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(Stock Exchange Code 4527)
June 12, 2019

Kunio Yamada
Chairman (CEO) and President
ROHTO PHARMACEUTICAL CO., LTD.
1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka, Japan

NOTICE OF CONVOCATION THE 83RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

To Shareholders:

We express our deep appreciation to each of the shareholders for their extraordinary daily support.

You are cordially invited to attend the 83rd Ordinary General Meeting of Shareholders of ROHTO PHARMACEUTICAL CO., LTD. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders contained herein to exercise your voting rights by Thursday, June 26, 2019, at 5:00 p.m. Japan time.

- 1. Date and Time:** Friday, June 27, 2019 at 10:00 a.m. Japan time
(Reception is scheduled to open at 9:00 a.m.)
- 2. Place:** Head Office of ROHTO PHARMACEUTICAL CO., LTD.
1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 83rd Fiscal Year (April 1, 2018 - March 31, 2019)
 2. Results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors for the Company's 83rd Fiscal Year (April 1, 2018 - March 31, 2019)
 - Proposal to be resolved:**
 - Proposal 1:** Partial Amendments to the Articles of Incorporation
 - Proposal 2:** Election of Twelve (12) Directors
 - Proposal 3:** Election of Accounting Auditor

Notes Related to the General Meeting of Shareholders

- If it is necessary to modify the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, and the Reference Documents for the General Meeting of Shareholders, the modified items will be posted on the website of the Company (<https://www.rohto.co.jp/>).
- Of the documents to be provided with this notice of convocation, “Consolidated Statements of Changes in Shareholders’ Equity,” “Notes on Consolidated Financial Statements,” “Non-consolidated Statements of Changes in Shareholders’ Equity” and “Notes on Non-consolidated Financial Statements” are disclosed on the Company website (<https://www.rohto.co.jp/>) pursuant to laws, regulations and Articles of Incorporation and are therefore not attached with this notification of convocation. Moreover, Consolidated Financial Statements and Non-consolidated Financial Statements included with this notice of convocation are a portion of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and Auditors for preparing the Accounting Auditor’s Report and the Audit Report.
- Gifts will not be handed out at the General Meeting of shareholders. Thank you for your understanding.

Reference Documents for the General Meeting of Shareholders

Proposal and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The Company celebrated its 120th anniversary this year and is pursuing management with a greater emphasis on service to the public interest and long-term development. In this regard, by including in the Articles of Incorporation the Company's vision, which is the fundamental principle of the Company's management policy, the Company wishes to clarify its purpose, namely, to resolve issues of society at large together with all the people related to the Company and achieve sustainable growth. In addition, the Company wishes to amend the business objectives in order to clarify them in light of the Company's current business situation and to respond to business development and diversification of the Company's business from now on.

