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(Securities Code 6287)
June 2, 2017

To Shareholders with Voting Rights:

Kazuo Matsuyama
Representative Director
SATO HOLDINGS CORPORATION
7-1 Shimomeguro 1-chome,
Meguro-ku, Tokyo, Japan
(Point of contact: General Affairs &
Legal Department)

NOTICE OF THE 67TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

You are cordially invited to attend the 67th Annual General Meeting of Shareholders of SATO HOLDINGS CORPORATION (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the methods indicated below. Please review the following “Reference Documents for the General Meeting of Shareholders (page 3 to 20)” and exercise your voting rights by no later than 5:45 p.m. on Monday, June 19, 2017.

- Exercising your voting rights by postal mail
- Exercising your voting rights via the Internet

Regarding Disclosure on the Internet

Of the items required to be provided at the time of this Notice of Convocation, the “Notes to Consolidated Financial Statements” and “Notes to Non-Consolidated Financial Statements” have been posted on the Company’s website under “Investor Relations” (<http://www.sato.co.jp/ir/>), and are therefore not included in the documents attached to this Notice of Convocation, based on requirements by law and Article 16 of the Articles of Incorporation.

Accordingly, the documents attached to this Notice of Convocation are part of the documents audited by the Auditor and the Accounting Auditor when preparing the Audit Report.

1. Date and Time:	Tuesday, June 20, 2017 at 10:00 a.m., Japan time
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2. Place:	Tokyo Midtown Hall B, B1 floor, Midtown East, Tokyo Midtown, 7-2 Akasaka 9-chome, Minato-ku, Tokyo, Japan
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3. Agenda:	<table border="0"> <tr> <td style="vertical-align: top;">Matters to be reported:</td> <td> <ol style="list-style-type: none"> 1. The Business Report, Consolidated Financial Statements for the Company's 67th Fiscal Year (April 1, 2016 - March 31, 2017) and results of the audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors 2. Non-Consolidated Financial Statements for the Company's 67th Fiscal Year (April 1, 2016 - March 31, 2017) </td> </tr> <tr> <td style="vertical-align: top;">Proposals to be resolved:</td> <td> <table border="0"> <tr> <td style="vertical-align: top;">Proposal No. 1:</td> <td>Distribution of Surplus</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 2:</td> <td>Reduction of Amount of Legal Capital Surplus</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 3:</td> <td>Partial Amendments to the Articles of Incorporation</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 4:</td> <td>Election of Eleven Directors</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 5:</td> <td>Election of One Auditor</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 6:</td> <td>Election of One Substitute Auditor</td> </tr> </table> </td> </tr> </table>	Matters to be reported:	<ol style="list-style-type: none"> 1. The Business Report, Consolidated Financial Statements for the Company's 67th Fiscal Year (April 1, 2016 - March 31, 2017) and results of the audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors 2. Non-Consolidated Financial Statements for the Company's 67th Fiscal Year (April 1, 2016 - March 31, 2017) 	Proposals to be resolved:	<table border="0"> <tr> <td style="vertical-align: top;">Proposal No. 1:</td> <td>Distribution of Surplus</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 2:</td> <td>Reduction of Amount of Legal Capital Surplus</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 3:</td> <td>Partial Amendments to the Articles of Incorporation</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 4:</td> <td>Election of Eleven Directors</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 5:</td> <td>Election of One Auditor</td> </tr> <tr> <td style="vertical-align: top;">Proposal No. 6:</td> <td>Election of One Substitute Auditor</td> </tr> </table>	Proposal No. 1:	Distribution of Surplus	Proposal No. 2:	Reduction of Amount of Legal Capital Surplus	Proposal No. 3:	Partial Amendments to the Articles of Incorporation	Proposal No. 4:	Election of Eleven Directors	Proposal No. 5:	Election of One Auditor	Proposal No. 6:	Election of One Substitute Auditor
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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. We also request that you bring this Notice of the Annual General Meeting of Shareholders with you as materials for the meeting.
- The Company plans to set up exhibits at the entrance of the meeting venue to foster greater understanding of its business.
- You may exercise your voting rights by proxy by having another shareholder who holds voting rights attend the General Meeting on your behalf, provided that a document certifying him or her as your proxy is submitted.
- Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements will be posted on the Company's website at the following URL:
<http://www.sato.co.jp/ir/stockholder/shareholders/index.html>

