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In the event of any discrepancy between this document and the Japanese original, the original shall prevail.*

Securities code: 9069
June 7, 2019

To our shareholders:

Yasuhisa Fukuda
President and Representative Director
SENKO Group Holdings Co., Ltd.
8-10, Shiomi 2-chome, Koto-ku, Tokyo

NOTICE OF CONVOCATION OF THE 102nd ANNUAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 102nd Annual Meeting of Shareholders of SENKO Group Holdings Co., Ltd. (the “Company”) on June 26, 2019, which will be held as described hereunder.

If you are unable to attend the Meeting in person, we ask you to review the attached Reference Documents for the Annual Meeting of Shareholders and exercise your voting rights by either of the following methods by 6:15 p.m., Tuesday, June 25, 2019 (Japan Standard Time).

[Voting by postal mail]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it by postal mail to reach us by the above deadline.

[Voting via the Internet]

Please access the website for exercising voting rights designated by the Company (<https://evote.tr.mufg.jp/>), which is in Japanese only, and indicate your approval or disapproval of the proposals by the above deadline.

Meeting Details

1. Date and Time: Wednesday, June 26, 2019 at 10:00 a.m. (Japan Standard Time)

2. Venue: 1-30, Oyodonaka 1-chome, Kita-ku, Osaka
Umeda Sky Bldg., Tower West, F3 Stella Hall

3. Purposes:

Items to be reported:

1. Reports on the Business Report, Consolidated Financial Statements for the 102nd fiscal year from April 1, 2018 to March 31, 2019 and Reports of Audit on the Consolidated Financial Statements by Financial Auditor and the Board of Corporate Auditors
2. Reports on the Non-Consolidated Financial Statements for the 102nd fiscal year (from April 1, 2018 to March 31, 2019)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eleven (11) Directors
- Proposal 3:** Election of Two (2) Corporate Auditors
- Proposal 4:** Election of One (1) Substitute Corporate Auditor
- Proposal 5:** Giving the Company's Board of Directors the Authority to Determine the Guidelines for Subscription to Stock Acquisition Rights as Stock Compensation-Type Stock Options to Be Issued to the Officers and the Employees of the Senko Group

4. Other matters concerning the Meeting:

Included in the documents to our shareholders that should be provided by the Company when providing this Notice of Convocation are the notes to consolidated financial statements (Japanese only) and the notes to non-consolidated financial statements (Japanese only). As provided for by laws and regulations and Article 16 of the Company's Articles of Incorporation, these documents are posted on the Company's website (http://www.senkogrouphd.co.jp/ir/stock_info/general_meeting/) and are not included as accompanying material to this document.

As a result, the accompanying material to this document includes one part of the materials that are the target of the audit by the Financial Auditor and the Corporate Auditors.

<About electronic voting platforms>

Trust banks and other nominee shareholders (including standing proxies) who have applied in advance to use the electronic voting platform operated by ICJ, Inc. (a joint-venture company established by Tokyo Stock Exchange, Inc. and others) may use this platform to electronically exercise voting rights for the Company's Annual Meeting of Shareholders.

Reference Documents for the Annual Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company aims to enhance the return of profit to its shareholders and maintains a basic policy regarding the distribution of profit to pay dividends, taking into account, in addition to stable dividends, performance-linked dividends. In addition, it is necessary to secure sufficient internal reserves for future business development and putting the Company on a firmer footing. In accordance with those views, the Company proposes to appropriate surplus for this fiscal year as follows:

1. Matters concerning year-end dividend

In view of the Company's performance in this fiscal year, the Company proposes to pay 13 yen per share as the year-end dividend. Combined with interim dividend of 13 yen per share, this brings the annual dividend to 26 yen per share.

- (1) Type of dividend assets
Cash
- (2) Allocation and total amount of the dividend assets
13 yen per share of the Company's common stock
Total amount of dividends: 1,983,045,493 yen
- (3) Effective date of dividend payment
June 27, 2019

2. Other matters relating to the appropriation of surplus

- (1) Item and amount of reduction in surplus:
General reserve 300,000,000 yen
- (2) Item and amount of increase in surplus:
Retained earnings carried forward 300,000,000 yen
- (3) Reason for such action:
To enable the achievement of flexible capital management policies that respond to changes in the business environment in the future, such as providing return to shareholders.

