

[Translation: For reference only]

Note: This document has been translated from the Japanese original for reference purpose only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

## **Sanwa Holdings Corporation**

(Stock Code: 5929)

June 6th, 2017

1-1, Nishi-Shinjuku 2-Chome,  
Shinjuku-ku, Tokyo, Japan

Toshitaka Takayama  
Representative Director  
Chairman and CEO

### **Convocation Notice of The 82nd Ordinary General Meeting of Shareholders**

To Our Shareholders;

We hereby would like to appreciate your constant and deep consideration to Sanwa Holdings Corporation (the “Company”).

The 82nd Ordinary General Meeting of Shareholders of the Company will be held as described below and you are cordially invited to attend the Meeting.

**If you cannot attend the Meeting, you may exercise your voting rights either in writing or via electronic media (including Internet). We ask that you please exercise your voting rights no later than 5:15 p.m. on June 27, 2017 (Tuesday) after carefully reading the “Reference Materials for Shareholders’ Meeting” shown below.**

Recitals

**1. Date and Time:** Wednesday, June 28th, 2017 at 10:00 a.m.  
(Reception begins at 9:00 a.m.)

**2. Place:** **NS Sky-Conference Room 1, Shinjuku NS Building, 30th floor**  
4-1, Nishi-Shinjuku 2-Chome, Shinjuku-ku, Tokyo

**3. Agenda of the Meeting:**

**Matters to be Reported:**

1. Report on the Business Report, the Consolidated Financial Statements, and the Audit Reports of the Accounting Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements, for the 82nd Term (from April 1, 2016 to March 31, 2017).
2. Report on the Non-Consolidated Financial Statements for the 82nd Term (from April 1, 2016 to March 31, 2017).

**Matter to be Resolved:**

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Six Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

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- Upon attending the Meeting, please present the enclosed Form for Exercise of Voting Rights to the receptionist. Additionally, to conserve resources, please bring this “Notice” and “82nd Report” with you.
  - When the need arises to amend “Reference Materials for Shareholders’ Meeting,” such amendments will be announced on the Company’s website at <http://www.sanwa-hldgs.co.jp/> on Internet.

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### **How to Exercise Voting Rights**

#### **[Exercise of voting rights in writing]**

**You are kindly asked to send us via return mail the enclosed Form for Exercise of Voting Rights after indicating your approval or disapproval of the Proposals to arrive no later than 5:15 p.m. on June 27, 2017 (Tuesday).**

#### **[Exercise of voting rights via electronic media (including Internet)]**

**You are kindly asked to exercise your voting rights no later than 5:15 p.m. on June 27, 2017 (Tuesday) in accordance with the instructions contained in the “Guide to Exercising Your Voting Rights via Electronic Media (including Internet)” shown on page 12.**

## Reference Materials for Shareholders' Meeting

### Proposals and Reference Materials

#### Proposal 1: Appropriation of Surplus

It is proposed that surplus to be appropriated as follows.

#### Matters related to term-end dividends

It is the Company's basic policy to provide dividend payments in line with consolidated performance and to keep stable payout ratio in order to further pursue corporate management to increase the corporate value while improving the business structure and strengthening the management base. Concretely, dividend payments of the profit attributable to owners of parent for the term are aimed to be 35% as payout ratio.

By giving consideration to the business performance for the year under review and future business development, among others, the term-end dividend for the 82nd fiscal term is proposed to be ¥13 per share, as detailed below.

- (1) Type of dividend assets  
Cash
- (2) Items relating to the allocation of dividend assets to shareholders and its total amount  
¥13 per share of common stock      Total ¥2,974,274,472  
(¥25 per annum adding paid interim dividend ¥12 per share)
- (3) Effective date of payment of dividend from surplus  
June 29, 2017

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**Proposal 2:** Election of Six Directors (excluding Directors serving as Audit and Supervisory Committee Members)

At the close of this shareholders' meeting, eight Directors (excluding Directors serving as Audit and Supervisory Committee Members) will resign due to the expiration of their terms of office.

We therefore propose the election of six Directors (excluding Directors serving as Audit and Supervisory Committee Members).