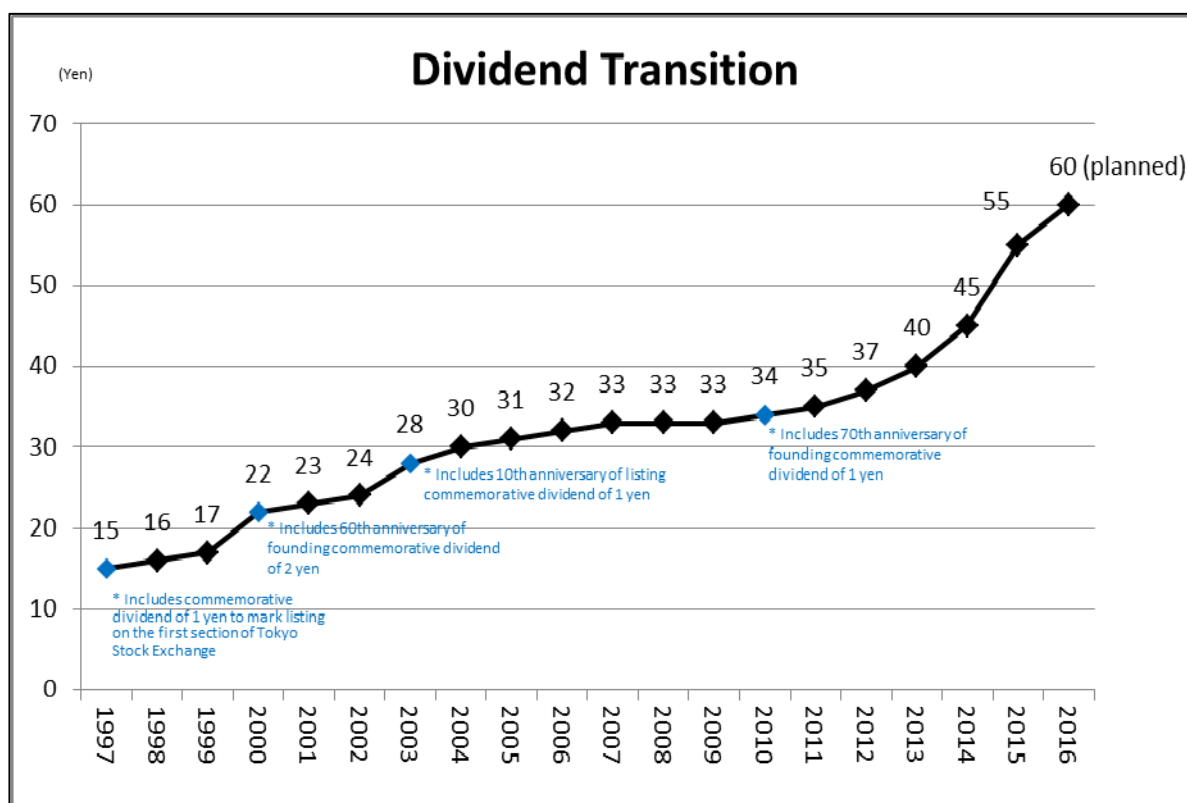
Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Distribution of Surplus

After taking into account the performance of the fiscal year under review and the business environment, the Company hereby proposes the following as the year-end dividend for the 67th fiscal year:

Type of dividend assets	Cash
Allocation of dividend assets and the total amount of dividends	Allocation of dividend: 30 yen per share of common stock of the Company Total amount of dividends: 1,012,265,310 yen
Effective date of distribution of surplus	June 21, 2017

Combined with the interim dividend (30 yen per share), the total amount of the annual dividends will be 60 yen per share, an increase of 5 yen compared with the previous fiscal year.



Policy regarding the distribution of surplus in the form of dividends, etc.

The Company's fundamental policy regarding distribution of profits is to provide four-way returns to our stakeholders: shareholders, employees, society, and the Company. The Company decides the distribution of profits based on the basic principles of increasing enterprise value per share and ensuring stable, continuous dividends while retaining internal reserves for future business expansion, comprehensively considering business performance and climate.

Proposal No. 2: Reduction of Amount of Legal Capital Surplus

With the aim of enhancing flexibility and mobility of capital strategies going forward, the Company proposes to reduce the amount of its legal capital surplus and transfer all of the reduced amount to other capital surplus pursuant to the provisions of Article 448 (1) of the Companies Act.

- (1) Amount of legal capital surplus to be reduced
 - Amount of legal capital surplus: 7,927,279,518 yen (total amount)
 - Capital Surplus item to be increased and amount thereof
 - Other capital surplus: 7,927,279,518 yen
- (2) Date effective: Friday, June 30, 2017 (planned)

Proposal No. 3: Partial Amendments to the Articles of Incorporation

1. Reason for proposal

The SATO Group has set forth strategies to focus on inline digital printing (IDP) business, strengthen RFID solutions business and expand ECONANO® green business in its FY 2017-2021 new medium-term management plan.

We therefore propose to amend Article 2 (Purpose) of the current Articles of Incorporation to reflect the corresponding additions to our purpose of business so as to respond to such changes in a flexible and agile manner.

2. Details of amendments

Details of proposed amendments are as follows:

(Underlines indicate amended portions.)

