Director.</p> <p>3. Liability limitation agreements</p> <p>An agreement to limit liability of Clause 1 of Article 423 of the Company Law has been concluded between Ms. Kumiko Kitai and the Company, and the ceiling of the indemnity based on fore mentioned agreement shall be the minimum amount stipulated by laws and regulations. If she is reelected as Director and appointed External Director, the Company plans to continue with the above liability limitation agreement.</p> <p>4. Number of years since the candidate for External Director assumed office as External Director of the Company</p> <p>The term of office of Ms. Kumiko Kitai as External Director will be three (3) years at the close of this General Meeting.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Sakio Sasamoto (December 24, 1950)  [Reappointment] [Candidate for External Director] [Candidate for Independent Director]  Attendance at Board of Directors Meetings during fiscal 2016: 14 out of 14 times (100%)	April 1974 December 1999 April 2001 April 2003 April 2005 August 2005 April 2008 June 2009 June 2012 June 2016 Joined Nippon Kokan Corporation General Manager, Real Estate Dept. General Manager, Legal & General Administration Dept. Executive Assistant, General Administration and Legal Division, JFE Holdings, Inc. Vice President, General Manager, General Administration and Legal Division Vice President, General Manager, General Administration Dept. Senior Vice President Representative Director, President and CEO, JFE LIFE CORPORATION Audit & Supervisory Board Member, JFE Holdings, Inc. (retired June 2016) External Director of the Company (to present)	0
		<p>1. Reasons for selection as candidate for External Director</p> <p>1) Mr. Sakio Sasamoto is an External Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Company Law.</p> <p>2) Mr. Sakio Sasamoto has been selected as a candidate for External Director as the Company wishes to exercise his wide range of experience regarding management in the management of the Company. Furthermore, during his term of office as External Director, he has been adequately fulfilling his responsibilities as Director of the Company, and as stated in (4. Matters regarding Corporate Officers (4) Matters regarding External Officers 2) Main Activities for the Fiscal Year Under Review c. Status of Response to Violations of Laws and Regulations, etc.) of the Business Report for the 14th fiscal year (available in Japanese only), he is appropriately fulfilling his responsibilities during the fiscal year under review as well. Therefore, the Company has judged that he will appropriately fulfill the responsibilities of External Director.</p> <p>2. Independence of candidate for External Director</p> <p>Mr. Sakio Sasamoto has served for many years at JFE Holdings Group, which has transactional relationships with the Company, and the amount of transactions between the Group and said group is less than 1% of annual consolidated net sales of the Group and said group, on average over the most recent three years. The Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and has thereby registered him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If he is reelected as Director and appointed External Director, the Company plans to continue his registration as an Independent Director.</p> <p>3. Liability limitation agreements</p> <p>An agreement to limit liability of Clause 1 of Article 423 of the Company Law has been concluded between Mr. Sakio Sasamoto and the Company, and the ceiling of the indemnity based on fore mentioned agreement shall be the minimum amount stipulated by laws and regulations. If he is reelected as Director and appointed External Director, the Company plans to continue with the above liability limitation agreement.</p> <p>4. Number of years since the candidate for External Director assumed office as External Director of the Company</p> <p>The term of office of Mr. Sakio Sasamoto as External Director will be one (1) year at the close of this General Meeting.</p>	

(Note) There are no special interests between each candidate and the Company.

End