Furthermore, the Audit and Supervisory Committee have considered this proposal, but have not expressed an opinion thereof.

The candidates of Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as follows:

| Candidate No. | Name (Date of Birth)  | Personal History, Positions, Role at the Company, (Important concurrent positions)   | Number of Company Shares Held   |                  |
|---------------|---|--|---|------------------|
| 1             | Toshitaka Takayama<br>(April 25, 1939)<br>(Male)                                  | August 1963  | Joined the Company  | 1,858,200 shares |
|               |   | April 1972   | Director  |                  |
|               |   | April 1974   | General Manager of Construction Material Div.   |                  |
|               |   | April 1974   | Managing Director   |                  |
|               |   | January 1977   | Head of Construction Material Dept.   |                  |
|               |   | April 1980   | Director, Vice President  |                  |
|               |   | May 1981   | Representative Director, President  |                  |
|               |   | August 1985  | Representative Director, President, SHOWAFRONT Sales Co. (currently SHOWAFRONT Co., Ltd.) |                  |
|               |   | June 2000  | Executive Officer, President  |                  |
|               |   | October 2007   | Representative Director, Chairman of the Board, Sanwa Shutter Corp. (present post)        |                  |
| April 2012    | CEO (present post) & COO  |  |   |                  |
| June 2012     | Representative Director, Chairman (present post) (Important concurrent positions) |  |   |                  |
|               |   | Representative Director, Chairman of the Board, Sanwa Shutter Corp.<br>Director, Sanwa USA Inc.<br>Director, Overhead Door Corp.<br>Director, Novoferm Europe Ltd. |   |                  |
|               |   | Attendance rate at meetings of the Board of Directors in FY 2016   | 100%  |                  |

(Reasons for selecting the candidate)

As CEO of the Company, he has taken on management of the Company Group for many years with his strong leadership, and has a high level of knowledge based on his wealth business experience in his performance and management, which have been driving forces. Thus, the Company continues to determine that he is qualified as a Director.

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| Candidate No.  | Name<br>(Date of Birth)                          | Personal History, Positions, Role at the Company,<br>(Important concurrent positions)  | Number of Company Shares Held |
|--|--|--|-------------------------------|
| 2  | Yasushi Takayama<br>(February 3, 1971)<br>(Male) | <p>October 2006      Joined the Company</p> <p>April 2008        General Manager of TCR Div.</p> <p>April 2009        General Manager of Structural Reform Div.</p> <p>April 2010        Director, Senior Executive Officer of Sanwa Shutter Corp.</p> <p>April 2010        Responsible for Group Function of Sanwa Shutter Corp.</p> <p>April 2011        Senior Executive Officer</p> <p>April 2011        Assistant Director of Overseas Business</p> <p>April 2012        Senior Managing Executive Officer</p> <p>April 2012        Responsible for Corporate Planning</p> <p>June 2012         Director</p> <p>April 2016        Executive Officer, Vice President</p> <p>April 2016        Deputy President</p> <p>April 2017        Representative Director, President (present post)</p> <p>April 2017        COO (present post)</p> <p>(Important concurrent positions)</p> <p>Director, Sanwa USA Inc.</p> <p>Director, Overhead Door Corp.</p> <p>Director, Novoferm Europe Ltd.</p> | 85,695 shares                 |
|  |  | Attendance rate at meetings of the Board of Directors in FY 2016   | 100%                          |
| (Reasons for selecting the candidate)  |  |  |                               |
| As Vice President and Deputy President he has assisted the COO, and engaged in investor relations activities in Japan and overseas, general affairs and legal, risk management related divisions, in addition to managerial decision-making for the Group as a whole, coming from a global perspective. Based on achievement and experience of developing the Company's current corporate culture, and the fact that he has been appointed COO since this fiscal year, we expect him to utilize those abilities for the business growth of the Company. Thus, the Company continues to determine that he is qualified as a Director. |  |  |                               |
| 3  | Hiroatsu Fujisawa<br>(March 4, 1953)<br>(Male)   | <p>April 2003        President and CEO, Marubeni-Itochu Steel America Inc.</p> <p>April 2009        Representative Director and President, DRESSER JAPAN, LTD.</p> <p>November 2012    Joined the Company</p> <p>April 2013        Senior Executive Officer</p> <p>April 2013        Responsible for Strategic Re-Engineering Unit</p> <p>June 2014        Director (present post)</p> <p>April 2015        Responsible for Europe Business Unit</p> <p>April 2016        Responsible for Europe and Americas Business Unit (present post)</p> <p>April 2017        Senior Managing Executive Officer (present post)</p> <p>April 2017        Responsible for Global Business Unit (present post)</p> <p>(Important concurrent positions)</p> <p>Director, Overhead Door Corp.</p> <p>Director, Novoferm Europe Ltd.</p>   | 18,700 shares                 |
|  |  | Attendance rate at meetings of the Board of Directors in FY 2016   | 100%                          |
| (Reasons for selecting the candidate)  |  |  |                               |
| He has mastered his managerial duties as Director since 2014, and contributes to performance as the manager of Global Business Unit. He is capable of supervising and monitoring management from a global perspective, while displaying his ability and knowledge in vital decision-making regarding the Company's businesses. Thus, the Company continues to determine that he is qualified as a Director.  |  |  |                               |