Current provisions of the Articles of Incorporation	Proposed amendments
(Purpose) Article 2 (Text omitted) (1) to (4) (Text omitted) (5) manufacturing and sale of machinery and appliances for identification marking using labels, stickers, tags (including price tags and product tags), tickets, cards (including magnetic cards, IC cards, and postcards), and the like; <u>(6) maintenance of machinery and appliances set out in the preceding items;</u> <u>(7) designing of computer and other information-processing systems, as well as development and sale of software;</u> (8) to (12) (Text omitted) (13) manufacturing and sale of tape products; (14) platemaking for and printing, processing, manufacturing, and sale of labels, stickers, tags (including price tags and product tags), tickets, cards (including magnetic cards, IC cards, and postcards), posters, leaflets, slips, and the like; (15) manufacturing and sale of adhesives and release agents; (16) manufacturing and sale of ink rollers, carbon ribbons, <u>and</u> toners; (17) manufacturing and sale of paper materials for labels and stickers;	Article 2 (Unchanged) (1) to (4) (Unchanged) (5) manufacturing and sale of machinery and appliances for identification marking using labels, stickers, tags (including price tags and product tags), tickets, cards (including magnetic cards, IC cards, and postcards), <u>RFID</u> , and the like; <u>(6) designing of computer and other information-processing systems, as well as development and sale of software;</u> <u>(7) maintenance of machinery and appliances set out in the preceding items;</u> (8) to (12) (Unchanged) (13) manufacturing and sale of tape products <u>and film</u> ; (14) platemaking for and printing, processing, manufacturing, and sale of labels, stickers, tags (including price tags and product tags), tickets, cards (including magnetic cards, IC cards, and postcards), <u>RFID (including labels, stickers and tags)</u> , posters, leaflets, slips, and the like; (15) manufacturing and sale of adhesives and release agents; (16) manufacturing and sale of <u>thermal pigments, ink, and precision instruments, as well as</u> ink rollers, carbon ribbons, and toners; (17) manufacturing and sale of paper materials for labels and stickers;

Current provisions of the Articles of Incorporation	Proposed amendments
<p>(18) manufacturing and sale of machinery and appliances for packaging;</p> <p>(19) import and export operations relating to businesses set out in the preceding items;</p> <p>(20) to (28) (Text omitted) (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p> (New)</p> <p>(29) any operations incidental to businesses set out in the preceding items.</p>	<p>(18) manufacturing and sale of machinery and appliances for packaging;</p> <p>(19) <u>development (including system development) as well as</u> import and export operations relating to businesses set out in the preceding items;</p> <p>(20) to (28) (Unchanged)</p> <p><u>(29) planning, designing, editing and production of printed deliverables;</u></p> <p><u>(30) planning, production and printing of advertisements;</u></p> <p><u>(31) business consulting and various market research services;</u></p> <p><u>(32) development and provision of healthcare and medical solutions;</u></p> <p><u>(33) development, manufacturing and sale of products using the NVC (nano vesicle capsule) technology;</u></p> <p><u>(34) development, manufacturing and sale of environmentally friendly products (CO₂ reduction);</u></p> <p><u>(35) research, development, manufacturing and sale activities related to carbon offsetting;</u></p> <p><u>(36) environment-related consulting services;</u></p> <p><u>(37) environment-related analysis services;</u></p> <p><u>(38) research, planning, designing, technical guidance and collaboration, education/training, and operating of processing technologies for the prototype, production, and mass production phases relating to businesses set out in preceding items (1) to (23) and (33) to (37);</u></p> <p><u>(39) electro-communications business including Internet connection services and mobile virtual network services, pursuant to the Telecommunications Business Act; and</u></p> <p><u>(40) any operations incidental to businesses set out in the preceding items.</u></p>

Proposal No. 4: Election of Eleven Directors

The terms of office of all eleven Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company hereby proposes the election of eleven Directors. These director elections have been reviewed by the Company's discretionary Nominating Advisory Committee and decided by the Board of Directors.

The candidates are as follows:

No.	Name	Positions at the Company	Attendance at the Board of Directors meetings
Directors			
1	Kazuo Matsuyama	Representative Director, President and CEO	Reelected 12/12 (100%)
2	Ryutaro Kotaki	Representative Director, Executive Vice President and COO	Reelected 9/9 (100%)
3	Koichi Nishida	Director	Reelected 12/12 (100%)
4	Ikuo Dobashi	Director	Reelected 12/12 (100%)
5	Tatsuo Narumi	Director	Reelected 12/12 (100%)
6	Ken Suzuki	Director	Reelected Independent Officer Candidate for External Director 12/12 (100%)
7	Yuko Tanaka	Director	Reelected Independent Officer Candidate for External Director 10/12 (83%)
8	Ryoji Itoh	Director	Reelected Independent Officer Candidate for External Director 12/12 (100%)
9	Mitsuaki Shimaguchi	Director	Reelected Independent Officer Candidate for External Director 12/12 (100%)
10	Hideo Yamada	Director	Reelected Independent Officer Candidate for External Director 12/12 (100%)
11	Chieko Matsuda	Director	Reelected Independent Officer Candidate for External Director 9/9 (100%)

Note: For Mr. Ryutaro Kotaki and Ms. Chieko Matsuda, the attendance ratio takes into consideration meetings conducted after they assumed the post of Director on June 21, 2016.

