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Securities Identification Code: 3107

June 7, 2016

To Our Shareholders:

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

NOTICE OF THE 106TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 106th 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 (<http://www.evotep.jp/>) to enter your vote to reach us no later than 5:30 p.m., Tuesday, June 28, 2016 (Japan Standard Time).

Meeting Details

1. **Date and time:** Wednesday, June 29, 2016 at 10:00 a.m. (Japan Standard Time)
2. **Venue:** Muto Memorial Hall, 12F, Kokuminkaikan-Sumitomo Seimei Building
1-2, Otemae-2chome, Chuo-ku, Osaka
(See map for directions to meeting room at end of this Notice)(Japanese version only)
3. **Purposes:**
Items to be reported:
 1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 105th Term (from April 1, 2015 to March 31, 2016).
 2. Results of audit of the Consolidated Financial Statements for the 105th Term by the Accounting Auditor and the Audit & Supervisory Board.**Items to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of nine (9) Directors
4. **Other Matters Regarding the Convocation of the Meeting**
 - (1) If a voting right is exercised both in writing and via the Internet, the vote exercised via the Internet shall be deemed effective.
 - (2) If a voting right is exercised multiple times via the Internet, the last vote shall be deemed effective.

Reference Documents for the Annual General Meeting of Shareholders

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 FY 2015, 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

7 yen per common share of the Company

Total amount of dividends: 1,347,202,052 yen

- (2) Effective date of distribution of dividends of surplus

June 30, 2016

Proposal 2: Election of nine (9) Directors

The terms of office of all ten (10) current Directors will expire at the close of this Annual General Meeting of Shareholders. The Company proposes that nine (9) Directors be elected.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
1	Masaaki Sakaguchi (October 3, 1947)	<p>April 1971 Joined the Company.</p> <p>June 2000 Director of the Company</p> <p>June 2003 Managing Director of the Company</p> <p>June 2007 Director Executive Managing Officer of the Company</p> <p>June 2010 Representative Director, President Chief Executive Managing Officer of the Company</p> <p>June 2015 Representative Director and Chairman of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Statutory Auditor, DAIWABO INFORMATION SYSTEM CO., LTD.</p>	136,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>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 since 2010 and Chairman of the Company since 2015. Therefore, the Company is re-nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
2	Yoshihiro Nogami (December 25, 1949)	<p>April 1973 Joined the Company.</p> <p>January 2006 Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2006 Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>January 2008 Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>April 2009 President and CEO of DAIWABO INFORMATION SYSTEM CO., LTD. (present position)</p> <p>June 2009 Executive Managing Officer of the Company</p> <p>June 2009 Director Executive Managing Officer of the Company</p> <p>June 2011 Director Senior Executive Managing Officer of the Company</p> <p>June 2015 Representative Director, President Chief Executive Managing Officer of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] President and CEO, DAIWABO INFORMATION SYSTEM CO., LTD.</p>	76,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>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 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.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
3	Koichi Kita (November 3, 1948)	<p>April 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 (present position)</p> <p> Appointed as Representative of Audit Room of the Company (present position)</p> <p>June 2011 Appointed as Representative of Intellectual Property Department of the Company (present position)</p> <p>August 2012 Appointed as Representative of Secretarial Department of the Company (present position)</p> <p>April 2013 Appointed as Representative of Corporate Planning Department of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director, DAIWABO INFORMATION SYSTEM CO., LTD. President, Daiwabo Co., Ltd.</p>	105,000 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 full 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. that controls Fiber Business since 2010. Therefore, the Company is re-nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
4	Tatsuya Yasunaga (May 21, 1957)	<p>March 1989 Joined DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2002 Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2005 Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD.</p> <p>June 2007 Senior Managing Director of DAIWABO INFORMATION SYSTEM CO., LTD. (present position)</p> <p>April 2009 Executive Managing Officer of the Company</p> <p>June 2009 Director Executive Managing Officer of the Company (present position)</p> <p>June 2015 Appointed as General Manager of IT Infrastructure Distribution Business of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Senior Managing Director, DAIWABO INFORMATION SYSTEM CO., LTD.</p>	53,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>Tatsuya Yasunaga has extensive work experience through being involved mainly IT Infrastructure Distribution Business since he joined the Company, and is able to apply his experience and knowledge gained while he has served as President of DAIWABO INFORMATION SYSTEM CO., LTD since 2007 and General Manager of IT Infrastructure Distribution Business of the Company since June 2015, to execute the business. Therefore, the Company is re-nominating him as a candidate for Director.</p>			
5	Hideki Monzen (July 16, 1951)	<p>April 1974 Joined the Company.</p> <p>June 2003 Director of the Company</p> <p>June 2007 Executive Managing Officer of the Company</p> <p>June 2010 Director Executive Managing Officer of the Company (present position)</p> <p>June 2011 Appointed as General Manager of Fiber Business of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Senior Managing Director, Daiwabo Co., Ltd. President, Daiwabo Polytec Co, Ltd.</p>	58,000 shares
<p>(The reason for nominating as a candidate for Director)</p> <p>As Hideki Monzen 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 General Manager of Fiber Business of the Company since 2011, to execute the business. Therefore, the Company is re-nominating him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
6	Yuji Sawaki (March 11, 1959)	<p>April 1981 Joined O-M Ltd.</p> <p>June 2010 Director of O-M Ltd.</p> <p>June 2011 Managing Officer of the Company Appointed as Deputy Representative of Finance/Investor Relations Department, Human Resources and General Affairs Department, and Legal/Compliance Department of the Company (present position)</p> <p>June 2012 Director Executive Managing Officer (present position) Director Executive Managing Officer of O-M Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] Director Executive Managing Officer , O-M Ltd.</p>	26,200 shares
		<p>(The reason for nominating as a candidate for Director) 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 he has served as Director Executive Managing Officer of O-M Ltd. since 2012, to execute the business. Therefore, the Company is re-nominating him as a candidate for Director.</p>	
7	Yoshiro Yamamura (May 3, 1950)	<p>April 1973 Joined the Company.</p> <p>June 2003 Director of the Company</p> <p>June 2007 Executive Managing Officer of the Company</p> <p>June 2010 Director Executive Managing Officer of the Company (present position) Appointed as Representative of Finance/Investor Relations Department, Human Resources and General Affairs Department, and Legal/Compliance Department of the Company (present position)</p>	73,000 shares
		<p>(The reason for nominating as a candidate for Director) Yoshiro Yamamura has extensive work experience through being involved mainly in Management Department since he joined the Company and is able to apply his experience and knowledge gained while he has served as Representative of Finance/Investor Relations Department, Human Resources and General Affairs Department, and Legal/Compliance Department of the Company since 2010, to execute the business. Therefore, the Company is re-nominating him as a candidate for Director.</p>	