Proposal 2: Election of Eleven (11) Directors

The terms of office of all the ten (10) Directors will expire at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company proposes the election of eleven (11) Directors, increasing the number of Outside Directors by one to further enhance the corporate governance system.

The candidates for the Directors are as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
1	Yasuhisa Fukuda (August 23, 1946)	<p>April 1969 Joined SENKO Co., Ltd.</p> <p>June 1993 Director, SENKO Co., Ltd.</p> <p>June 1997 Managing Director, SENKO Co., Ltd.</p> <p>June 2003 Director, Vice President, SENKO Co., Ltd.</p> <p>June 2004 President and Representative Director, SENKO Co., Ltd. (present)</p> <p>April 2009 General Manager of Production Management HQ, SENKO Co., Ltd.</p> <p>April 2017 Responsible for Logistics (present), General Manager of Business Support Promotion HQ, SENKO Group Holdings Co., Ltd.</p> <p>October 2017 Responsible for International Business, SENKO Group Holdings Co., Ltd.</p> <p>(Important concurrent positions held in other organizations) President and Representative Director, SENKO Co., Ltd. Representative Director, Chairman, Zenkoku Tsuun Co., Ltd.</p>	198,000
<p>[Reasons for nomination as the candidate for Director] Mr. Fukuda has served as the Company's Representative Director for many years, directing the management of the SENKO Group as a whole and contributing to the expansion of business fields. We can expect him to use his accumulated experience and performance as a manager and his wealth of insight into the industry in general, and provide strong leadership to continue to play an ample role in strengthening the management of the SENKO Group as a whole and increasing corporate value. We have therefore nominated him as a candidate to continue serving as a Director.</p>			
2	Noburoh Sasaki (March 12, 1957)	<p>April 1979 Joined SENKO Co., Ltd.</p> <p>April 2005 Senior Manager of Public Relations Dept., SENKO Co., Ltd.</p> <p>April 2007 General Manager of President Office, SENKO Co., Ltd.</p> <p>April 2009 Executive Officer, Responsible for PR, SENKO Co., Ltd.</p> <p>April 2015 Managing Executive Officer, SENKO Co., Ltd. (present)</p> <p>June 2015 Director, SENKO Co., Ltd. (present)</p> <p>April 2017 Responsible for PR & IR, SENKO Group Holdings Co., Ltd.</p> <p>November 2017 Responsible for Real Estate Business, SENKO Group Holdings Co., Ltd.</p> <p>April 2019 General Manager of Business Support Promotion HQ, SENKO Group Holdings Co., Ltd. (present)</p>	28,700
<p>[Reasons for nomination as the candidate for Director] Mr. Sasaki has served as the officer responsible for PR & IR and the real estate business since his appointment as Director, and has a wealth of experience and wide-ranging insight. We can expect him to play an ample role in increasing the corporate value of the Company, by using his experience and so forth to contribute to the expansion of the SENKO Group's businesses. We have therefore nominated him as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
3	Kenichi Shiraki (November 8, 1952)	<p>April 1975 Joined SENKO Co., Ltd.</p> <p>April 1998 Senior Manager responsible for Sales Development, Osaka Sales Supervision Dept., SENKO Co., Ltd.</p> <p>April 2004 Senior Manager of Production Management Dept., SENKO Co., Ltd.</p> <p>April 2005 Senior Manager of Chemical Logistics Sales Dept. I, Sales HQ I, SENKO Co., Ltd.</p> <p>April 2007 Branch Manager of Nagoya Supervising Branch, Senior Manager of Sales Div. for Chubu Region, Logistics Sales HQ, SENKO Co., Ltd.</p> <p>April 2009 Executive Officer, SENKO Co., Ltd.</p> <p>April 2011 General Manager of Housing Logistics Sales HQ, SENKO Co., Ltd.</p> <p>April 2014 Managing Executive Officer, SENKO Co., Ltd. (present)</p> <p>April 2016 General Manager of Living Support Business Promotion HQ, SENKO Co., Ltd. (present)</p> <p>June 2017 Director, SENKO Group Holdings Co., Ltd. (present)</p>	31,700
<p>[Reasons for nomination as the candidate for Director] Mr. Shiraki has been working mainly in sales of the core logistics business since he joined the Company. He has a wealth of experience and specialist knowledge in sales activities. As such, we can expect him to play an ample role in increasing the corporate value of the Company, by using his experience and so forth to open up new business fields. We have therefore nominated him as a candidate to continue serving as a Director.</p>			
4	Masanobu Uenaka (November 23, 1959)	<p>April 1982 Joined SENKO Co., Ltd.</p> <p>April 2006 Senior Manager of Accounting Dept., SENKO Co., Ltd.</p> <p>April 2014 Deputy General Manager of International Business HQ, Senior Manager of International Multimodal Transport Business Dept., SENKO Co., Ltd.</p> <p>April 2015 Executive Officer, SENKO Co., Ltd.</p> <p>April 2017 Managing Executive Officer (present), Responsible for Strategic Planning, General Manager of Strategic Planning Office, SENKO Group Holdings Co., Ltd.</p> <p>June 2017 Director, SENKO Group Holdings Co., Ltd. (present)</p> <p>April 2019 Responsible for Finance, SENKO Group Holdings Co., Ltd. (present)</p>	25,500
<p>[Reasons for nomination as the candidate for Director] Mr. Uenaka has been working mainly in the accounting division since he joined the Company. He has a wealth of experience and specialist knowledge in the management and administration and financial fields. As such, we can expect him to play an ample role in increasing the corporate value of the Company, by using his experience and so forth to contribute to strengthening the Company's financial foundations. We have therefore nominated him as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
