

*This document has been translated from a part of the Japanese original for the convenience of non-Japanese shareholders. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.*

Securities identification code: 1980  
June 7, 2016

To our shareholders:

Shohei Kitano  
President and Director  
**DAI-DAN CO., LTD.**  
1-9-25 Edobori, Nishi-ku, Osaka-city

## **NOTICE OF THE 87TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We would like to extend our heartfelt sympathies to all those affected by the Kumamoto Earthquake as well as our wishes for a speedy recovery.

You are cordially invited to attend the 87th Ordinary General Meeting of Shareholders of DAI-DAN 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. Please indicate your approval or disapproval of the proposals on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail to reach us no later than 6:00 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. Place:** 7F Conference Room, Osaka Head Office  
1-9-25 Edobori, Nishi-ku, Osaka-city
- 3. Purposes:**
  - Items to be reported:**
    1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 87th Term (from April 1, 2015 to March 31, 2016)
    2. The results of audit of the Consolidated Financial Statements for the 87th Term by the Accounting Auditors and the Board of Corporate Auditors
  - Items to be resolved:**
    - Proposal 1:** Appropriation of surplus
    - Proposal 2:** Election of one (1) Director
    - Proposal 3:** Election of four (4) Corporate Auditors

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### Proposal 1: Appropriation of surplus

The Company considers the return of profits to its shareholders to be its top management priority. The Company adopts the basic policy of ensuring the stable and continuous payment of cash dividends while establishing a sound financial position.

Taking into consideration the need to return profits commensurate with the strong performance in the fiscal year, the Company proposes an ordinary dividend of 9 yen per share and a bonus dividend of 2 yen per share, as set forth below. The Company has already paid an interim dividend of 9 yen per share; therefore, the annual dividend totals 20 yen per share (an increase of 2 yen from the previous year).

#### 1. Matters related to year-end dividends

##### (1) Type of dividend property

Cash

##### (2) Allocation of dividend property and total amount thereof

11 yen per common share of the Company (ordinary dividend: 9 yen; bonus dividend: 2 yen)  
Total amount of dividends: 490,546,837 yen

##### (3) Effective date of distribution of dividends of surplus

June 30, 2016

**Proposal 2: Election of one (1) Director**

The Company plans to appoint one (1) additional Director in order to further enhance the Company's management strengths. Accordingly, the Company proposes that one (1) Director be elected.

Pursuant to the Articles of Incorporation, the term of office of an additionally elected Director shall be the same as the terms of incumbent Directors.

The candidate for Director is as follows:

Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
Tomoki Tateishi (October 21, 1957)  [New election]	April 1980      Joined the Company. April 2004      Head of Design Department at Nagoya Branch April 2008      Head of Sales Department 1 at Nagoya Branch October 2010    Deputy Sales Coordination and Manager of Sales Department 1 at Nagoya Branch April 2011      Sales Coordination at Nagoya Branch April 2013      Deputy General Manager of Osaka Head Office, Technical Development Coordination May 2015       Corporate Officer, Deputy General Manager of Osaka Head Office, Technical Development Coordination April 2016      Senior Corporate Officer, in charge of Central Japan Area, General Manager of Nagoya Branch (present position)	8,000

Notes:

1. There is no special interest between the candidate and the Company.
2. The Company's reason for nominating Tomoki Tateishi as a candidate for Director is as follows: Tomoki Tateishi has worked in design, sales, and technical development department, served as Deputy General Manager of Osaka Head Office, and currently serves as Senior Corporate Officer and General Manager of Nagoya Branch. As such, he has extensive operational experience and insight in management in general. In view of these qualities, the Company believes that he will duly perform his duties as Director.

**Proposal 3: Election of four (4) Corporate Auditors**

The tenures of all four (4) Corporate Auditors will expire at the close of this General Meeting of Shareholders. Therefore, the Company proposes that four (4) Corporate Auditors be elected.

The Board of Corporate Auditors has given its consent to this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Masaharu Takitani (April 22, 1953)</p> <p>[New election] &lt; Candidate for Outside Corporate Auditor &gt;</p>	<p>April 1976      Joined The Sanwa Bank, Ltd. (Currently The Bank of Tokyo- Mitsubishi UFJ, Ltd.).</p> <p>April 1996      General Manager of Koshien Branch of The Sanwa Bank, Ltd</p> <p>February 1998    Senior Manager of Second Finance Department of The Sanwa Bank, Ltd.</p> <p>May 1999        General Manager of Uemachi Branch of The Sanwa Bank, Ltd.</p> <p>June 2000        Assistant Manager of Retail Credit Office of The Sanwa Bank, Ltd.</p> <p>October 2001     Manager of Retail Credit Office (Tokyo) of The Sanwa Bank, Ltd.</p> <p>January 2002     General Manager of Retail Credit Department (Tokyo) of The UFJ Bank, Ltd.</p> <p>July 2003        General Manager of Internal Audit Department (Tokyo) of The UFJ Bank, Ltd.</p> <p>January 2006     Deputy Director General of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>February 2006    Manager of Accounting Department of ASAHIYA SHOTEN</p> <p>March 2007       Director, Manager of Accounting Department of ASAHIYA SHOTEN</p> <p>October 2009     Director in charge of Finance and Accounting of ASAHIYA SHOTEN</p> <p>June 2012        Outside Corporate Auditor of Japan Bridge Corporation</p> <p>December 2012   Outside Corporate Auditor of Oriental Shiraishi Corporation (present position)</p> <p>April 2014        Outside Corporate Auditor of OSJB Holdings Corporation (formerly, Japan Bridge Corporation) (present position)</p> <p>[Significant concurrent positions outside the Company] Outside Corporate Auditor, OSJB Holdings Corporation Outside Corporate Auditor, Oriental Shiraishi Corporation</p>	0