2. Details of amendments

The details of the amendment are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 1. (Omitted)	Article 1. (Unchanged)
(Newly established)	<p>(Vision)</p> <p><u>Article 2. The Company's management shall be based on the following vision.</u></p> <p><u>1. Recognizing that the Company's greatest responsibility is to continue to contribute to people's mental and physical health so that they can lead affluent, happy lives, the Company shall implement management from a long-term perspective and strive to create value in order to achieve this goal.</u></p> <p><u>2. Mindful of its mission as a public entity, the Company shall resolve issues of society at large in collaboration with all the people related to the Company and share the benefits gained thereby.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Objects)</p> <p>Article <u>2</u>. The objects of the Company are all or any of the following:</p> <p>1. To manufacture, buy, sell, distribute, package, import and export medical preparations, drugs for human, drugs for animal, agricultural chemical, industrial chemical, cosmetics, detergent, soap, toothpaste, other chemical and cosmetic goods; sanitary and toiletry goods for home and industry, fancy goods, products and tools for cosmetic, clothes, dry goods, foods, alcoholic beverages, liquor, beverages, fragrances and flavours, food additives, glass products, stationery and related products for hobbies & amenities, and machinery, equipment, apparatus, appliances, tools and containers for all the aforementioned items and products related thereto.</p> <p>2-31 (Omitted)</p>	<p>(Objects)</p> <p>Article <u>3</u>. The objects of the Company are all or any of the following <u>and the Company aims to achieve the vision described in the preceding article</u>:</p> <p>1. To manufacture, <u>manufacture on consignment</u>, buy, sell, distribute, package, import and export medical preparations, drugs for human, <u>regenerative medicine products, specified processed cells, consumables used in research, diagnostics</u>, drugs for animal, agricultural chemical, industrial chemical, cosmetics, detergent, soap, toothpaste, other chemical and cosmetic goods; sanitary and toiletry goods for home and industry, fancy goods, products and tools for cosmetic, clothes, dry goods, foods, alcoholic beverages, liquor, beverages, fragrances and flavours, food additives, glass products, stationery and related products for hobbies & amenities, and machinery, equipment, apparatus, appliances, tools and containers for all the aforementioned items and products related thereto.</p> <p>2-31 (Unchanged)</p>
<p>Articles <u>3-40</u> (Omitted)</p>	<p>Article <u>4-41</u> (Unchanged)</p>

Proposal 2: Election of Twelve (12) Directors

The terms of office of all Twelve (12) current Directors will expire at the close of this General Meeting. You are therefore hereby requested to elect Twelve (12) Directors.

The candidates for Director are as follows:


No.		Name		Position at the Company
1	Reappointed	Kunio Yamada		Chairman (CEO) and President
2	New candidate	Masashi Sugimoto		Strategic Advisor
3	Reappointed	Lekh Juneja		Executive Vice President
4	Reappointed	Masaya Saito		Executive Vice President
5	Reappointed	Shinichi Kunisaki		Director
6	Reappointed	Tetsumasa Yamada		Director
7	Reappointed	Hideto Uemura		Director
8	Reappointed	Masako Rikiishi		Director
9	Reappointed	Hidetoshi Segi		Director
10	Reappointed	Mari Matsunaga	External Independent	External Director
11	Reappointed	Shingo Torii	External Independent	External Director
12	New candidate	Akie Iriyama	External Independent	

New candidate: Candidates to be newly appointed

Reappointed: Candidates to be reappointed

External: Candidates for External Director

Independent: Candidates for Independent Director as prescribed by the Tokyo Stock Exchange


No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
1	 Kunio Yamada (January 23, 1956) <u>Reappointed</u>	April 1980 Joined the Company June 1991 Director and Assistant to President June 1992 Senior Managing Director and General Manager of Sales Department June 1996 Executive Vice President July 1998 Executive Vice President Chairman of The Mentholatum Company June 1999 President of the Company Chairman of The Mentholatum Company June 2009 Chairman and Chief Executive Officer (CEO) of the Company Chairman of The Mentholatum Company August 2018 Chairman (CEO) and President of the Company Chairman of The Mentholatum Company to present (Significant concurrent positions) Chairman of The Mentholatum Company	1,972,475
(Reasons for nomination as a Director) Having assumed office as Director of the Company in 1991, Mr. Kunio Yamada subsequently served as President and currently serves as Chairman. He has been responsible for overall management of the Company for many years, including inside and outside the Group. He is also vigorously promoting creation of new businesses and internal reform. The Company proposes that he is a suitable person to achieve sustainable growth and enhancement of corporate value of the Company, and his re-election as a Director.			

- Notes: 1. The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.
2. Mr. Kunio Yamada serves concurrently as a Director of Ands Corporation. There are transactions between the Company and Ands Corporation for the purchasing and consignment processing of products.