* 5	Shinichi Murao (November 18, 1956)	<p>April 1980 Joined SENKO Co., Ltd.</p> <p>April 2004 Senior Manager of Logistics Sales Dept., Sales HQ for West Japan, SENKO Co., Ltd.</p> <p>April 2006 Chief of Group of Consultant Team IV, Logistics Solution Dept., SENKO Co., Ltd.</p> <p>April 2007 Senior Manager of Apparel Logistics Sales Dept., Logistics Sales HQ, SENKO Co., Ltd.</p> <p>November 2012 Branch Manager of Sapporo Supervising Branch, Branch Manager of Sapporo Minami Branch, SENKO Co., Ltd.</p> <p>April 2015 Executive Officer, SENKO Co., Ltd.</p> <p>April 2019 Managing Executive Officer (present), General Manager of Strategic Planning HQ, SENKO Group Holdings Co., Ltd. (present)</p>	17,800
<p>[Reasons for nomination as the candidate for Director] Mr. Murao has worked mainly in sales for the logistics business and as its manager since he joined the Company, and has a wealth of experience and specialist knowledge in the logistics business field. At present, he oversees the planning, formulation, and execution of management strategy for the SENKO Group as a whole, as General Manager of the Strategic Planning HQ, and we can expect him to continue to play an ample role in increasing the corporate value of the Company. We have therefore nominated him as a candidate for a new Director.</p>			
6	Kazuhiro Yamanaka (November 1, 1949)	<p>April 1972 Joined SENKO Co., Ltd.</p> <p>April 1994 Branch Manager of Tokyo Minami Branch, SENKO Co., Ltd.</p> <p>November 1998 Branch Manager of Kashiwa Branch, SENKO Co., Ltd.</p> <p>April 2005 Executive Officer, Responsible for Hokkaido and Tohoku area, SENKO Co., Ltd.</p> <p>April 2009 Managing Executive Officer, Deputy General Manager of Production Management HQ, SENKO Co., Ltd.</p> <p>April 2011 Branch Manager of Kanto Supervising Branch, SENKO Co., Ltd.</p> <p>June 2011 Director, SENKO Co., Ltd.</p> <p>April 2014 Senior Managing Executive Officer, Responsible for Chugoku, Shikoku and Kyushu area, Responsible for Constructing West Japan Logistics Network, SENKO Co., Ltd.</p> <p>June 2017 Director (present), Responsible for Refrigerated & Frozen Logistics, SENKO Group Holdings Co., Ltd. (present)</p> <p>(Important concurrent positions held in other organizations) President and Representative Director, Runtec Corporation President and Representative Director, Kouki Co., Ltd.</p>	53,007
<p>[Reasons for nomination as the candidate for Director] Mr. Yamanaka has worked for many years in the logistics business division since he joined the Company, and has a wealth of experience and specialist knowledge in the logistics business field. He has been demonstrating his abilities in the field of refrigerated and frozen logistics as the President and Representative Director of Runtec Corporation since April 2016. We can expect him to play an ample role in increasing the corporate value of the Company, by utilizing his experience and so forth. We have therefore nominated him as a candidate to continue serving as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
* 7	Akira Taniguchi (October 2, 1953)	<p>April 1977 Joined SENKO Co., Ltd.</p> <p>April 2003 Senior Manager of Marine Logistics Dept., SENKO Co., Ltd.</p> <p>April 2009 Executive Officer, SENKO Co., Ltd.</p> <p>April 2014 Managing Executive Officer, Responsible for Marine Logistics and Forwarding, SENKO Co., Ltd.</p> <p>April 2015 General Manager of Production Management HQ, SENKO Co., Ltd.</p> <p>June 2015 Director, SENKO Co., Ltd.</p> <p>April 2017 Director (present), Executive Vice President, Responsible for Marine Logistics and Forwarding, Responsible for Safety, Quality and Environment, SENKO Co., Ltd.</p> <p>(Important concurrent positions held in other organizations) Director, Chairman, Senko Line Co., Ltd. Director, Chairman, NIPPON MARINE CO., LTD.</p>	39,400
<p>[Reasons for nomination as the candidate for Director] Mr. Taniguchi has been working in the marine logistics business field since he joined the Company, and has a wealth of experience and specialist knowledge. We can expect him to play an ample role in increasing the corporate value of the Company, by using his experience and so forth to contribute to the further development of the SENKO Group's marine logistics business. We have therefore nominated him as a candidate for a new Director.</p>			
* 8	Hiroshi Yoneji (September 8, 1953)	<p>April 1978 Joined SENKO Co., Ltd.</p> <p>April 2001 Senior Manager of Human Resources Dept., SENKO Co., Ltd.</p> <p>April 2005 Senior Manager of Chain Store Logistics Sales Div., Sales HQ for East Japan, SENKO Co., Ltd.</p> <p>April 2007 Deputy General Manager of Logistics Sales HQ, SENKO Co., Ltd.</p> <p>April 2009 Executive Officer, SENKO Co., Ltd.</p> <p>April 2013 Managing Executive Officer, Responsible for 3PL Business, General Manager of Logistics Sales HQ, SENKO Co., Ltd.</p> <p>June 2013 Director, SENKO Co., Ltd.</p> <p>June 2014 Senior Manager of Chain Store Logistics Div. I, SENKO Co., Ltd.</p> <p>April 2015 Senior Managing Executive Officer, Responsible for Business Administration and Business Strategy, Responsible for Safety, Quality and Environment, SENKO Co., Ltd.</p> <p>September 2016 Director, SENKO Split Preparation Co., Ltd. (currently SENKO Co., Ltd.) (present)</p> <p>(Important concurrent positions held in other organizations) President and Representative Director, SENKO SHOJI CO., LTD.</p>	59,232
<p>[Reasons for nomination as the candidate for Director] Mr. Yoneji has been working mainly in the sales division in the logistics business field since he joined the Company, and has a wealth of experience and specialist knowledge in sales activities. He has been leading the trading business field of the SENKO Group as President and Representative Director of SENKO SHOJI CO., LTD., since April 2017. We can expect him to continue to play an ample role in increasing the corporate value of the Company, based on his achievements and so forth. We have therefore nominated him as a candidate for a new Director.</p>			