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| Candidate No.   | Name (Date of Birth)                         | Personal History, Positions, Role at the Company, (Important concurrent positions)  | Number of Company Shares Held |
|---|--|---|-------------------------------|
| 4   | Masahiro Fukuda<br>(June 14, 1955)<br>(Male) | <p>October 2003 General Manager of Gotanda Corporate Sales Div. 2, Sumitomo Mitsui Banking Corporation</p> <p>September 2005 Joined the Company</p> <p>September 2005 General Manager</p> <p>January 2006 Executive Adviser, Sanwa USA Inc.</p> <p>October 2007 Executive Officer</p> <p>October 2007 Responsible for Overhead Door Corporation</p> <p>April 2008 Senior Executive Officer (present post)</p> <p>April 2011 Responsible for Americas Business</p> <p>April 2012 Assistant Director of Overseas Business</p> <p>June 2012 Director (present post)</p> <p>April 2014 Director of Americas Business Unit</p> <p>April 2016 Subleader of Corporate Planning Unit<br/>General Manager of Corporate Social Responsibility Promotion Dept.</p> <p>April 2017 Responsible for Corporate Planning Unit (present post)</p> <p>(Important concurrent positions)<br/>Director, Overhead Door Corp.<br/>Director, Novoferm Europe Ltd.</p> | 68,200 shares                 |
|   |  | Attendance rate at meetings of the Board of Directors in FY 2016  | 100%                          |
| <p>(Reasons for selecting the candidate)</p> <p>As a Director since 2012, he has engaged in management of the Overseas Business Unit and Americas Business Unit, and is contributing to performance. Since last year, in the Corporate Planning Unit, he has contributed not only to business performance, but also to the enhancement of corporate value by promoting the strengthening of governance and CSR activities. Thus, the Company continues to determine that he is qualified as a Director.</p> |  |   |                               |

