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(Securities Code: 3107)

June 6, 2018

To our shareholders:

Yoshihiro Nogami
Representative Director, President
Daiwabo Holdings Co., Ltd.
6-8, Kyutaromachi 3-chome, Chuo-ku, Osaka

NOTICE OF THE 108TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 108th Annual General Meeting of Shareholders of Daiwabo Holdings Co., Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or the Internet. Please indicate your approval or disapproval of the proposals on the enclosed voting form after reviewing the attached Reference Documents for the Annual General Meeting of Shareholders, and return it by postal mail or visit the following website (<https://evote.tr.mufg.jp/>) to enter your vote no later than 5:30 p.m., Wednesday, June 27, 2018 (Japan Standard Time).

- 1. Date and Time:** Thursday, June 28, 2018 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** Muto Memorial Hall, 12F, Kokuminkaikan-Sumitomo Seimei Building
1-2, Otemae 2-chome, Chuo-ku, Osaka

3. Purposes:

Items to be reported:

1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 107th Term (from April 1, 2017 to March 31, 2018)
2. Results of audit of the Consolidated Financial Statements for the 107th Term by the Accounting Auditor and the Audit & Supervisory Board

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Ten (10) Directors

4. Other Matters Regarding the Convocation of the Meeting

- (1) If a voting right is exercised both in writing and via the Internet, etc., the vote exercised via the Internet, etc. shall be deemed effective.
- (2) If a voting right is exercised multiple times via the Internet, etc., the last vote shall be deemed effective.

Reference Documents for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

As our important task for the management is distribution of profits, our basic policy is to distribute profits to our shareholders continuously and stably while maintaining a necessary internal reserve based on performance. With consideration to the actual results of current term, the distribution of the surplus is proposed as indicated below.

Matters related to year-end dividends

(1) Allocation of dividend property and total amount thereof

130 yen per common share of the Company

Total amount of dividends: 2,499,921,970 yen

Note: Effective October 1, 2017, the Company implemented a consolidation of its common shares at a consolidation ratio of 10 shares for 1 share. The annual dividend for the previous term, when calculated using the figures from after the consolidation of shares, is equivalent to 100 yen per share (an ordinary dividend of 90 yen and a commemorative dividend of 10 yen for the 75th anniversary of the founding of the Company). Accordingly, when calculated without the 75th anniversary commemorative dividend, the dividend for the current term represents an effective increase of 40 yen over that of the previous term.

(2) Effective date of distribution of dividends of surplus

June 29, 2018

Proposal 2: Election of Ten (10) Directors

The terms of office of all nine (9) Directors will expire at the close of this Annual General Meeting of Shareholders. In that regard, the Company proposes the election of ten (10) Directors, increasing the number of Directors by one (1) to further enhance the management system.

The candidates for Directors are as follows:

No.		Name	Position and responsibilities (significant concurrent positions outside the Company)
1	Reelection	Masaaki Sakaguchi	Representative Director, Chairman Audit & Supervisory Board Member, DAIWABO INFORMATION SYSTEM CO., LTD. Audit & Supervisory Board Member, O-M Ltd.
2	Reelection	Yoshihiro Nogami	Representative Director, President Chief Executive Managing Officer President and CEO, DAIWABO INFORMATION SYSTEM CO., LTD.
3	Reelection	Koichi Kita	Representative Director, Vice President Executive Managing Officer Representative of the Intellectual Property Department, Audit Room and Secretarial Department Director, DAIWABO INFORMATION SYSTEM CO., LTD. President, Daiwabo Co., Ltd.
4	Reelection	Yuji Sawaki	Director Senior Executive Managing Officer General Manager of Industrial Machinery Business President, O-M Ltd.
5	Reelection	Yukihiro Nishimura	Director Executive Managing Officer Representative of Group headquarters Representative of Financial Management Department, Investor Relations Promotion Department, Human Resources and General Affairs Department, and Legal/Compliance Department Director, DAIWABO INFORMATION SYSTEM CO., LTD.
6	New election	Kiyokazu Saito	Executive Officer Deputy General Manager of Fiber Business Director, Daiwabo Co., Ltd.
7	New election	Kunihiko Arichi	Executive Officer General Manager of Related Businesses Representative of Corporate Planning Department General Manager of Corporate Planning Department Director, Daiwabo Co., Ltd.
8	New election	Hiroyuki Matsumoto	
9	Reelection Outside Independent Officer	Kenichi Dohi	Director
10	New election Outside Independent Officer	Kazuyuki Nakamura	