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held
9	Hiroko Ameno (August 10, 1971)	<p>April 2005 Associate Professor, Department of Commerce at Seinan Gakuin University</p> <p>April 2007 Associate Professor, Faculty of Commerce at Kansai University</p> <p>June 2011 Director, SENKO Co., Ltd. (present)</p> <p>April 2012 Professor, Faculty of Commerce at Kansai University (present)</p>	200
<p>[Reasons for nomination as the candidate for Outside Director] Ms. Ameno has specialist knowledge and experience as a university professor. We have nominated her as a candidate to continue serving as an Outside Director because she is expected to provide her opinion from a neutral position on the Company's management.</p>			
10	Yasuyuki Sugiura (September 25, 1953)	<p>April 1978 Joined Mitsubishi Corporation</p> <p>April 2009 Senior Vice President, Mitsubishi Corporation</p> <p>April 2013 Executive Vice President, Mitsubishi Corporation Director, President, Mitsubishi Corporation (Americas)</p> <p>April 2016 Advisor, Mitsubishi Corporation (present)</p> <p>June 2017 Director, SENKO Group Holdings Co., Ltd. (present)</p>	0
<p>[Reasons for nomination as the candidate for Outside Director] Mr. Sugiura has a wealth of experience and achievements in the trading and international fields, as well as wide-ranging knowledge and insight. We have nominated him as a candidate to continue serving as an Outside Director because he is expected to provide his opinion from a neutral position on the Company's management.</p>			
* 11	Yoko Araki (July 4, 1957)	<p>April 1982 Joined Internal Medicine Class, Keio University School of Medicine</p> <p>January 1992 Studied abroad at University of California San Francisco</p> <p>April 2002 Director, Tokyo Health Management Center, NTT East Metropolitan Area Health Management Center</p> <p>April 2006 Director, Araki Occupational Health Consultancy (present)</p> <p>September 2008 Specially-Appointed Professor, Support Office for Female Researchers, Tokyo Medical and Dental University</p>	0
<p>[Reasons for nomination as the candidate for Outside Director] Ms. Araki has specialist knowledge and experience as a medical doctor. We have nominated her as a new candidate for Outside Director because she is expected to provide her opinion from a wide range of perspectives, and use her insight regarding the promotion of health and so forth in the management of the Company.</p>			