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
1	Kazuo Matsuyama (August 20, 1960) Reelected Years of service: 8	<p>June 2001 Joined the Company Senior Manager of Human Resources Dept., Administration Division (Dispatched to SATO INTERNATIONAL PTE. LTD.)</p> <p>January 2004 Executive Officer; Senior Manager of Sales & Marketing, SATO INTERNATIONAL PTE. LTD.</p> <p>July 2005 Senior Executive Officer; General Manager of SATO INTERNATIONAL PTE. LTD.</p> <p>July 2007 Vice President; Managing Director of SATO INTERNATIONAL PTE. LTD.</p> <p>June 2009 Director and Vice President; Managing Director of SATO INTERNATIONAL PTE. LTD.</p> <p>October 2009 Director, Vice President and General Manager of International Business Division</p> <p>July 2010 Director, Executive Vice President, responsible for International Business and General Manager of International Business Division</p> <p>December 2010 Representative Director, Executive Vice President and COO, responsible for International Business</p> <p>October 2011 Representative Director, President and CEO (to present)</p>	33,668
<p>(Reasons for recommendation as Director) Mr. Matsuyama has served as the financial officer of the Company's manufacturing subsidiary in Malaysia and as the president of its overseas regional headquarters in Singapore. In 2011, he assumed office as Representative Director, President and CEO of the Company, gaining experience and producing results in management roles both in and outside Japan where he demonstrates great leadership. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.</p>			
<p>(Message from the candidate to shareholders) The SATO Group has developed its business by meeting customer needs throughout the 77 years since its foundation, turning changes in its external operating environment into opportunities in the spirit of "Ceaseless Creativity". In recent years, our lives have started to change significantly with ongoing rapid technological advances including IoT, AI and automation. Taking such changes as opportunities for the Group to grow further, I will work toward my mission of creating innovations that contribute to society together with all employees.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
2	<p>Ryutaro Kotaki (July 16, 1964)</p> <p>Reelected</p> <p>Years of service: 1</p>	<p>February 1988 Joined the Company</p> <p>July 2007 Executive Officer and Senior Manager of Printer Sales Promotion Dept., Sales Division</p> <p>October 2011 Executive Officer; Director and General Manager of Domestic Sales Dept., SATO CORPORATION</p> <p>April 2012 Executive Officer; President of SATO TECHNO LAB CO., LTD.</p> <p>April 2013 Senior Executive Officer; President of SATO TECHNOLOGY CO., LTD.</p> <p>July 2014 Vice President; President of SATO TECHNOLOGY CO., LTD.</p> <p>April 2016 Executive Vice President and COO; President of SATO CORPORATION (to present)</p> <p>June 2016 Representative Director, Executive Vice President and COO (to present)</p>	13,027
<p>(Reasons for recommendation as Director)</p> <p>Mr. Kotaki has held key positions in the Company's Japanese sales company and the president role of its R&D business company, during which period he also served as Executive Officer for nine years expanding sales in Japan and improving product development processes. In April 2016, he took office as the Company's Vice President and Chief Operating Officer, and serving concurrently as the president of SATO CORPORATION, its Japanese sales company, he will be driving domestic businesses to also support the global expansion of customers. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.</p>			
<p>(Message from the candidate to shareholders)</p> <p>I sincerely appreciate our shareholders' continued support for SATO Group. In my dual roles, I will manage our business to further enhance our core competence in <i>Genbaryoku</i> and put customer value first in order to achieve growth and sustainable profit for our Japanese business.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
	<p>Koichi Nishida (December 10, 1958)</p> <p>Reelected</p> <p>Years of service: 16</p>	<p>March 1981 Joined the Company</p> <p>February 1998 Senior Manager of System Service Dept., CS Division</p> <p>April 1999 General Manager of CS Division</p> <p>June 2001 Director and General Manager of CS Division</p> <p>June 2002 Director, responsible for Production in Malaysia</p> <p>June 2003 Director and Senior Executive Officer, responsible for Production in Malaysia</p> <p>June 2005 Director and Vice President, responsible for Overseas Production</p> <p>April 2006 Director and Vice President, responsible for Overseas Production and Purchase</p> <p>June 2007 Representative Director, President and CEO</p> <p>October 2011 Representative Director and Chairman</p> <p>June 2012 Director (to present)</p>	39,795
3	<p>(Reasons for recommendation as Director)</p> <p>Mr. Nishida has headed the Company's customer service division and served as the president of its Malaysian and Vietnamese manufacturing subsidiaries, and subsequently Representative Director and President as well as Chairman of the Company for five years from 2007. Since 2012, he has been making efforts in shaping global governance across the company and managing the creation and protection of intellectual property to improve the company value in his role as executive for intellectual property. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.</p> <p>(Message from the candidate to shareholders)</p> <p>SATO Group seeks to be a value-creating company that is useful to society and trusted by its customers. As such, I have been handling and driving intellectual production activities for improving our technical competitiveness, the promotion of environment-friendly management for increasing our company value, and activities aimed at the development of the Auto-ID solutions industry. And as the creation of new company value becomes increasingly important, I also have been putting in efforts for the sustainable development of our group businesses. I will monitor governance of the Company from within, and work to ensure that the sharing of returns with shareholders, employees, society and the company is taken into account under proper business management.</p>		