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| Candidate No.   | Name (Date of Birth)                          | Personal History, Positions, Role at the Company, (Important concurrent positions)  | Number of Company Shares Held |
|---|---|---|-------------------------------|
| [Outside]<br>5  | Makoto Yasuda<br>(November 7, 1937)<br>(Male) | <p>May 1977 Director and Executive Vice President of Private Investment Company for Asia (PICA) S.A.</p> <p>May 1987 Representative Chairman of Elders and Yasuda</p> <p>May 2001 Director, Li &amp; Fung Ltd.</p> <p>June 2006 Director, Azbil Corporation</p> <p>June 2007 Director, Kanematsu Textile Corporation (present post)</p> <p>September 2008 President, Yasuda Makoto &amp; Co., Ltd. (present post)</p> <p>June 2014 Director, the Company (present post)</p> <p>June 2015 Outside Audit and Supervisory Board Member, SECOM CO., LTD. (present post) (Important concurrent positions)</p> <p>President, Yasuda Makoto &amp; Co., Ltd. Outside Audit and Supervisory Board Member, SECOM CO., LTD.</p>  | 3,200 shares                  |
|   |   | Attendance rate at meetings of the Board of Directors in FY 2016  | 100%                          |
| (Reasons for selecting the candidate)   |   |   |                               |
| He has a wealth of results from many years as manager in a global corporation as well as experience in engaging in corporate management as an Outside Officer. His high level of knowledge based on this experience contributes to further functional enhancements of the Board of Directors, so the Company continues to determine that he is qualified as a Director. |   |   |                               |
| [New]<br>6  | Meiji Takayama<br>(August 27, 1973)<br>(Male) | <p>October 2006 Joined the Company</p> <p>April 2009 Manager, Sales Promotion Dept., Building Business Div. of Sanwa Shutter Corp.</p> <p>April 2010 Executive Officer of Sanwa Shutter Corp. Manager, Corporate Sales Dept., Building Materials Div.</p> <p>April 2011 Director of Sanwa Shutter Corp.</p> <p>April 2011 Senior Executive Officer</p> <p>April 2012 General Manager, Building Materials Div. Senior Managing Executive Officer</p> <p>April 2013 General Manager, Building Materials Div. Senior Managing Executive Officer</p> <p>April 2014 General Manager, Sales Development Div. Senior Managing Executive Officer</p> <p>April 2016 General Manager, Business Strategy Div.</p> <p>April 2016 Representative Director of Sanwa Shutter Corp. Executive Officer, Vice President and Deputy President</p> <p>April 2017 Representative Director</p> <p>April 2017 President (present post)</p> <p>April 2017 Chief Executive Officer (present post) (Important concurrent positions)</p> | 69,246 shares                 |
| (Reasons for selecting the candidate)   |   |   |                               |
| As Representative Director of Sanwa Shutter Corp., he has led the domestic group companies in the domestic group business with his strong leadership. Thus, the Company determines that he is qualified as a Director based on his achievement and a wealth of experience in the sales divisions.   |   |   |                               |

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**Notes:**

1. The candidate marked with [Outside] is a candidate for Outside Director, and the candidate marked with [New] is a candidate for newly appointed Director.
2. None of the candidates for the Directors has any special conflict of interest with the Company.
3. Mr. Makoto Yasuda is currently our Outside Director. His term of office will be three years as of the close of the Meeting.
4. Mr. Makoto Yasuda is a candidate for Outside Director. We have submitted to Tokyo Stock Exchange, Inc. an Independent Officer List which states his name as an independent officer. Mr. Makoto Yasuda receives compensation as a member of the Independent Committee for the Takeover Defense of the Company. The compensation as a committee member is ¥1 million or less per annum and he fulfills the Independence Criteria below for the Company's Outside Officers, in addition to fulfilling the criteria for the Tokyo Stock Exchange. **The system for Takeover Defense Measures is scheduled to be abolished as of the close of the Meeting.**
5. The Company Group has no business relationship with the companies where Mr. Makoto Yasuda concurrently serves, and the Company has determined that he has no special conflict of interest with ordinary shareholders.
6. In order to invite skillful persons as Outside Director for aiming enhancement of corporate governance of the Company, in Article 29 of the Articles of Incorporation of the Company, the Company establishes that it may enter into a limited liability agreement with Directors, excluding persons who are Executive Directors, etc. The Company has entered into a limited liability agreement with Mr. Makoto Yasuda such that the liability amount related to Paragraph 1 in Article 423 of the Companies Act shall be limited within the amount of provision by law, in accordance with Paragraph 1 in Article 427 of the same law and Article 29 of the current Articles of Incorporation of the Company. In case of his reelection, the Company will continue a similar limited liability agreement with him.
6. If Proposal 2 is approved as proposed, the composition of Board of Directors of the Company will be as follows, upon the approval of directors at the Board of Directors meeting scheduled after the Meeting.

