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(Stock Exchange Code 3232)
June 1, 2017

To Shareholders with Voting Rights:

Toshihide Ogura
President and Representative Director
Mie Kotsu Group Holdings, Inc.
1-1, Chuo, Tsu City, Mie

**NOTICE OF
THE 11TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 11th Ordinary General Meeting of Shareholders of Mie Kotsu Group Holdings, Inc. (the "Company"). The meeting will be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in writing or via the Internet etc. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:10 p.m. on Thursday, June 22, 2017, Japan standard time.

1. Date and Time: Friday, June 23, 2017 at 10:00 a.m. Japan standard time

2. Place: Tsu Center Palace Hall on
5th floor of Tsu Center Palace Building
7-15, Daimon, Tsu City, Mie, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 11th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 11th Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Seventeen (17) Directors

4. Other:

Of the documents required to be appended to this Notice of Convocation as attachments, the Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements, which are part of the Consolidated Financial Statements, and the Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements, which are part of the Non-consolidated Financial Statements, have been posted on the Company's website (<http://holdings.sanco.co.jp/>) in accordance with laws and regulations and Article 15 of the Articles of Incorporation of the Company, and are therefore not included in the attached documents.

Therefore, the Consolidated Financial Statements and the Non-consolidated Financial Statements included in this Notice are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Board of Auditors and the Accounting Auditor in preparing their respective Audit Reports.

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1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this Notice with you.
2. Any updates to the Reference Documents for the General Meeting of Shareholders and the Attached Documents will be posted on the Company's website (<http://holdings.sanco.co.jp/>). (Japanese only)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Matters concerning year-end dividends

With respect to the year-end dividends for the 11th fiscal year, the financial results and future business developments are taken into account.

The Company was able to celebrate its 10th anniversary in October 2016. The Company would like to express its sincere gratitude, as this was made possible due to the support provided firstly by our shareholders and all related parties.

Therefore, it is proposed that a year-end dividend be ¥7 per share consisting of a common dividend of ¥6 and a commemorative dividend of ¥1 for the 10th anniversary, to express our appreciation to our shareholders.

1. Type of dividend property
Cash
2. Allocation of dividend property to shareholders and total amount thereof
¥7 per share of common stock of the Company
(consisting of a common dividend of ¥6 and a commemorative dividend of ¥1)
Total amount of dividends: ¥692,983,809
3. Effective date of distribution of dividends of surplus
June 26, 2017

Proposal 2: Election of Seventeen (17) Directors

The terms of office of all Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of 17 Directors is proposed.