No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
2	 Masashi Sugimoto (August 24, 1961) <u>New Candidate</u>	April 1984 Joined Takeda Pharmaceutical Company Limited October 2009 President of Healthcare Company April 2017 President and Representative Director of Takeda Consumer Healthcare Company Limited June 2018 Left Takeda Consumer Healthcare Company Limited January 2019 Joined the Company Strategic Advisor to present	0
<p>(Reasons for nomination as a Director)</p> <p>Mr. Masashi Sugimoto has a long track record in the healthcare field centering on sales and has experience in corporate management. He also has served in many key positions in industry organizations. In light of the Company's efforts to further promote its healthcare business and develop new business fields, such as putting regenerative medicine on a commercial basis, the Company proposes that he is a suitable person and his election as a new Director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
3	 Lekh Juneja (March 3, 1952) <u>Reappointed</u>	September 1989 Joined Taiyo Kagaku Co., Ltd. June 1996 Director and Head of Research Department June 2000 Managing Director June 2003 Executive Vice President April 2014 Joined the Company June 2014 Executive Vice President Global Head of International Business and Research & Development Chief Health Officer to present	13,906
(Reasons for nomination as a Director) Since joining the Company in 2014, Mr. Lekh Juneja has been involved extensively in management of the international business centering on cultivation of emerging markets as the Executive Vice President. He is also fulfilling an important role in promoting health and productivity management as the Chief Health Officer. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			

Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
4	 Masaya Saito (November 1, 1963) <u>Reappointed</u>	April 1986 Joined the Company May 1998 General Director of Rohto-Mentholatum (Vietnam) Co., Ltd. June 2011 Director and General Manager of Corporate Planning Department of the Company General Director of Rohto-Mentholatum (Vietnam) Co., Ltd. June 2017 Director and Director of Headquarters for Promotion of Corporate Strategy of the Company General Director of Rohto-Mentholatum (Vietnam) Co., Ltd. June 2018 Executive Vice President of the Company Chief Executive Officer of Rohto-Mentholatum (Vietnam) Co., Ltd. to present (Significant concurrent positions) Chief Executive Officer of Rohto-Mentholatum (Vietnam) Co., Ltd.	19,719
(Reasons for nomination as a Director) Mr. Masaya Saito played a central role in the establishment of Rohto-Mentholatum (Vietnam) Co., Ltd. in 1997 and is currently responsible for overall management of that company as its Chief Executive Officer. Having assumed office as Director of the Company in 2011, he has had overall responsibility for corporate planning departments and contributed to medium- to long-term development of Group companies. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			

Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
5	 Shinichi Kunisaki (October 27, 1955) <u>Reappointed</u>	April 1981 Joined Suntory Limited (currently, Suntory Holdings Limited) January 2007 Joined the Company Corporate Officer February 2007 Corporate Officer and General Manager of Research & Development Department June 2010 Director and General Manager of Research & Development Department June 2017 Director and Director of Headquarters for Promotion of Corporate Strategy June 2018 Director and Director of Headquarters for Promotion of Corporate Strategy President and Representative Director of Qualitech Pharma Co., Ltd. to present (Significant concurrent positions) President and Representative Director of Qualitech Pharma Co., Ltd.	12,079
(Reasons for nomination as a Director) Since joining the Company in 2007, Mr. Shinichi Kunisaki has been contributing to the strengthening of the Company's R&D capabilities based on his abundant experience and insight concerning R&D. Since 2018, as the President and Representative Director of Qualitech Pharma Co., Ltd., he has been leading a manufacturing-related business. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			


Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
6	 Tetsumasa Yamada (July 3, 1949) <u>New Candidate</u>	April 1973 Joined Kowa Company, Ltd. August 2000 Joined the Company May 2003 Division Manager of Business Development & Planning Division, Business Development Department February Division Manager of Clinical Development 2006 Division, Business Development Department May 2008 Division Manager of Clinical Development Division, Research & Development Department June 2011 Manager of Advanced Technology Research Laboratory, Research & Development Department May 2013 Division Manager of Regenerative Medicine Research & Planning Division June 2018 Director and Division Manager of Regenerative Medicine Research & Planning Division to present	11,088
(Reasons for nomination as a Director) Since joining the Company in 2000, Mr. Tetsumasa Yamada has been involved in the strengthening of the Company's R&D capabilities over the long term. Since 2014, as the head of the regenerative medicine research business, he has been contributing to the development of a new healthcare business. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			


Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
7	 Hideto Uemura (July 19, 1958) <u>New Candidate</u>	April 1982 Joined the Company May 2003 Deputy General Manager of Business Development Department April 2009 Deputy General Manager of Research & Development Department May 2010 Corporate Officer and Deputy General Manager of Research & Development Department May 2015 Senior Corporate Officer and General Manager of Marketing Department June 2016 General Manager of Marketing Department June 2017 Director of Business Strategy Promotion Department June 2018 Director and Director of Headquarters for Promotion of Corporate Strategy to present	4,988
(Reasons for nomination as a Director) Mr. Hideto Uemura has been involved in business development, R&D, and marketing of consumer healthcare products, which constitute the Company's core business, and has a wealth of experience and a successful track record. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			


Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
8	 Masako Rikiishi (April 8, 1959) <u>New Candidate</u>	April 1982 Joined the Company March 2010 Division Manager of Product Development Division, Research & Development Department May 2015 Division Manager of Product Marketing Division, Marketing Department June 2017 Division Manager of Product Marketing Division June 2018 Director and Division Manager of Product Marketing Division to present	9,107
(Reasons for nomination as a Director) Ms. Masako Rikiishi has experience and a successful track record mainly in R&D departments. Since 2015, as the head of the product marketing departments, she has been promoting merchandising that emphasizes customers' viewpoints. In addition, she has a great influence on the creation of an environment that enables active involvement of women in the workplace. The Company proposes that she is a suitable person to achieve enhancement of corporate value of the Company, and her re-election as a Director.			


Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
9	 Hidetoshi Segi (July 18, 1962) <u>New Candidate</u>	April 1985 Joined Nippon Vicks Co., Ltd. (currently, The Procter & Gamble Company of Japan Limited) June 1997 Joined the Company April 2009 Deputy General Manager of Business Development Department and Division Manager of Business Development & Planning Division June 2011 Deputy General Manager of Corporate Planning Department and Division Manager of Corporate Planning Division June 2012 Corporate Officer, Deputy General Manager of Corporate Planning Department and Division Manager of Corporate Planning Division June 2016 Deputy General Manager of Corporate Planning Department and Division Manager of Corporate Planning Division June 2017 Division Manager of Corporate Planning Division June 2018 Director and Division Manager of Corporate Planning Division to present	2,390
(Reasons for nomination as a Director) Since joining the Company in 1997, Mr. Hidetoshi Segi has been involved in the launch of several new businesses. Serving as the Division Manager of the Corporate Planning Division, he possesses abundant experience in management and administration of subsidiaries and affiliates in Japan and overseas and is playing an important role in promoting Group management. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as a Director.			


Note: The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
10	 <p>Mari Matsunaga (November 13, 1954)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content;"> Reappointed External Independent </div>	<p>April 1977 Joined Japan Recruit Center (currently, Recruit Holdings Co., Ltd.)</p> <p>July 1997 Joined NTT Mobile Communications Network, Inc. (currently, NTT DOCOMO, Inc.)</p> <p>April 2000 Representative of Mari Matsunaga Office</p> <p>June 2002 External Director of BANDAI Co., Ltd.</p> <p>June 2006 External Director of BRAINS Network Co. Ltd.</p> <p>June 2012 Outside Director of MS&AD Insurance Group Holdings, Inc.</p> <p>June 2012 Independent Director of Terumo Corporation</p> <p>June 2014 External Director of the Company</p> <p>June 2016 Outside Director of Seiko Epson Corporation to present</p> <p>(Significant concurrent positions) Representative of Mari Matsunaga Office External Director of BRAINS Network Co. Ltd. Outside Director of MS&AD Insurance Group Holdings, Inc. Outside Director of Seiko Epson Corporation (Number of years served as the Company's External Director) 5 years at the end of this General Meeting of Shareholders</p>	1,844
<p>(Reasons for nomination as an External Director)</p> <p>Ms. Mari Matsunaga has a successful track record in corporate management at several companies. Based on her abundant experience and broad insight on the culture and lifestyles of contemporary society, she makes appropriate suggestions to the Board of Directors proactively. The Company proposes that she is a suitable person to achieve enhancement of corporate value of the Company, and her re-election as an External Director. Moreover, there is no particular conflict of interest between BRAINS Network Co. Ltd., MS&AD Insurance Group Holdings Inc. and Seiko Epson Corporation and the Company.</p>			