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Hideshi Osaki (November 3, 1957)  [New election]	April 1981      Joined the Company. April 2005      Manager of Administration Department at Tokyo Head Office April 2008      Manager of Administration Department at Osaka Head Office April 2010      Manager of Administration Department at Kyushu Branch May 2015      Deputy General Manager of Kyushu Branch, Manager of Administration Department at Kyushu Branch (present position)	1,000

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p data-bbox="312 1070 560 1133">Koji Kono (September 17, 1952)</p> <p data-bbox="331 1173 541 1305">[New election] &lt; Candidate for Outside Corporate Auditor &gt;</p>	<p data-bbox="579 472 703 501">April 1978</p> <p data-bbox="579 510 703 539">April 2003</p> <p data-bbox="579 645 692 674">June 2005</p> <p data-bbox="579 786 692 815">June 2007</p> <p data-bbox="579 958 692 987">June 2009</p> <p data-bbox="579 1064 692 1093">June 2010</p> <p data-bbox="579 1169 692 1198">April 2012</p> <p data-bbox="579 1303 692 1332">June 2012</p> <p data-bbox="579 1444 692 1473">April 2016</p> <p data-bbox="579 1527 1209 1585">[Significant concurrent positions outside the Company] Counselor, Osaka Gas Co., Ltd.</p>	0

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Yoshimitsu Nishiuchi (October 8, 1949)  [New election]	<p>April 1972      Joined the Company.</p> <p>March 1997      Manager of Technical Department 3 at Tokyo Head Office</p> <p>April 2001      Technical Development Coordination and Manager of Technical Management Department at Tokyo Head Office</p> <p>June 2002      Director, Deputy General Manager of Tokyo Head Office, Technical Development Coordination and Manager of Technical Management Department</p> <p>October 2004    Director, Head of Technical Construction Division</p> <p>January 2005    Director, Head of Technical Construction Division and Manager of Purchase Department</p> <p>March 2005      Director, Head of Technical Construction Division</p> <p>July 2005        Managing Director, Head of Technical Construction Division</p> <p>April 2008        Director, Executive Corporate Officer, in charge of East Japan Area, and General Manager of Tokyo Head Office</p> <p>April 2009        Director, Senior Executive Corporate Officer, in charge of East Japan Area, and General Manager of Tokyo Head Office</p> <p>April 2010        Director, Senior Executive Corporate Officer, Head of General Administration Division</p> <p>April 2011        Chief Executive Corporate Officer, in charge of Special Missions</p> <p>October 2011     Chief Executive Corporate Officer, Head of Technical Construction Division</p> <p>April 2014        Chief Executive Corporate Officer, in charge of Technical Construction Division</p> <p>May 2015         Corporate Officer in charge of Technical Construction Division (present position)</p>	48,100



Notes:

1. There is no special interest between the candidates and the Company.
2. Masaharu Takitani will resign as Outside Corporate Auditor of Oriental Shiraishi Corporation as of the close of the said company's Ordinary General Meeting of Shareholders, which will be held on June 14, 2016. He will resign as Outside Corporate Auditor of OSJB Holdings Corporation as of the close of the said company's Ordinary General Meeting of Shareholders, which will be held on June 29, 2016.
3. Upon the approval of the candidates, the Company will, pursuant to Article 427, Paragraph 1 of the Companies Act, conclude limited liability agreements with them so as to limit their liability for damages as provided in Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damages shall be up to the total of the amounts specified in Article 425, Paragraph 1 of the Companies Act.
4. (1) The Company's reason for nominating Masaharu Takitani as a candidate for Outside Corporate Auditor is as follows: Masaharu Takitani has extensive experience in a financial institution for many years, and he has broad insight as a company director. The Company believes that he will use these qualities to strengthen the Company's auditing system.  
(2) The Company's reason for nominating Hideshi Osaki as a candidate for Corporate Auditor is as follows: Hideshi Osaki has extensive operational experience in general administration for many years, and he has considerable insights into finance and accounting. In view of these qualities, the Company believes that he will duly perform his duties as Corporate Auditor of the Company.  
(3) The Company's reason for nominating Koji Kono as a candidate for Outside Corporate Auditor is as follows: Koji Kono has extensive experience and deep insight in business management. The Company believes that he will use these qualities to strengthen the Company's auditing system.  
(4) The Company's reason for nominating Yoshimitsu Nishiuchi as a candidate for Corporate Auditor is as follows: Yoshimitsu Nishiuchi has insights in the general management and administration of construction operations as he has worked primarily in technical development department and served as Head of Technical Construction Division and Head of General Administration Division. In view of these qualities, the Company believes he will duly perform his duties as Corporate Auditor of the Company.
5. Masaharu Takitani fulfills the requirements for Independent Officer as defined by the Tokyo Stock Exchange. If his election is approved, the Company intends to register him as Independent Officers.