The candidates for director are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	Naoyuki Okamoto (December 29, 1946) (Reappointment)	April 1970 Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) June 2003 Director of Kintetsu Corporation June 2005 Senior Managing Director of Kintetsu Corporation June 2007 Vice President and Representative Director of Kintetsu Corporation June 2010 President and Representative Director of the Company June 2010 Chairman and Representative Director of Mie Kotsu Co., Ltd. June 2010 Chairman and Representative Director of Sanco Real Estate Co., Ltd. June 2010 Chairman and Representative Director of Meihankintetsu Bus Co., Ltd. June 2016 Chairman and Representative Director of the Company (present)	60,100
<p><Reason for selection as a candidate for director> Mr. Naoyuki Okamoto has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1970 and has gained a wealth of business experience through his involvement in public relations, personnel affairs, and the real estate business. He became Director of Kintetsu Corporation in 2003 and has in-depth knowledge and a wealth of experience of corporate management. He has been engaged in the Group's management as the President and Representative Director of the Company since 2010 and as the Chairman and Representative Director since 2016. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors. Thus, the Company selected him as a candidate for director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
2	Toshihide Ogura (September 9, 1955) (Reappointment)	April 1978	Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)	21,400
		June 2009	Executive Officer of Kintetsu Corporation	
June 2012	Director and Managing Executive Officer of Kintetsu Corporation			
June 2015	Director and Senior Managing Executive Officer of Kintetsu Group Holdings Co., Ltd.			
June 2016	Chairman and Representative Director of Mie Kotsu Co., Ltd. (present)			
June 2016	Chairman and Representative Director of Sanco Real Estate Co., Ltd. (present)			
June 2016	Chairman and Representative Director of Meihankintetsu Bus Co., Ltd. (present)			
June 2016	President and Representative Director of the Company (present)			
		[Significant concurrent positions] Chairman and Representative Director of Mie Kotsu Co., Ltd. Chairman and Representative Director of Sanco Real Estate Co., Ltd. Chairman and Representative Director of Meihankintetsu Bus Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Toshihide Ogura has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1978 and has gained a wealth of business experience through his involvement in general affairs and administration of the Group. He has been serving as Executive Officer of Kintetsu Corporation since 2009 and has in-depth knowledge and a wealth of experience in the Group's management. He has been engaged in the Group's management as the President and Representative Director of the Company since 2016. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
3	Kei Kumoi (June 21, 1957) (Reappointment)	April 1980	Joined Mie Kotsu Co., Ltd.	40,650
		June 2010	Director of Mie Kotsu Co., Ltd.	
June 2011	Director of the Company			
June 2012	Managing Director of Mie Kotsu Co., Ltd.			
June 2013	Senior Managing Director of Mie Kotsu Co., Ltd.			
June 2014	President and Representative Director of Mie Kotsu Co., Ltd. (present)			
June 2014	Vice President and Representative Director of the Company (present)			
		[Significant concurrent positions] President and Representative Director of Mie Kotsu Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Kei Kumoi has been working for the Group since 1980 and has gained a wealth of business experience through his involvement in planning, personnel affairs, and general affairs. He has been engaged in the Group's management as a Director of the Company since 2011, and has assumed the position of the President and Representative Director of Mie Kotsu Co., Ltd. in 2014. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
4	Shinya Nakagawa (September 7, 1958) (Reappointment)	April 1981	Joined Mie Kotsu Co., Ltd.	12,700
		June 2005	Director of Sanco Cogyo Co., Ltd.	
		June 2007	Managing Director of Sanco Cogyo Co., Ltd.	
		June 2011	Director of Meihankintetsu Bus Co., Ltd.	
		June 2013	Managing Director of Sanco Real Estate Co., Ltd.	
		June 2015	Managing Director of Mie Kotsu Co., Ltd. (present)	
		June 2015	Director of the Company (present)	
		[Responsibilities at the Company] Supervisor of Accounting Group Responsible for Internal Control Office		
		[Significant concurrent positions] Managing Director of Mie Kotsu Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Shinya Nakagawa has been working for the Group since 1981 and has gained a wealth of business experience through his involvement in accounting and as a Director of a company in the Group. He has been engaged in the Group's management as a Director of the Company since 2015. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
5	Toru Kitamura (July 18, 1961) (Reappointment)	April 1984	Joined Mie Kotsu Co., Ltd.	13,900
		June 2013	Director of Mie Kotsu Co., Ltd.	
		June 2015	Managing Director of Mie Kotsu Co., Ltd. (present)	
		June 2016	Director of the Company (present)	
		[Responsibilities at the Company] Responsible for Human Resources, General Affairs and Human Resources Group		
		[Significant concurrent positions] Managing Director of Mie Kotsu Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Toru Kitamura has been working for the Group since 1984 and has gained a wealth of business experience through his involvement in planning and accounting. He has been engaged in the Group's management as a Director of the Company since 2016. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
6	Noriyuki Kawamura (January 9, 1953) (Reappointment)	April 1975	Joined Mie Kotsu Co., Ltd.	39,500
		June 2007	Director of Mie Kotsu Co., Ltd.	
		June 2009	Managing Director of Mie Kotsu Co., Ltd.	
		June 2011	Senior Managing Director of Mie Kotsu Co., Ltd.	
		June 2011	Director of the Company (present)	
		June 2013	President and Representative Director of Mie Isuzu Motor Co., Ltd. (present)	
		[Significant concurrent positions] President and Representative Director of Mie Isuzu Motor Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Noriyuki Kawamura has been working for the Group since 1975 and has gained a wealth of business experience through his involvement in personnel affairs and general affairs. He has been engaged in the Group's management as a Director of the Company since 2011. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
7	Toshiaki Fujii (February 10, 1955) (Reappointment)	April 1977	Joined Mie Kotsu Co., Ltd.	33,400
		June 2004	President and Representative Director of Toba Seaside Hotel Co., Ltd.	