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
4	<p data-bbox="177 517 418 584">Ikuo Dobashi (September 21, 1955)</p> <p data-bbox="177 640 418 674">Reelected</p> <p data-bbox="177 701 418 768">Years of service: 12</p>	<p data-bbox="422 315 1299 349">October 1980 Joined the Company</p> <p data-bbox="422 349 1299 416">April 1999 Senior Manager of Printer Sales Promotion Dept., Sales Division</p> <p data-bbox="422 416 1299 450">June 2002 General Manager of CS Division</p> <p data-bbox="422 450 1299 517">June 2003 Senior Executive Officer and General Manager of Sales Division</p> <p data-bbox="422 517 1299 584">June 2005 Director, Vice President and General Manager of Sales Division</p> <p data-bbox="422 584 1299 674">June 2007 Representative Director, Executive Vice President, COO (responsible for Domestic Business), and General Manager of Sales Division</p> <p data-bbox="422 674 1299 741">October 2007 Representative Director, Executive Vice President and COO</p> <p data-bbox="422 741 1299 775">June 2011 Director and Chairman</p> <p data-bbox="422 775 1299 808">October 2011 Director and Vice Chairman</p> <p data-bbox="422 808 1299 875">April 2012 Director and Vice Chairman, responsible for Europe Business</p> <p data-bbox="422 875 1299 943">June 2012 Director, responsible for Europe Business; Director and Chairman of SATO CORPORATION</p> <p data-bbox="422 943 1299 976">October 2013 Director, responsible for Europe Business</p> <p data-bbox="422 976 1299 1010">April 2014 Director (to present)</p>	26,269
<p data-bbox="177 972 1476 1005">(Reasons for recommendation as Director)</p> <p data-bbox="177 1005 1476 1227">Mr. Dobashi has headed the Company's domestic sales division where he succeeded in building a strong sales structure, and served as Representative Director and Executive Vice President of the Company for four years from 2007. From 2012, he served as Director and Chairman of the Company's sales regional headquarters in Europe for one year, making such achievements as enhancing the sales structure in Europe and reaching profitability. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.</p>			
<p data-bbox="177 1234 1476 1267">(Message from the candidate to shareholders)</p> <p data-bbox="177 1267 1476 1462">Our vision is to become the most trusted company in the Auto-ID solutions industry worldwide by ensuring accuracy and sustainability, saving labor and resources, offering reassurance, and building emotional connections for/with our customers. With this vision in mind, I will strive to strengthen corporate governance and create company value in my role as Director. Besides our Auto-ID solutions business, we are also providing environmentally friendly products and solutions to help customers reduce their environmental loads, and will work to make this green business stronger in the fiscal year 2017 to expand our profit base.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
5	<p>Tatsuo Narumi (February 24, 1952)</p> <p>Reelected</p> <p>Years of service: 9</p>	<p>August 2000 Joined the Company Senior Manager of Secretary's Office</p> <p>April 2001 Senior Manager of Human Resources Dept., Administration Division</p> <p>May 2003 Senior Manager of Planning Dept., Corporate Planning and Administration Division</p> <p>June 2003 Executive Officer and Senior Manager of Planning Dept., Corporate Planning and Administration Division</p> <p>October 2005 Executive Officer, General Manager of Corporate Planning and Administration Division and Senior Manager of Planning Dept.</p> <p>January 2006 Senior Executive Officer and General Manager of Corporate Planning and Administration Division</p> <p>July 2007 Vice President and General Manager of Corporate Planning and Administration Division</p> <p>June 2008 Director, Vice President and General Manager of Corporate Planning and Administration Division</p> <p>July 2009 Director (to present)</p> <p>December 2016 Representative Director, Specialase Ltd. (to present)</p>	22,563
<p>(Reasons for recommendation as Director)</p> <p>Mr. Narumi has headed the Corporate Planning Division of the Company, during which period he also served as Executive Officer for six years. Since he became Director in 2008, he has worked to enhance our global business base from the corporate planning aspect, and to enhance our governance structure in sales group companies starting 2015. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.</p>			