- Notes:
1. New candidates are marked with an asterisk (*).
 2. There are no special interests between the candidates and the Company.
 3. Mr. Akira Taniguchi and Mr. Hiroshi Yoneji both plan to resign from office as Director of SENKO Co., Ltd. on June 17, 2019.
 4. Ms. Hiroko Ameno, Mr. Yasuyuki Sugiura and Ms. Yoko Araki are candidates for Outside Directors.
 5. Ms. Hiroko Ameno is a current Outside Director of the Company, and her term of office as an Outside Director will be eight (8) years at the conclusion of this Annual Meeting of Shareholders.
 6. Mr. Yasuyuki Sugiura is a current Outside Director of the Company, and his term of office as an Outside Director will be two (2) years at the conclusion of this Annual Meeting of Shareholders.
 7. The Company has entered into a limited liability agreement with Ms. Hiroko Ameno and Mr. Yasuyuki Sugiura. The purpose of this agreement is to limit liability as provided for in Article 423, paragraph 1 of the Companies Act. The maximum liability amount shall be the amount stipulated in applicable laws and regulations. If the reelection of them is approved, the Company will continue the said agreements. If the election of Ms. Yoko Araki is approved, the Company plans to enter into the limited liability agreement with her.
 8. The Company has submitted an Independent Officer Notification Form to register Ms. Hiroko Ameno and Mr. Yasuyuki Sugiura as Independent Officers at Tokyo Stock Exchange, Inc. If the proposal of reelection is approved, the Company will notify them as Independent Officers, continuously. Furthermore, if the election of Ms. Yoko Araki is approved, the Company will submit an Independent Officer Notification Form to register her as Independent Officer at Tokyo Stock Exchange, Inc.

Proposal 3: Election of Two (2) Corporate Auditors

The term of office of Corporate Auditor Mr. Keiji Matsubara will expire and Corporate Auditor Mr. Keiichiro Yoshimoto will resign at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Corporate Auditors.

With respect to this proposal, the Company has obtained the consent of the Board of Corporate Auditors.

The candidates for the Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held
1	Keiji Matsubara (December 9, 1952)	<p>April 1975 Joined SENKO Co., Ltd.</p> <p>April 2001 Senior Manager of Legal Dept., SENKO Co., Ltd.</p> <p>April 2004 Senior Manager of General Affairs Dept., SENKO Co., Ltd.</p> <p>April 2008 Senior Manager of CSR Promotion Dept., SENKO Co., Ltd.</p> <p>April 2009 General Manager of Audit Office, SENKO Co., Ltd.</p> <p>June 2015 Full-time Corporate Auditor, SENKO Co., Ltd. (present)</p>	28,600
2	Yasushi Matsutomo (September 20, 1960)	<p>April 1983 Joined Chisso Corporation</p> <p>September 2007 General Manager of Sales Department, Liquid Crystals Division, Chisso Corporation</p> <p>April 2011 General Manager of Marketing & Sales Department, Liquid Crystals Division, JNC CORPORATION</p> <p>April 2012 General Manager of Business Management Department, Liquid Crystals Division, JNC CORPORATION</p> <p>April 2013 President, JNC KOREA CO., LTD.</p> <p>April 2015 Department Manager of Administration Department, Ichihara Factory, JNC PETROCHEMICAL CORPORATION (present)</p>	0