		June 2007	Director of Mie Kotsu Co., Ltd.	
		June 2009	Director of the Company	
		June 2011	Vice President and Representative Director of Sanco Creative Life Co.,Ltd.	
		June 2013	Director of the Company (present)	
		June 2013	President and Representative Director of Sanco Creative Life Co.,Ltd. (present)	
		[Significant concurrent positions] President and Representative Director of Sanco Creative Life Co.,Ltd.		
<p><Reason for selection as a candidate for director> Mr. Toshiaki Fujii has been working for the Group since 1977 and has gained a wealth of business experience through his involvement in the bus business and as a Director of a company in the Group. He has been engaged in the Group's management as a Director of the Company since 2009. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
8	Kenichi Takeya (July 28, 1956) (Reappointment)	April 1979	Joined Mie Kotsu Co., Ltd.	25,600
		June 2009	Director of Mie Kotsu Co., Ltd.	
		June 2011	Managing Director of Mie Kotsu Co., Ltd.	
		June 2013	Director of the Company (present)	
		June 2013	Senior Managing Director of Mie Kotsu Co., Ltd. (present)	
		[Significant concurrent positions] Senior Managing Director of Mie Kotsu Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Kenichi Takeya has been working for the Group since 1979 and has gained a wealth of business experience through his involvement in the bus business and as a Director of a company in the Group. He also has been engaged in the Group's management as a Director of the Company since 2013. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
9	Manabu Takabayashi (September 13, 1956) (Reappointment)	April 1981	Joined Mie Kotsu Co., Ltd.	18,300
		June 2011	Director of Mie Kotsu Co., Ltd.	
		June 2013	Managing Director of Mie Kotsu Co., Ltd.	
		June 2014	Senior Managing Director of Mie Kotsu Co., Ltd.	
		June 2014	Director of the Company (present)	
		June 2016	President and Representative Director of Sanco Real Estate Co., Ltd. (present)	
		[Significant concurrent positions] President and Representative Director of Sanco Real Estate Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Manabu Takabayashi has been working for the Group since 1981 and has gained a wealth of business experience through his involvement in the bus business and personnel affairs. He has been engaged in the Group's management as a Director of the Company since 2014. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
10	Takeshi Matsuda (April 14, 1957) (Reappointment)	April 1980	Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)	15,500
		June 2014 June 2016	Director of the Company Managing Director of the Company (present)	
[Responsibilities at the Company] Supervisor of Planning Office and General Affairs and Human Resources Group				
<Reason for selection as a candidate for director> Mr. Takeshi Matsuda has been working for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1980 and has gained a wealth of business experience through his involvement in the railway business. He has been engaged in the Group's management as a Director of the Company since 2014. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.				
11	Tomohiro Okawa (August 5, 1955) (Reappointment)	April 1979	Joined Mie Kotsu Co., Ltd.	14,700
		June 2009	Director of Sanco Home Co., Ltd. (current Sanco Real Estate Co., Ltd.)	
		April 2010	Executive Officer of Sanco Real Estate Co., Ltd.	
		June 2012	Director of Mie Kotsu Co., Ltd.	
		April 2013	President and Representative Director of Sanco Inn Co., Ltd. (present)	
		June 2015	Director of the Company (present)	
[Significant concurrent positions] President and Representative Director of Sanco Inn Co., Ltd.				
<Reason for selection as a candidate for director> Mr. Tomohiro Okawa has been working for the Group since 1979 and has gained a wealth of business experience through his involvement in the real estate business and as a Director of a company in the Group. He also has been engaged in the Group's management as a Director of the Company since 2015. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
12	Haruhisa Umeyama (December 18, 1958) (Reappointment)	April 1981	Joined Mie Kotsu Co., Ltd.	19,200
		June 2004	Director of Gozaisho Ropeway Co., Ltd.	
		June 2005	Managing Director of Gozaisho Ropeway Co., Ltd.	
		June 2011	Director of Mie Kotsu Co., Ltd.	
		June 2013	Managing Director of Mie Kotsu Co., Ltd.	
		June 2015	President and Representative Director of Mie Kotsu Shoji Co., Ltd. (present)	
		June 2015	Director of the Company (present)	
		[Significant concurrent positions] President and Representative Director of Mie Kotsu Shoji Co., Ltd.		
<p><Reason for selection as a candidate for director> Mr. Haruhisa Umeyama has been working for the Group since 1981 and has gained a wealth of business experience through his involvement in the bus business, general affairs, and personnel affairs and as a Director of a company in the Group. He also has been engaged in the Group's management as a Director of the Company. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
13	Tetsuya Kobayashi (November 27, 1943) (Outside Director) (Reappointment)	April 1968	Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)	13,000
		June 2001	Director of Kintetsu Corporation	
		June 2003	Managing Director of Kintetsu Corporation	
		June 2005	Senior Managing Director of Kintetsu Corporation	
		June 2007	President and Representative Director of Kintetsu Corporation	
		June 2007	President and Representative Director of Mieken Kanko Kaihatsu Co., Ltd.	
		June 2010	Outside Director of the Company (present)	
		June 2013	Chairman and Representative Director of Mieken Kanko Kaihatsu Co., Ltd.	
		April 2015	Chairman and Representative Director of Kintetsu Group Holdings Co., Ltd. (present)	
		June 2015	Chairman and Director of Mieken Kanko Kaihatsu Co., Ltd. (retired in June 2016)	
		[Significant concurrent positions] Chairman and Representative Director of Kintetsu Group Holdings Co., Ltd. Chairman and Director of Kintetsu Department Store Co., Ltd. Chairman and Director of KNT-CT Holdings Co., Ltd. Outside Director of Kintetsu World Express, Inc. Director of Kin-Ei Corp. Outside Director of The Kansai Electric Power Company, Incorporated		
<p><Reason for selection as a candidate for outside director> Mr. Tetsuya Kobayashi joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) in 1968 and has gained a wealth of business experience through his involvement in the railway business. He was appointed Director of Kintetsu Corporation in 2001 and has gained knowledge and experience in management. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing the knowledge and experience gained in the course of his career in management, and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company selected him as a candidate for outside director.</p>				