|   |                     |
|---|---------------------|
| Representative Director, Chairman                         | Toshitaka Takayama  |
| Representative Director, President                        | Yasushi Takayama    |
| Director  | Hiroatsu Fujisawa   |
| Director  | Masahiro Fukuda     |
| Director (Part-time)                                      | Meiji Takayama      |
| Outside Director  | Makoto Yasuda       |
| Director (Audit and Supervisory Committee Member)         | Teiko Zaima         |
| Outside Director (Audit and Supervisory Committee Member) | Tsunekatsu Yonezawa |
| Outside Director (Audit and Supervisory Committee Member) | Akira Gokita        |

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With regards to the candidates for Outside Director in Proposal 2, they meet the requirements stipulated in the Company's "Independence Criteria for Outside Officers" below.

### Independence Criteria for Outside Officers

Sanwa Holdings Corporation (hereinafter referred to as the "Company") stipulates the independence criteria for Outside Officers (Outside Directors) as follows, and in the event that an Outside Officer does not fall under any of the following items, the Outside Officer possesses independence from the Company, and it is determined that no conflict of interest with general shareholders will arise.

- 1) A party who is or was executive director, corporate officer, or other staff member or employee (referred to collectively below as "Business Executive") in the Company Group (\*1).
- 2) A party who holds the Company Group to be a major trading partner (\*2), or a Business Executive thereof.
- 3) A party who is a major transaction partner (\*3) of the Company Group, or a Business Executive thereof.
- 4) A consultant, certified public accountant, or legal specialist who is receiving large amounts of money or other assets (\*4), excluding Director compensation, from the Company Group (In the case that the party receiving said assets is an organization such as a corporation or association, then persons who belong to the organization in question).
- 5) Persons belonging to an auditing firm that conducts legal audits of the Company Group.
- 6) Parties who receive donations or grants (\*5) that exceed a certain amount from the Company Group (in the event that the party receiving the donations or grants in question is an organization such as a corporation or association, a Business Executive in the organization in question).
- 7) A major financial institution (\*6) that is a lender of the Company Group, or a Business Executive in its parent company or subsidiary.
- 8) A major shareholder (\*7) of the Company Group, or in the event that said major shareholder is a corporation, a Business Executive at the corporation in question.
- 9) Persons who have fallen under items 2) through 8) above within the past three years.
- 10) Close relations, etc., (\*9) of persons falling under 1) through 9) above (restricted to parties in an important position (\*8))
- 11) Even in the event that a person falls under 1) through 10) above, in light of the person's character, acumen, etc., with regard to persons who have been determined to have independence, it is possible that they will become an independent officer of the Company if, at the time of Outside Officer election, the reasons for which are explained and revealed.

\*1 The Company Group refers to the Company and associated companies (subsidiaries and affiliate companies).

\*2 Major transaction partners of the Company refer to a transaction partner group that provides products or services to the Company Group (refers to direct transaction partners, their parent companies and subsidiaries, and corporate groups that consist of the subsidiaries of the parent companies in question. The same applies below), and the average transaction amount for the past three fiscal years exceeds 2% of the group in question's annual consolidated net sales.

\*3 A major transaction partner of the Company Group refers to a transaction partner group that is provided products or services by the Company Group, and where the average transaction value of the past three fiscal years exceeds 2% of the Company Group's annual consolidated net sales.

\*4 A large amount of money or other assets refers to an amount of money or benefit from other assets that exceeds ¥10 million per annum in the past business year, excluding officer compensation.

\*5 Donations or grants that exceed a certain amount refer to donations or grants that exceed ¥10 million per annum on average for the past three business years, or 2% of the other party's gross income for the most recent business year, whichever is greater.

\*6 A major financial institution refers to a financial institution in which the total amount lent at the

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- end of the most recent business year exceeds 2% of the Company's consolidated assets.
- \*7 A major shareholder refers to a shareholder that possesses a ratio of 10% or more of voting rights (includes both direct possession and indirect possession).
  - \*8 A party in an important position refers to a director (excluding outside directors), executive officer, corporate officer, or employees that are high-level executives of general manager level or above, as well as persons belonging to auditing firms or accounting firms, including certified public accountants, persons belonging to legal firms, including lawyers, persons who belong to corporations such as foundations, incorporated associations, educational corporations, including administrators such as councilors, administration officers, and auditor-secretaries, and persons that could objectively and reasonably be judged to hold equivalent important positions.
  - \*9 Close relation refers to a spouse and relatives within two degrees of kinship.