- Notes: 1. The number of shares of the Company held by each candidate for Director includes the share of stocks held through Officers Shareholding Association of the Company as of March 31, 2019.
2. The Company has entered into an agreement with Ms. Mari Matsunaga in accordance with Article 427 Paragraph 1 of the Companies Act and Articles of Incorporation to limit her liability stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425 Paragraph 1 of the said Act. If she is reelected and assumes office as a Director, the Company intends to continue the above-mentioned agreement with her.
3. The Company has appointed Ms. Mari Matsunaga as an Independent Director prescribed by the Tokyo Stock Exchange and filed her to the same Exchange. If she is reelected and assumes office as a Director, the Company intends to reappoint her as an Independent Director.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
11	 <p>Shingo Torii (January 18, 1953)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content;"> <p>Reappointed External Independent</p> </div>	<p>April 1980 Joined ITOCHU Corporation June 1983 Joined Suntory Limited (currently, Suntory Holdings Limited) March 1992 Director of the Board March 1999 Managing Director March 2001 Senior Managing Director, Representative Director of the Board March 2003 Senior Executive Vice President, Representative Director of the Board February 2009 Senior Executive Vice President, Representative Director of the Board, Suntory Holdings Limited May 2014 Director of Beam Suntory Inc. October 2014 Vice Chairman of the Board, Representative Director of Suntory Holdings Limited June 2015 External Director of the Company to present</p> <p>(Significant concurrent positions) Representative Director and Vice Chairman of the Board of Suntory Holdings Limited Director of Beam Suntory Inc. Vice Chairman of The Osaka Chamber of Commerce and Industry Director General of Suntory Foundation for Arts Director General of Suntory Foundation Honorary Consul of the Honorary Consulate of Denmark in Osaka</p> <p>(Number of years served as the Company's External Director) 4 years at the end of this General Meeting of Shareholders</p>	0
<p>(Reasons for nomination as an External Director) Mr. Shingo Torii possesses abundant experience and broad insight acquired over his many years in management and makes appropriate suggestions to the Board of Directors proactively. The Company proposes that he is a suitable person to achieve enhancement of corporate value of the Company, and his re-election as an External Director. Moreover, there is no particular conflict of interest between Suntory Holdings Limited, Beam Suntory Inc. and The Osaka Chamber of Commerce and Industry and the Company.</p>			