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
14	Atsumasa Uchida (February 19, 1947) (Outside Director) (Independent Director) (Reappointment)	September 1977 Institutional Assistant, National Defense Medical College May 1980 Lecturer, National Defense Medical College October 1995 Assistant Professor, Faculty of Medicine, Osaka University May 1996 Professor, Faculty of Medicine, Mie University April 2005 Director of Mie University Hospital April 2009 President of Mie University April 2015 Adviser to the President of Mie University (present) June 2015 Outside Director of the Company (present) [Significant concurrent positions] Adviser to the President of Mie University	500
<p><Reason for selection as a candidate for outside director> Mr. Atsumasa Uchida has experience in university management in addition to his career as a university professor through his service as the President of Mie University. Based on his deep insight and a wealth of experience gained in the course of his career, the Company considers that he is capable of providing accurate advice on management of the Company from an objective viewpoint. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company selected him as a candidate for outside director.</p>			
15	Yoshiyuki Kusui (May 14, 1954) (Outside Director) (Independent Director) (Reappointment)	April 1980 Mie Prefectural Government April 1985 Registered as attorney-at-law January 1992 Opened Kusui Law Office December 2011 Outside Auditor of Being Co., Ltd. June 2014 Outside Auditor of the Company June 2015 Outside Director of Being Co., Ltd. (present) June 2016 Outside Director of the Company (present) [Significant concurrent positions] Attorney-at-law Outside Director of Being Co., Ltd.	8,700
<p><Reason for selection as a candidate for outside director> Mr. Yoshiyuki Kusui has served as an Outside Auditor of the Company since 2014 and has been engaged in audits of the Company to ascertain whether performance of duties of management is appropriate. Based on his wealth of knowledge and experience cultivated as an attorney-at-law, the Company considers that he is capable of providing accurate advice on management of the Company from an objective viewpoint. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors and to the enhancement of the Group's corporate value over the medium to long term. Thus, the Company selected him as a candidate for outside director.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
16	Toshiya Shibata (December 30, 1962) <New candidate>	April 1986	Joined Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.)	19,200
		November 2008	General Manager of Planning and Accounting Group (responsible for Corporate Planning) (current Planning Office) of the Company (present)	
July 2011	General Manager of General Affairs and Human Resources Group (responsible for Corporate Communications) of the Company (present)			
<p><Reason for selection as a candidate for director> Mr. Toshiya Shibata worked for Kintetsu Corporation (current Kintetsu Group Holdings Co., Ltd.) since 1986 and was mainly engaged in transportation and planning. He was engaged in the planning of the Group's management strategy since 2008, as the General Manager of the Company. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				
17	Sumito Ando (July 21, 1961) <New candidate>	April 1984	Joined Mie Kotsu Co., Ltd.	14,700
		March 2011	Director of Matsusaka Country Club Co., Ltd.	
April 2013	General Manager of Real Estate Sales Dept., Mie Kotsu Co., Ltd.			
June 2013	Director of Mie Kotsu Co., Ltd.			
June 2014	Representative Director of Mie Kyuko Jidosha Co., Ltd. (present)			
June 2014	Representative Director of Happu Bus Co., Ltd. (present)			
June 2015	Managing Director of Mie Kotsu Co., Ltd. (present)			
<p><Reason for selection as a candidate for director> Mr. Sumito Ando has been working for the Group since 1984 and has gained a wealth of business experience through his involvement in the bus business and the real estate business and as a Director of companies in the Group. The Company believes that he can contribute to strengthening the effectiveness of the decision-making and control function of the Board of Directors by utilizing his experience and insight at the Board of Directors of the Company. Thus, the Company selected him as a candidate for director.</p>				