- Notes:
1. Mr. Yasushi Matsutomo is a new candidate for Corporate Auditor.
 2. There are no special interests between the candidates and the Company.
 3. Mr. Yasushi Matsutomo is a candidate for Outside Corporate Auditor.
 4. The Company requests the election of Mr. Yasushi Matsutomo as Outside Corporate Auditor since the Company judges that he would contribute to provide a suitable opinion regarding to corporate auditing with his abundant experience and achievements in corporate management and other areas, as well as his vast knowledge and insights as Outside Corporate Auditor.
 5. If the election of Mr. Yasushi Matsutomo as Outside Corporate Auditor is approved, the Company will submit an Independent Officer Notification Form to register him as Independent Officer at Tokyo Stock Exchange, Inc.

Proposal 4: Election of One (1) Substitute Corporate Auditor

The validity of election of Mr. Masakazu Tsuji, who was elected as a Substitute Corporate Auditor at the 98th Annual Meeting of Shareholders held on June 26, 2015, will expire as of commencement of this Annual Meeting of Shareholders. Accordingly, in order to prepare for a possible situation in which the number of Corporate Auditor falls below the number required by laws and regulations, the Company again proposes the election of one (1) Substitute Corporate Auditor.

With respect to this proposal, the Company has obtained the consent of the Board of Corporate Auditors.

The candidate for the Substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held
Keiichiro Yoshimoto (February 27, 1953)	April 1975 Joined Chisso Corporation	11,900
	June 2005 General Manager of General Affairs Department, Minamata Headquarters, Chisso Corporation	
	April 2013 Assistant to General Manager of Minamata Headquarters, Chisso Corporation	
	June 2013 Full-time Corporate Auditor, SENKO Co., Ltd. (present)	

- Notes:
1. Mr. Keiichiro Yoshimoto is a candidate for Substitute Outside Corporate Auditor.
 2. There are no special interests between the candidate and the Company.
 3. The Company requests the election of Mr. Keiichiro Yoshimoto as a Substitute Outside Corporate Auditor since the Company judges that he would contribute to provide a suitable opinion regarding to corporate auditing with his abundant experience and achievements in corporate management and other areas, as well as his vast knowledge and insights as an Outside Corporate Auditor.

Proposal 5: Giving the Company's Board of Directors the Authority to Determine the Guidelines for Subscription to Stock Acquisition Rights as Stock Compensation-Type Stock Options to Be Issued to the Officers and the Employees of the Senko Group

In accordance with the provisions of Articles 236, 238 and 239 of the Companies Act, the Company requests approval for giving the Company's Board of Directors the authority to determine the guidelines for the subscription to stock acquisition rights as stock compensation-type stock options to be issued to Directors of the Company's subsidiaries and Executive Officers and Senior General Managers of the Company and the Company's subsidiaries (collectively "the Senko Group's Officers and Employees") as outlined below.

1. Reasons for issuing stock acquisition rights with particularly favorable conditions

Stock acquisition rights are issued without the requirement for cash payment, for the purpose of enhancing the willingness and the morale of the Senko Group's Officers and Employees to continuously improve the Company's business performance and increase corporate value on an intermediate basis by further strengthening the link between the Company's business performance and value of its shares, and making them share not only the benefits of higher share prices but also the risks of lower share prices with shareholders.

2. Amount of payments for the stock acquisition rights

No cash payment is required for the stock acquisition rights.

3. Details of the stock acquisition rights

(1) Type and number of shares subject to the stock acquisition rights

The number of shares subject to the stock acquisition rights shall not exceed 61,000 shares of the Company's common stocks.

If the Company conducts a share split or share consolidation, the number of shares subject to the stock acquisition rights shall be adjusted using the following formula. However, such adjustment shall be made for the number of the shares subject to the stock acquisition rights that have not been exercised at the time of such share split or share consolidation, and that any fraction less than one (1) share which may arise as a result of such adjustment shall be rounded down:

$$\begin{array}{rcccl} \text{Number of} & & \text{Number of shares} & & \\ \text{shares after} & = & \text{prior to} & \times & \text{Ratio of share split or} \\ \text{adjustment} & & \text{adjustment} & & \text{consolidation} \end{array}$$

In addition, in the event that it is necessary for the Company to make an adjustment to the number of shares, such as in cases where the Company carries out a merger, company split, share exchange or share transfer (collectively "a merger (etc.)"), or a gratis allotment of shares, the Company may adjust the number of shares to an extent considered reasonable after taking into account the conditions of the merger (etc.) or gratis allotment of shares.