- Notes: 1. The Company has entered into an agreement with Mr. Shingo Torii in accordance with Article 427 Paragraph 1 of the Companies Act and Articles of Incorporation to limit his liability stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425 Paragraph 1 of the said Act. If he is reelected and assumes office as a Director, the Company intends to continue the above-mentioned agreement with him.
2. The Company has appointed Mr. Shingo Torii as an Independent Director prescribed by the Tokyo Stock Exchange and filed him to the same Exchange. If he is reelected and assumes office as a Director, the Company intends to reappoint him as an Independent Director.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company
12	 <p data-bbox="240 546 470 607">Akie Iriyama (December 8, 1972)</p> <div data-bbox="240 622 470 745" style="border: 1px solid black; padding: 5px; width: fit-content;"> <p data-bbox="263 636 448 730">New Candidate External Independent</p> </div>	<p data-bbox="496 280 1123 309">April 1998 Joined Mitsubishi Research Institute, Inc.</p> <p data-bbox="496 320 1233 412">August 2008 Assistant Professor of School of Management, University at Buffalo, The State University of New York</p> <p data-bbox="496 423 1198 452">August 2013 Associate Professor of Waseda Business School</p> <p data-bbox="496 463 1142 492">May 2016 External Board Member of Macromill, Inc.</p> <p data-bbox="496 504 1082 568">April 2019 Professor of Waseda Business School to present</p> <p data-bbox="496 580 983 640">(Significant concurrent positions) External Board Member of Macromill, Inc.</p>	0
<p data-bbox="247 779 807 808">(Reasons for nomination as an External Director)</p> <p data-bbox="247 813 1409 1155">After having been engaged at Mitsubishi Research Institute Inc. in consultancy for automakers and Japanese governmental organizations and international organizations, Mr. Akie Iriyama received a Ph.D. from the Katz Graduate School of Business, University of Pittsburgh, in 2008. In that year, he was appointed Assistant Professor at School of Management, University at Buffalo, The State University of New York. Currently, he is a professor specializing in management strategy and global management at Waseda Business School. The Company proposes that his advice and suggestions based on his wide-ranging knowledge of cutting-edge management will be highly beneficial for the development of new business fields and the enhancement of corporate value of the Company, and that he will be able to appropriately perform duties. The Company therefore requests his election as a new External Director. Moreover, there is no particular conflict of interest between Macromill, Inc. and the Company.</p>			

- Notes:
1. If Mr. Akie Iriyama is elected and assumes office as a Director, the Company intends to enter into an agreement with him in accordance with Article 427 Paragraph 1 of the Companies Act and Articles of Incorporation to limit his liability stipulated in Article 423 Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425 Paragraph 1 of the said Act.
 2. The Company intends to appoint Mr. Akie Iriyama as an Independent Director prescribed by the Tokyo Stock Exchange.

Proposal 3: Election of Accounting Auditor

The Company's Accounting Auditor KPMG AZSA LLC will retire from the position of Accounting Auditor upon expiration of its term of office at the close of this General Meeting. You are therefore hereby requested to elect Ernst & Young ShinNihon LLC as the new Accounting Auditor. This proposal is based on the resolution of the Board of Auditors.

1. Reasons for nomination of Ernst & Young ShinNihon LLC as a candidate for Accounting Auditor

The Company's Accounting Auditor KPMG AZSA LLC has been engaged in the Company's accounting audit for 50 years since the days of its predecessor Asahi & Co. During that time, the Company's business fields have greatly changed and the Company has decided to change the Accounting Auditor to a new Accounting Auditor in order to maintain auditing while adopting a fresh perspective. The Company's Board of Auditors nominated Ernst & Young ShinNihon LLC as the candidate for new Accounting Auditor because, while the Company seeks to strengthen governance of overseas subsidiaries, the Board of Auditors believes Ernst & Young ShinNihon LLC, which has a system enabling timely, coordinated group audit using the globally shared audit platform, can provide the Company with deeper risk assessment and information from a fresh perspective.

2. Candidate for Accounting Auditor

The candidate for Accounting Auditor is as follows:

(as of March 31, 2019)

Name	Ernst & Young ShinNihon LLC			
Office location	1-1-2 Yuraku-cho, Chiyoda-ku, Tokyo			
History	April 2000	Century Ota Showa & Co. established		
	July 2001	Renamed Shin Nihon & Co.		
	July 2008	Renamed Ernst & Young ShinNihon LLC		
	July 2018	Renamed (Japanese name only)		
Overview	Capital		¥1,019 million	
	Composition of personnel (persons)	Certified Public Accountants (CPAs)		3,139
		Personnel who passed CPA examinations		979
		Others		1,352
		Total		5,470