<p>(Message from the candidate to shareholders)</p> <p>I believe that Internal Directors play the important roles of strengthening governance and creating long-term company value. As such, I work with other Directors to check for possible issues from the executive team's monthly business updates and provide advice as necessary. In December 2016, I also started to serve as the Representative Director of Specialase Ltd., a newly established SATO company. My aims are to increase customer value and contribute to our business performance at the group level, and I will continue to make efforts in building our company base from a medium- to long-term perspective going forward.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
6	Ken Suzuki (June 11, 1948) Reelected Independent Officer Candidate for External Director Years of service: 15	February 1974 Joined Suzuhiko Co., Ltd. (VITAL-NET, Inc. at present) April 1983 Managing Director of SUN-S Inc. (VITAL-NET, Inc. at present) April 1994 Representative Director and President of SUN-S Inc. June 2002 Director of the Company (to present) June 2005 Representative Director, President and CEO of VITAL-NET Inc. September 2006 Outside Director of HOKUYAKU TAKEYAMA Holdings, Inc. (to present) October 2008 Outside Director of Forest Holdings Inc. (to present) April 2009 Representative Director and President of VITAL KSK HOLDINGS, INC. May 2013 Chairman of The Federation of Japan Pharmaceutical Wholesalers Association (to present) June 2015 Chairman of VITAL-NET, Inc. (to present) June 2015 Chairman of VITAL KSK HOLDINGS, INC. (to present)	5,780
(Reasons for recommendation as Director) Mr. Suzuki possesses extensive experience and broad insights in managing business operations, tapping into them actively to offer wide-ranging opinions and recommendations during deliberations of business-critical matters at the Board of Directors' meetings. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.			
(Message from the candidate to shareholders) SATO Group is expanding its global business activities based on its corporate philosophy "to contribute towards a better and more sustainable world." Moving forward, I believe that SATO can further improve its company value to benefit society, employees and shareholders by engaging in creative businesses while maintaining stable growth at the same time. To that end, I will do my best, as External Director, to make sure that the Group's corporate governance function works effectively by leveraging my experience in corporate management.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held	
7	Yuko Tanaka (January 30, 1952) Reelected Independent Officer Candidate for External Director Years of service: 13	April 1980 Full-time Lecturer at 1st Faculty of Liberal Arts of Hosei University April 1983 Assistant Professor at 1st Faculty of Liberal Arts of Hosei University April 1986 Exchange research worker at Beijing University April 1991 Professor at 1st Faculty of Liberal Arts of Hosei University April 1993 Overseas research worker of the University of Oxford April 2003 Professor at the Department of Media and Communication Studies, Faculty of Social Sciences, Hosei University (to present)	2,959	
		June 2004 Director of the Company (to present) April 2007 Professor at International Japan-Studies Institute (graduate school), Hosei University (to present)		
		April 2010 President of International Japan-Studies Institute (graduate school), Hosei University April 2012 Dean, Faculty of Social Sciences, Hosei University April 2014 President of Hosei University (to present)		
		(Reasons for recommendation as Director) Ms. Tanaka possesses extensive experience and broad insights as university professor and president, tapping into them actively to make statements during deliberations at the Board of Directors' meetings and offer opinions and suggestions on diversity management. The Company has determined that she is qualified to drive sustainable business management globally as Director, and therefore renominates her as a candidate for External Director.		
		(Message from the candidate to shareholders) SATO HOLDINGS CORPORATION has established itself as a fair and trustworthy company in Japan over its long corporate history. Going forward, it will need to make itself recognized equally at the global level as many Japanese students now choose their employers from an international perspective and talented non-Japanese students in Japanese schools now seek employment locally upon graduation. To help SATO attract talents and secure its share in the global market, I will further promote diversity beyond gender, cultural and ethnic divides, and strive to improve the enterprise quality of the company.		