New election: Newly nominated candidate for Directors
 Reelection: Candidate for reelection as Director
 Outside: Candidate for election as Outside Director
 Independent Officer: Candidate for election as Independent Officer

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
1	Masaaki Sakaguchi (October 3, 1947) Reelection Tenure: 18 years Attendance at meetings of the Board of Directors: 18 out of 18 (100%)	Apr. 1971 Joined the Company June 2000 Director of the Company June 2003 Managing Director of the Company June 2007 Director Executive Managing Officer of the Company June 2010 Representative Director, President Chief Executive Managing Officer of the Company June 2015 Representative Director, Chairman of the Company (present position) [Significant concurrent positions outside the Company] Audit & Supervisory Board Member, DAIWABO INFORMATION SYSTEM CO., LTD. Audit & Supervisory Board Member, O-M Ltd.	15,100 shares
(The reason for nominating as a candidate for Director) Masaaki Sakaguchi has extensive work experience through being involved mainly in Fiber Business since he joined the Company and has knowledge of business in general, global business management, administration and operation work as he has served as Representative Director, President of the Company since 2010 and Representative Director, Chairman of the Company since 2015. Therefore, the Company is re-nominating him as a candidate for Director.			
2	Yoshihiro Nogami (December 25, 1949) Reelection Tenure: 9 years Attendance at meetings of the Board of Directors: 18 out of 18 (100%)	Apr. 1973 Joined the Company Jan. 2006 Joined DAIWABO INFORMATION SYSTEM CO., LTD. June 2006 Director of DAIWABO INFORMATION SYSTEM CO., LTD. Jan. 2008 Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD. Apr. 2009 President and CEO of DAIWABO INFORMATION SYSTEM CO., LTD. (present position) Executive Managing Officer of the Company June 2009 Director Executive Managing Officer of the Company June 2011 Director Senior Executive Managing Officer of the Company June 2015 Representative Director, President Chief Executive Managing Officer of the Company (present position) [Significant concurrent positions outside the Company] President and CEO, DAIWABO INFORMATION SYSTEM CO., LTD.	9,600 shares
(The reason for nominating as a candidate for Director) Yoshihiro Nogami has extensive work experience through being involved mainly in Fiber Business since he joined the Company, and since 2006, in IT Infrastructure Distribution Business, etc. He has knowledge of business in general, global business management, administration and operation work as he has been involved in corporate management as President and CEO of DAIWABO INFORMATION SYSTEM CO., LTD. since 2009 and as Representative Director, President Chief Executive Managing Officer of the Company since 2015. Therefore, the Company is re-nominating him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
3	<p style="text-align: center;">Koichi Kita (November 3, 1948) Reelection</p> <p style="text-align: center;">Tenure: 15 years</p> <p>Attendance at meetings of the Board of Directors: 18 out of 18 (100%)</p>	<p>Apr. 1972 Joined the Company</p> <p>June 2003 Director of the Company</p> <p>June 2007 Director Executive Managing Officer of the Company</p> <p>June 2010 Representative Director, Senior Executive Managing Officer of the Company Appointed as Representative of Audit Room of the Company (present position) President, Daiwabo Co., Ltd. (present position)</p> <p>June 2011 Appointed as Representative of Intellectual Property Department of the Company (present position)</p> <p>Aug. 2012 Appointed as Representative of Secretarial Department of the Company (present position)</p> <p>June 2016 Representative Director, Vice President Executive Managing Officer of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director, DAIWABO INFORMATION SYSTEM CO., LTD. President, Daiwabo Co., Ltd.</p>	12,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Koichi Kita has extensive work experience through being involved mainly in Corporate Planning work since he joined the Company, and has knowledge of business management, planning and control work, as he has served as Representative Director Senior Executive Managing Officer of the Company and President of Daiwabo Co., Ltd., which controls Fiber Business, since 2010, in addition to which he has served as Representative Director, Vice President Executive Managing Officer of the Company since 2016. Therefore, the Company is re-nominating him as a candidate for Director.</p>			
4	<p style="text-align: center;">Yuji Sawaki (March 11, 1959) Reelection</p> <p style="text-align: center;">Tenure: 6 years</p> <p>Attendance at meetings of the Board of Directors: 18 out of 18 (100%)</p>	<p>Apr. 1981 Joined O-M Ltd.</p> <p>June 2010 Director of O-M Ltd.</p> <p>June 2011 Managing Officer of the Company</p> <p>June 2012 Director Executive Managing Officer of the Company Director Executive Managing Officer, O-M Ltd.</p> <p>June 2016 Director Senior Executive Managing Officer of the Company (present position) Appointed as General Manager of Industrial Machinery Business of the Company (present position) President of O-M Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] President, O-M Ltd.</p>	3,620 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Yuji Sawaki has extensive work experience through being involved mainly in Industrial Machinery Business since he joined the Company, and is able to apply his experience and knowledge gained while serving since 2016 as President of O-M Ltd. and as General Manager of Industrial Machinery Business of the Company, to perform his duties. Therefore, the Company is re-nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