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares held
8	Kazuhisa Kogo (July 20, 1950)	<p>April 1975 Joined Tokuyama Soda Co. Ltd. (Current Tokuyama Corporation).</p> <p>June 2006 Director of Tokuyama Corporation</p> <p>January 2009 Representative Director and President of Tokuyama Corporation</p> <p>March 2015 Representative Director and Chairman of Tokuyama Corporation (present position)</p> <p>June 2015 Director of the Company (Outside Director) (present position)</p>	3,000 shares
(The reason for nominating as a candidate for Director) Kazuhisa Kogo has contributed to the business and financial management of the Company by using his extensive knowledge and experience, accumulated as manager of other listed companies. Therefore, the Company is re-nominating him as a candidate for Outside Director.			
*9	Kenichi Dohi (January 28, 1950)	<p>April 1973 Joined SUMITOMO CORPORATION.</p> <p>April 2004 Representative Director and President of Sumisho Textile Co., Ltd. (Current Sumitex International Company Limited)</p> <p>August 2007 Representative Director and President of SUMISHO MONTBLAN Co., Ltd.</p> <p>January 2015 Resigned as Representative Director and President of SUMISHO MONTBLAN Co., Ltd. (present position)</p>	—
(The reason for nominating as a candidate for Director) 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 newly nominating him as a candidate for Outside Director.			

Notes:

1. Newly nominated candidates for Directors are marked with (*).
2. None of the above candidates have any conflicts of interest with Daiwabo Holdings Co., Ltd.
3. A candidate for Director Yuji Sawaki will become Representative Director and President of O-M Ltd. on June 28, 2016.
4. Kazuhisa Kogo and Kenichi Dohi are candidates for Outside Director.
5. The Company has assigned and registered Kazuhisa Kogo as Independent Officer qualified under the regulations of the Tokyo Stock Exchange. While Tokuyama Corporation is a client of our subsidiary, Daiwabo Rayon Co., Ltd., the trading performance result with Tokuyama Corporation is less than 0.1% of consolidated sales of the Company for the current term. Therefore, Kazuhisa Kogo meets the Standard of Independence as set forth by the Company.
6. The Company intends to assign and register Kenichi Dohi as Independent Officer under the regulations of the Tokyo Stock Exchange. While SUMISHO MONTBLAN Co., Ltd. and Sumitex International Company Limited are clients of our subsidiaries, DAIWABO INFORMATION SYSTEM CO., LTD. and Daiwabo Neu Co., Ltd., the 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.
7. Kazuhisa Kogo will have served as Outside Director of the Company for one (1) year upon the close of this Annual General Meeting of Shareholders.
8. In order for the Outside Director 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 Outside Director to limit his/her liability for damages to the Company caused by his/her negligence. The Company has entered into such agreement with Kazuhisa Kogo to limit his liability up to the amount stipulated by applicable laws and regulations. If Kazuhisa Kogo's reelection is approved, the Company intends to continue the aforesaid liability limitation agreement with him. If Kenichi Dohi's election is approved, the Company intends to enter into the aforesaid liability limitation agreement with him.