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held	
8	Ryoji Itoh (January 14, 1952)	July 1979 Joined McKinsey & Company January 1984 Partner of McKinsey & Company June 1988 Director, responsible for Product Development of UCC UESHIMA COFFEE CO., LTD. September 1990 Representative Director of Schroder Ventures K.K. May 2000 Project Professor at the Graduate School of Media and Governance, Keio University (to present)	1,312	
	Reelected	January 2001 President of Bain & Company Japan, Inc.		
	Independent Officer	April 2006 Representative Director of PLANET PLAN. CO., LTD (to present)		
	Candidate for External Director	June 2008 Director of the Company May 2012 External Director of RENOWN INCORPORATED		
	Years of service: 3	January 2013 Representative Director of El Sol Business Advisor Corporation June 2014 Director of the Company (to present) June 2014 Outside Director of Miraca Holdings Inc. (to present)		
	(Reasons for recommendation as Director) Mr. Itoh possesses extensive experience and broad insights as corporate executive and graduate school professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings with the awareness of enhancing SATO's governance structure. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.			
	(Message from the candidate to shareholders) As disruptive changes including mobile Internet, AI and IoT progress globally, I believe the SATO Group's social mission to bridge the last inch of the last mile will grow increasingly important. I will work to spread this corporate identity worldwide to contribute to societal developments, ensuring that it will translate to increased shareholder value by maintaining and strengthening corporate governance from an independent standpoint to achieve further growth for SATO Group on a short- to medium-term basis.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
9	Mitsuaki Shimaguchi (March 31, 1942) Reelected Independent Officer Candidate for External Director Years of service: 3	<p>April 1987 Professor at Graduate School of Business Administration, Keio University</p> <p>June 1998 Outside Corporate Auditor of Ishii Food Corporation</p> <p>June 2002 Outside Director of Eisai Co., Ltd.</p> <p>March 2006 External Director of Lion Corporation</p> <p>May 2006 External Director of BELLSYSTEM24, Inc.</p> <p>April 2007 Professor Emeritus of Keio University (to present)</p> <p>April 2007 Professor at Hosei Business School of Innovation Management, Hosei University</p> <p>September 2007 President of Japan Marketing Association (to present)</p> <p>February 2009 Outside Corporate Auditor of Suntory Holdings Limited</p> <p>April 2012 Professor at Graduate School of Business Innovation, Kaetsu University (to present)</p> <p>June 2014 Director of the Company (to present)</p> <p>June 2014 Outside Director of Sanrio Company, Ltd. (to present)</p>	1,644
<p>(Reasons for recommendation as Director)</p> <p>Mr. Shimaguchi possesses extensive knowledge and experience in the marketing field and deep insights as a university professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings from the perspective of improving the company value of SATO Group as a whole. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.</p>			
<p>(Message from the candidate to shareholders)</p> <p>A successful senior corporate founder once said, "Customers come first, employees second, and business partners third. It is only when this order is followed and profits are produced that the company can afford to make decisions benefiting the fourth party: its shareholders and business founder(s). Changing this order of priority will lead to failure." In today's world where businesses depend on the market for survival, I will apply this principle and watch over the SATO Group in a supportive but critical manner to help the Group achieve higher enterprise value (and ultimately, higher shareholder value) in the long term and continue to operate as an excellent company.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
10	<p>Hideo Yamada (January 23, 1952)</p> <p>Reelected</p> <p>Independent Officer</p> <p>Candidate for External Director</p> <p>Years of service: 2</p>	<p>March 1984 Graduated from the Legal Training and Research Institute</p> <p>April 1984 Registered as an attorney (Daini Tokyo Bar Association)</p> <p>October 1992 President of Yamada Hideo Law Office (Yamada & Ozaki Law Office at present) (to present)</p> <p>May 1998 Outside Corporate Auditor of Taiyo Chemical Industry Co., Ltd. (to present)</p> <p>June 2004 Director of the Company</p> <p>March 2006 Outside Director of Lion Corporation (to present)</p> <p>June 2007 Outside Corporate Auditor of Ishii Food Co., Ltd.</p> <p>June 2007 Outside Corporate Auditor of MIKUNI CORPORATION</p> <p>March 2009 Outside Director of Hulic Co., Ltd. (to present)</p> <p>April 2010 Executive Governor of Japan Federation of Bar Associations</p> <p>April 2014 Vice president of Japan Federation of Bar Associations</p> <p>April 2014 President of Daini Tokyo Bar Association</p> <p>June 2015 President of Akiko Tachibana Memorial Foundation (to present)</p> <p>June 2015 Director of the Company (to present)</p> <p>June 2016 Outside Director of MIKUNI CORPORATION (to present)</p>	838
<p>(Reasons for recommendation as Director)</p> <p>Mr. Yamada possesses extensive experience and broad insights as an attorney at law, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings from the perspective of meeting stakeholders' expectations. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.</p>			
<p>(Message from the candidate to shareholders)</p> <p>SATO HOLDINGS CORPORATION is a company characterized by its position of constantly seeking changes and pursuing innovations while valuing tradition at the same time. As more and more companies expand overseas and globalize, we see an increasing demand for enterprise-wide governance and compliance in recent times. In line with this, I will make it my motto to raise questions actively and provide candid feedback at the Board of Directors meetings, leveraging my long-standing experience as attorney at law and diverse experience as external director of multiple companies.</p>			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
11	<p>Chieko Matsuda (November 18, 1964)</p> <p>Reelected</p> <p>Independent Officer</p> <p>Candidate for External Director</p> <p>Years of service: 1</p>	<p>April 1987 Joined Long-Term Credit Bank of Japan, Limited</p> <p>October 1998 Joined Moody's Japan K.K.</p> <p>September 2001 Partner of Corporate Directions, Inc.</p> <p>November 2002 Senior Researcher of Japan Association for Chief Financial Officers (to present)</p> <p>May 2006 Representative Director of Matrix, Inc.</p> <p>October 2006 Vice President (Partner) of Booz & Company Inc.</p> <p>April 2011 Professor at Graduate School of Social Sciences, Tokyo Metropolitan University (to present)</p> <p>April 2011 Professor at Faculty of Urban Liberal Arts, Tokyo Metropolitan University (to present)</p> <p>June 2012 Auditor of the Company Outside Director of S.T. CORPORATION</p> <p>June 2013 Outside Director of Hitachi Chemical Company, Ltd. (to present)</p> <p>June 2014 Outside Director of AEON Financial Service Co., Ltd.</p> <p>June 2015 Outside Director of Foster Electric Company, Limited (to present)</p> <p>March 2016 Outside Audit & Supervisory Board Member of Kirin Holdings Company, Limited (to present)</p> <p>June 2016 Director (to present)</p>	0
<p>(Reasons for recommendation as Director)</p> <p>Ms. Matsuda possesses global experience and achievements in foreign-affiliated companies, as well as expert knowledge and deep insights as a serving graduate school professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings with a focus on strengthening global governance. The Company has determined that she is qualified to drive sustainable business management globally as Director, and therefore renominates her as a candidate for External Director.</p>			
<p>(Message from the candidate to shareholders)</p> <p>It is the wish of shareholders and other stakeholders that the SATO Group is able to grow its company base globally to realize its corporate motto of "Ceaseless Creativity" and improve its company value in a sustainable manner. As External Director, I hope to contribute my perspectives toward achieving such a future for SATO while placing importance on fairness and transparency.</p>			