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## **Guide to Exercising Your Voting Rights via Electronic Media (including Internet)**

Please read the following items before exercising your voting rights via the Internet.

If attending the meeting, neither exercising your voting rights by mail (Voting Rights Exercise Form) or via the Internet is necessary.

### 1. Website for exercising voting rights

- (1) The exercise of voting rights via the Internet is only possible by accessing the Company's website dedicated for the purpose of exercising voting rights (<http://www.evotep.jp/>) via a personal computer, smartphone or mobile phone (i-mode, EZweb and Yahoo! Keitai; please note that this service is unavailable every day between 2:00 a.m. and 5:00 a.m.).

Note: i-mode, EZweb and Yahoo! Keitai are trademarks or registered trademarks of NTT DoCoMo, Inc., KDDI CORPORATION and Yahoo! Inc. [U.S.], respectively.

- (2) Depending on their Internet user environments, shareholders using personal computers or smartphones may not be able to exercise their voting rights via this dedicated voting site due to Internet firewalls, antivirus software, proxy servers, etc.
- (3) To exercise voting rights on a mobile phone, i-mode, EZweb or Yahoo! Keitai service capability is necessary. Even if shareholders have access to one of the above services, some may not be able to use the service if their mobile phone models are incapable of sending information or encrypted TLS communication for security purposes.
- (4) Votes will be accepted via the Internet by 5:15 p.m., Tuesday, June 27, 2017; however, you are cordially requested to exercise your voting rights earlier, and call the Help Desk (as mentioned below) with any inquiries or questions.

### 2. How to exercise voting rights via the Internet

- (1) When you access the website for exercising voting rights (<http://www.evotep.jp/>), enter the "login ID" and "temporary password" indicated on the Voting Rights Exercise Form and then enter your vote for the proposal according to the instructions on the screen.
- (2) To prevent people other than shareholders (impostors) from illegally accessing the site and altering the content of your voting selections, we will ask shareholders who use the site to change their "temporary passwords" on the site for exercising voting rights.
- (3) You will be provided with a new "login ID" and "temporary password" each time a General Meeting of Shareholders is convened.

### 3. How multiple votes for the same shareholder will be handled

- (1) If we receive votes both by conventional mail and via the Internet, we will consider the Internet vote to be the valid vote.
- (2) When exercising voting rights via the Internet multiple times, we will consider the last vote received to be the valid vote. When exercising voting rights via a personal computer,

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smartphone and/or mobile phone, we will consider the last vote received to be the valid vote.

4. Costs arising from accessing the site for exercising voting rights

Costs arising from accessing the site for exercising voting rights (Internet connection fees, etc.) will be borne by the shareholder. When using a mobile phone, etc. to vote, there will be costs such as packet communication fees or other fees for using the mobile phone, etc., and these fees will be borne by the shareholder.

5. The “Platform for Exercising Voting Rights” for institutional investors

As an additional method for exercising your voting rights using electronic means other than the method described above, any trust management bank or other nominal shareholders (including standing proxies) may use the electronic voting platform for institutional investors operated by ICJ, Inc., a joint venture established by the Tokyo Stock Exchange, Inc. and others, subject to prior request for the use of the platform.

6. Contact information regarding the exercise of voting rights via the Internet

(1) For inquiries concerning operating procedures for personal computers

Stock Transfer Agency Division (Help Desk)

Mitsubishi UFJ Trust and Banking Corporation

Telephone: 0120-173-027 (toll free)

Business hours: 9:00 a.m.—9:00 p.m.

(2) For all inquiries other than the above

Stock Transfer Agency Division

Mitsubishi UFJ Trust and Banking Corporation

Telephone: 0120-232-711 (toll free)

Business hours: 9:00 a.m.—5:00 p.m. (except on weekends and national holidays)