(Notes)

1. There are no special interests between each of the candidates and the Company.
2. Messrs. Tetsuya Kobayashi, Atsumasa Uchida, and Yoshiyuki Kusui are candidates for Outside Director. Mr. Tetsuya Kobayashi will have served as Outside Director for seven years, Mr. Atsumasa Uchida will have served as Outside Director for two years, and Mr. Yoshiyuki Kusui will have served as Outside Director for one year at the conclusion of this Ordinary General Meeting of Shareholders.
3. The Company has appointed Mr. Atsumasa Uchida and Mr. Yoshiyuki Kusui as Independent Directors as prescribed by the Tokyo Stock Exchange and the Nagoya Stock Exchange and submitted a notification of the appointment to these Exchanges.
4. Kintetsu Group Holdings Co., Ltd. (former Kintetsu Corporation), where Mr. Tetsuya Kobayashi serves as the Chairman and Director, received an administrative order from the Minister of Consumer Affairs on December 19, 2013 because menus etc. of Japanese-style hotels and other hotels that are managed by Kintetsu Group Holdings Co., Ltd. and whose operations are entirely entrusted to its subsidiaries contained misrepresentations violating the Act against Unjustifiable Premiums and Misleading Representations of Japan.
5. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act and Article 28 of the Articles of Incorporation, the Company has entered into agreements with Messrs. Tetsuya Kobayashi, Atsumasa Uchida, and Yoshiyuki Kusui that limit their liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations. If their reappointment is approved, the Company intends to continue the said agreements with them.
6. Mr. Takeshi Matsuda is scheduled to assume the office of President and Representative Director of Meihankintetsu Bus Co., Ltd. on June 23, 2017.
7. Mr. Sumito Ando is scheduled to assume the office of President and Representative Director of Sanco Community Co., Ltd. on June 23, 2017.

[Reference]

Criteria for Independence of Outside Directors/Auditors

Mie Kotsu Group Holdings, Inc. (hereinafter the “Company”) defines the criteria for independence of outside directors/auditors of the Company as stated below. If an Outside Director/Auditor (including a candidate) does not fall under any of the following attributes, the Company judges that he/she is highly independent from the Company.

1. A person executing operations of the Company or consolidated subsidiaries of the Company (hereinafter the “Group”) *1
2. A major shareholder of the Company*2 or a person executing operations of the Company
3. The person executing operations of a principal business partner*3 of the Group
4. The person executing operations of a principal lender*4 to the Group
5. A certified public accountant who belongs to the accounting firm that is the accounting auditor of the Group
6. An attorney, a certified public accountant, a tax accountant, a consultant, etc. who has received an amount of money or other property exceeding ¥10 million a year from the Group
7. A person executing operations of an organization that has received a donation exceeding ¥10 million a year from the Group
8. The person executing operations of a company that has a member of the board dispatched from the Group
9. An immediate family member of a person who comes under any of 1 to 8 above *5
10. Any person who may have potential conflicts of interest with general shareholders of the Company

(Notes)

1. A “person executing operations” means an executive director, an executive officer, a senior executive and an employee with similar power (including a person who was a person executing operations in the past 10 years).
2. A major shareholder means a shareholder that holds 10% or more of the total voting rights of the Company.
3. A principal business partner means a customer or a supplier of the Group whose annual transaction amount with the Group exceeds 2% of consolidated net sales of the Company or such party in the most recent fiscal year or in any of the three preceding fiscal years.
4. A principal lender means a financial institution that cannot be substituted in the Group’s financing.
5. An immediate family member means the spouse of the person or a relative in the second degree of kinship or a relative residing together with the person.