5	<p>Yukihiro Nishimura (June 14, 1961) Reelection</p> <p>Tenure: 1 year</p> <p>Attendance at meetings of the Board of Directors: 14 out of 14 (100%)</p>	<p>Apr. 1985 Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2006 Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2012 Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2012 Executive Managing Officer of the Company</p> <p>June 2015 Deputy General Manager of IT Infrastructure Distribution Business of the Company</p> <p>June 2017 Director Executive Managing Officer of the Company (present position) Appointed as Representative of Group headquarters of the Company (present position) Appointed as Representative of Human Resources and General Affairs Department and Legal/Compliance Department of the Company (present position) Director, DAIWABO INFORMATION SYSTEM CO., LTD. (present position)</p> <p>Apr. 2018 Appointed as Representative of Financial Management Department and IR Promotion Department of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director, DAIWABO INFORMATION SYSTEM CO., LTD.</p>	3,300 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Yukihiro Nishimura has extensive work experience through being involved mainly in IT Infrastructure Distribution Business since he joined the Company, and is able to apply his experience and knowledge gained while he has served as Representative of the Human Resources and General Affairs Department and the Legal/Compliance Department since 2017, and Representative of Financial Management Department and IR Promotion Department since 2018, to perform his duties. Therefore, the Company is re-nominating him as a candidate for Director.</p>			
6	<p>Kiyokazu Saito (June 10, 1958) New election</p> <p>Tenure: -</p> <p>Attendance at meetings of the Board of Directors: -</p>	<p>Apr. 1982 Joined the Company</p> <p>Oct. 2005 General Manager of Clothing Products Department of the Company</p> <p>June 2011 Director, Daiwabo Co., Ltd. (present position)</p> <p>June 2016 Managing Officer of the Company (present position) Deputy General Manager of Fiber Business of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director, Daiwabo Co., Ltd.</p>	2,300 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Kiyokazu Saito has extensive work experience through being involved mainly in Fiber Business since he joined the Company, and is able to apply his experience and knowledge gained while he has been involved in corporate management as President of a fiber business company in the group and served as Deputy General Manager of Fiber Business of the Company since 2016, to perform his duties. Therefore, the Company is nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
7	<p>Kunihiko Arichi (February 11, 1965) New election</p> <p>Tenure: –</p> <p>Attendance at meetings of the Board of Directors: –</p>	<p>Apr. 1987 Joined the Company</p> <p>June 2016 General Manager of Corporate Planning Department of the Company</p> <p>June 2017 Managing Officer of the Company (present position) General Manager of Related Businesses of the Company (present position) Representative of Corporate Planning Department of the Company (present position) Appointed General Manager of Corporate Planning Department of the Company (present position) Director, Daiwabo Co., Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] Director, Daiwabo Co., Ltd.</p>	1,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Kunihiko Arichi has extensive work experience through being involved mainly in Fiber Business since he joined the Company, and is able to apply his experience and knowledge gained while he has been involved in corporate management as Director of a fiber business company in the group and served as General Manager of Related Businesses and Representative of Corporate Planning Department of the Company since 2017, to perform his duties. Therefore, the Company is nominating him as a candidate for Director.</p>			
8	<p>Hiroyuki Matsumoto (January 24, 1966) New election</p> <p>Tenure: –</p> <p>Attendance at meetings of the Board of Directors: –</p>	<p>Apr. 1989 Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2012 Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>Apr. 2018 Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD. (present position)</p>	300 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Hiroyuki Matsumoto has extensive work experience through being involved mainly in IT Infrastructure Distribution Business since he joined the Company, and is able to apply his experience and knowledge gained while serving since 2018 as Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD., to perform his duties. Therefore, the Company is nominating him as a candidate for Director.</p>			
9	<p>Kenichi Dohi (January 28, 1950) Reelection Outside Independent Officer</p> <p>Tenure: 2 years</p> <p>Attendance at meetings of the Board of Directors: 18 out of 18 (100%)</p>	<p>Apr. 1973 Joined SUMITOMO CORPORATION</p> <p>Apr. 2004 Representative Director and President of Sumisho Textile Co., Ltd. (Current Sumitex International Company Limited)</p> <p>Aug. 2007 Representative Director and President of SUMISHO MONTBLANC Co., Ltd.</p> <p>June 2016 Director of the Company (Outside Director) (present position)</p>	100 shares
<p>(The reason for nominating as a candidate for Outside Director)</p> <p>Kenichi Dohi has extensive knowledge and experience, accumulated as manager of other companies and the Company expects that he will contribute to the business and financial management of the Company by using such knowledge and experience. Therefore, the Company is re-nominating him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibility	Number of the Company's shares held
10	Kazuyuki Nakamura (June 28, 1948) New election Outside Independent Officer Tenure: - Attendance at meetings of the Board of Directors: -	Apr. 1971 Joined Mitsubishi Electric Corporation Apr. 2006 Executive Officer of Mitsubishi Electric Corporation Apr. 2009 Representative Executive Officer, Senior Vice President of Mitsubishi Electric Corporation Apr. 2010 Representative Executive Officer, Executive Vice President of Mitsubishi Electric Corporation	0 shares
(The reason for nominating as a candidate for Outside Director) Kazuyuki Nakamura has extensive knowledge and experience, accumulated as manager of another listed company, and the Company expects that he will contribute to the business and financial management of the Company by using such knowledge and experience. Therefore, the Company is nominating him as a candidate for Outside Director.			