(2) Total number of the stock acquisition rights

The number of the stock acquisition rights shall not exceed 61 units. (The number of shares to be issued upon exercise of one (1) stock acquisition right will be 1,000 shares; provided, however, that when the number of shares prescribed in the above (1) has been

adjusted, the same adjustment shall be made.)

- (3) Amount of assets to be contributed upon exercise of the stock acquisition rights
The amount to be contributed upon exercise of each stock acquisition right, which shall be in cash, shall be the amount obtained by multiplying 1 yen, which is the exercise price per one (1) share to be issued upon exercise of stock acquisition rights, by the number of shares subject to stock acquisition rights.
- (4) Exercise period for stock acquisition rights
The exercise period shall be from July 2, 2019 to June 30, 2049. If the last day of the exercise period falls on a Company holiday, the last day shall be the preceding business day.
- (5) Matters concerning the amount of increase in capital and capital reserve resulting from issuance of shares upon exercise of stock acquisition rights
 - 1) The amount of increase in capital resulting from the issuance of shares upon exercise of the stock acquisition rights shall be one-half of the maximum amount of increase in capital, etc. as calculated pursuant to Article 17, paragraph 1 of the Regulation on Corporate Accounting. Any fraction of less than 1 yen shall be rounded up to the nearest yen.
 - 2) The amount of increase in capital reserve resulting from the issuance of shares upon exercise of stock acquisition rights shall be the maximum amount of increase in capital, etc. as provided in the above 1) less the amount of increase in capital as determined in the above 1).
- (6) Conditions for exercising the stock acquisition rights
 - 1) At the time the stock acquisition rights holder resigns from any position with the Company or a consolidated subsidiary of the Company such as Director, Corporate Auditor, Executive Officer, Senior General Manager and Advisor and Executive Advisor, the stock acquisition rights can be exercised during a period beginning on the day following the day of said resignation of position to the last day of the period prescribed in the above (4) when the remaining stock acquisition rights can be exercised.
 - 2) In the event that the stock acquisition rights holder dies, the holder's successor (only the spouse, child or any family within the first degree of consanguinity of the holder) may exercise the stock acquisition rights only during a period from the day that follows the stock acquisition rights holder's death until the date when three months lapse.
 - 3) By the resolution of the Board of Directors, other conditions for exercising the stock acquisition rights shall be as stipulated in the stock acquisition right allotment agreement between the Company and the stock acquisition rights holder.
- (7) Conditions for acquiring the stock acquisition rights
If a proposal about a merger contract in which the Company shall be an expiring party, or a share exchange contract or share transfer in which the Company shall be a wholly-owned subsidiary of another company, is approved at the Company's Annual Meeting of Shareholders, the Company shall be entitled to acquire the stock acquisition rights free of charge.
- (8) Restrictions on acquiring the stock acquisition rights through transfer
The acquisition of the stock acquisition rights through transfer shall require approval by resolution of the Company's Board of Directors.
- (9) Handling of the stock acquisition rights in the event that the Company conducts

organizational restructuring

In the event that a contract or plan document prepared at the time of organizational restructuring stipulates that stock acquisition rights of the reorganized public company as specified below are delivered, the stock acquisition rights of the reorganized public company as specified below are issued in accordance with the ratio of the said organizational restructuring.

- 1) Merger (limited to cases in which the Company is to become extinct)
Public company which survives the merger or the public company incorporated as a result of the merger
 - 2) Absorption-type company split
Public company which succeeds to all or part of the rights and obligations related to the absorbed business of a company which conducts absorption-type company split
 - 3) Incorporation-type company split
Newly established public company through the incorporation-type company split
 - 4) Share exchange
Public company which acquires all of the issued shares of a company with which the public company exchanges shares
 - 5) Share transfer
Public company which is established through the share transfer
- (10) Rounding down of fractions through the exercise of the stock acquisition rights
Any fractions less than one (1) share included in the number of shares to be delivered to the stock acquisition rights holder shall be rounded down.
- (11) Other details of the stock acquisition rights
Other details of the stock acquisition rights shall be determined, along with other items relating to the subscription, at the meeting of Board of Directors that shall be held in the future where the details of issuance of the stock acquisition rights shall be resolved.