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Securities code: 1980

June 6, 2018

To our shareholders:

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

## **NOTICE OF THE 89TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 89th 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., Wednesday, June 27, 2018 (Japan Standard Time).

**1. Date and Time:** Thursday, June 28, 2018 at 10:00 a.m. (Japan Standard Time)

**2. Place:** 8F Ballroom "Naniwa," Swissotel Nankai Osaka  
5-1-60 Namba, Chuo-ku, Osaka-city  
(Please note that the venue is different from the previous year.)

### **3. Purposes:**

#### **Items to be reported:**

1. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements for the 89th Term (from April 1, 2017 to March 31, 2018)
2. The results of audit of the Consolidated Financial Statements for the 89th 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

## 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 23 yen per share and a bonus dividend of 10 yen per share, as set forth below.

With an effective date of October 1, 2017, the Company conducted a two-to-one consolidation of common shares. As the interim dividend (11.50 yen per share) with the record date of September 30, 2017 is equivalent to 23 yen per share when calculated based on the number of shares existing after the share consolidation, the annual dividend for the fiscal year will be 56 yen per share. When calculated based on the number of shares existing after the share consolidation, the annual dividend for the previous year was equivalent to 46 yen per share. Accordingly, the annual dividend per share for the fiscal year is 10 yen higher than that for the previous year.

#### Matters related to year-end dividends

- (1) Type of dividend property  
Cash
- (2) Allocation of dividend property and total amount thereof  
33 yen per common share of the Company (ordinary dividend: 23 yen; bonus dividend: 10 yen)  
Total amount of dividends: 735,623,361 yen
- (3) Effective date of distribution of dividends of surplus  
June 29, 2018

**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 the additionally elected Director shall be until the expiry of 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
Yasuo Kamei (November 27, 1962)  New election	Apr. 1986      Joined the Company Apr. 2013      Manager of Accounting Department, General Administration Division Apr. 2014      Manager of Administration Department at Tokyo Head Office Apr. 2018      Corporate Officer, Head of General Administration Division, and Manager of International Affairs Office (present position)	1,500

[Reasons for nomination as candidate for Director]

Yasuo Kamei has long experience of Accounting Department. Based on the fact that he currently responds quickly to changes in the business environment as the person in charge of general administration departments, we have determined that he is qualified to realize sustainable growth and improvement of corporate value of the Company, and we propose his election as a Director.

Note: There is no special interest between the candidate and the Company.