Notes:

1. No material conflicts of interest exist between the Company and any of the above candidates for Directors.
2. Mr. Ken Suzuki, Ms. Yuko Tanaka, Mr. Ryoji Itoh, Mr. Mitsuaki Shimaguchi, Mr. Hideo Yamada and Ms. Chieko Matsuda are candidates to become External Directors. The Company has appointed them as independent officers under the provisions of the Tokyo Stock Exchange and has filed a notification to that effect with the Exchange.
3. The Company's current Articles of Incorporation set forth that the Company may enter into agreements with External Directors in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum extent permitted by law. If the election of the above candidates for External Director is approved, the Company plans to continue limited liability agreements of the content described above with each of them.
4. Years of service of each candidate is as of the conclusion of this General Meeting.
5. Ms. Chieko Matsuda currently serves as Outside Director of Hitachi Chemical Company, Ltd. ("Hitachi Chemical"), whose group member company was found to be in violation of laws both in Japan and in the United States. A summary of incidents and responses by Ms. Matsuda thereto are as follows.

(1) Summary of incidents

In March 2016, Hitachi AIC Inc., a subsidiary of Hitachi Chemical was identified by the Japan Fair Trade Commission as violating the Antimonopoly Act in past transactions involving its aluminum electrolytic capacitors. The violation was said to have taken place during the period from March 2010 to November 2011, and was disclosed publicly by Hitachi Chemical on March 29, 2016. Furthermore, Hitachi Chemical was under investigation by the United States Department of Justice for violation of the U.S. antitrust laws in relation to its aluminum and tantalum electrolytic capacitors business, and has entered a plea agreement containing terms such as the payment of fines with the U.S. Department of Justice in April 2016. The violation was ruled to have taken place during the period from August 2002 to March 2010, and the filing of the plea agreement was disclosed publicly by Hitachi Chemical on April 28, 2016.

(2) Summary of responses to incidents

Ms. Chieko Matsuda, as the Outside Director of Hitachi Chemical, has expressed her opinions on the importance of enforcing legal compliance at the Board of Directors' meetings and other meetings from time to time. Ms. Matsuda was elected as the group's Outside Director in June 2013 (to present), which goes to say that the above violations took place before her appointment. Nevertheless, since the discovery of these incidents, Ms. Matsuda has been providing advice on strengthening compliance measures to prevent the recurrence of such violations, in addition to her ongoing efforts to share opinions on legal compliance and the development of internal control systems at meetings for the Board of Directors or the Audit Committee.

Proposal No. 5: Election of One Auditor

The term of office of Mr. Takao Yamaguchi, an Auditor for the Company, will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company hereby proposes the election of one Auditor.

The Board of Auditors has given its approval in advance.

The candidate is as follows:

Name (Date of birth)	Career summaries and positions at the Company (significant concurrent positions)	Number of shares of the Company held
Takao Yamaguchi (September 13, 1954) Reelected Independent Officer Candidate for External Auditor Years of service: 4	October 1981 Joined Chuo Audit Corporation February 1985 Registered as a certified public accountant September 1987 Joined Yamaguchi Accounting Office December 1987 Registered as a certified tax accountant January 1996 Director, Yamaguchi Accounting Office (to present) June 2013 Auditor of the Company (to present) June 2015 Outside Corporate Auditor, KYORIN Holdings, Inc. (to present) March 2016 External Audit & Supervisory Board Member, Tokyo Tatemono Co., Ltd. (to present)	935
(Reasons for recommendation as Auditor) The Company believes that Mr. Yamaguchi will contribute to its business management and audit system with his professional knowledge and experience fostered as a certified public accountant and certified tax accountant, and therefore renominates him as a candidate for External Auditor.		
(Message from the candidate to shareholders) One of the important roles of an Auditor is to assess the propriety of methods and results of audits performed by the Accounting Auditor. The Company's Accounting Auditor, PricewaterhouseCoopers Arata LLC, is highly recognized as a global audit firm with a rigorous audit process, and being a certified public accountant, I will be required to monitor and ensure that their financial audits are appropriate. I will do my utmost to carry out this responsibility and meet the Company's expectations.		

Notes:

1. No material conflict of interest exists between the Company and the above candidate for Auditor.
2. The above person is a candidate to become External Auditor. The Company has appointed the candidate as an independent officer under the provisions of the Tokyo Stock Exchange and has filed a notification to that effect with the Exchange.
3. The Company's current Articles of Incorporation set forth that the Company may enter into agreements with External Auditors in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum extent permitted by law. If the election of the above candidate is approved, the Company plans to enter into a limited liability agreement of the content described above with him.

Proposal No. 6: Election of One Substitute Auditor

The effective tenure of the current Substitute Auditor will expire at the opening of this year's General Meeting of Shareholders. Accordingly, the Company hereby proposes the election of one Substitute Auditor to ensure that we do not fall below the minimum number of Auditors required by law.

Mr. Shikou Yun is a candidate for Substitute Auditor to fill any prospective vacancy for External Auditor. The Board of Auditors has given its approval in advance.

The candidate is as follows:

Name (Date of birth)	Career summaries and positions at the Company (significant concurrent positions)	Number of shares of the Company held
Shikou Yun (October 25, 1966) Newly elected	April 2001 Assistant Professor, School of Business, Aoyama Gakuin University	0
	April 2001 Member of Study Group for Analysis of Financial Results of Listed Construction Companies, Fund for Construction Industry Promotion	
	October 2002 Visiting Researcher, Research and Analysis Office, Committee on Audit, House of Councillors	
	April 2007 Professor, School of Business, Aoyama Gakuin University (to present)	
	August 2008 Visiting Researcher, The City University of New York	
	April 2011 Visiting Research Scholar, Research Institute of Business Administration, Waseda University (to present)	
April 2013 Part-time Lecturer, School of Commerce, Meiji University (to present)		
(Reasons for recommendation as Substitute Auditor) Mr. Yun possesses professional knowledge and deep insights as a university professor. The Company has determined that he is qualified to audit the Directors' execution of duties from an objective and fair position as it pursues sustainable business management globally, and therefore nominates him as a candidate for Substitute Auditor.		

Notes:

1. No material conflict of interest exists between the Company and the above candidate for Substitute Auditor.