- Notes:
1. None of the above candidates have any conflicts of interest with the Company.
 2. A candidate for Director Kiyokazu Saito is scheduled to be appointed Senior Managing Director of Daiwabo Co., Ltd. on June 27, 2018.
 3. Kenichi Dohi and Kazuyuki Nakamura are candidates for Outside Director.
 4. The Company has assigned and registered Kenichi Dohi as Independent Officer under the regulations of the Tokyo Stock Exchange. While Sumitex International Company Limited and SUMISHO MONTBLANC Co., Ltd. are clients of our subsidiaries, DAIWABO INFORMATION SYSTEM CO., LTD., Daiwabo Neu Co., Ltd. and Daiwabo Progress Co., Ltd., the total trading performance result with them is less than 0.1% of consolidated sales of the Company for the current term. Therefore, Kenichi Dohi meets the Standard of Independence as set forth by the Company.
 5. The Company intends to assign and register Kazuyuki Nakamura as Independent Officer under the regulations of the Tokyo Stock Exchange. While Mitsubishi Electric Corporation is a client of our subsidiary DAIWABO INFORMATION SYSTEM CO., LTD., the total value of those transactions was less than 0.1% of consolidated sales of the Company for the current term. Therefore, Kazuyuki Nakamura meets the Standard of Independence as set forth by the Company.
 6. Kenichi Dohi will have served as Outside Director of the Company for two (2) year upon the close of this Annual General Meeting of Shareholders.
 7. In order for the Director (excluding executive directors, etc.) to fully fulfill his/her expected role, Article 24 of the current Article of Incorporation provides that the Company may enter into an agreement with the Director (excluding executive directors, etc.) to limit his/her liability for damages to the Company caused by his/her negligence. The Company has entered into such agreement with Kenichi Dohi to limit his liability up to the amount stipulated by applicable laws and regulations. If Kenichi Dohi's reelection is approved, the Company intends to continue the aforesaid liability limitation agreement with him. In addition, if Kazuyuki Nakamura's election is approved, the Company intends to enter into the aforesaid liability limitation agreement with him.