

**This is an unofficial translation of an excerpt of the original notice in Japanese for reference purposes only. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translations. For the entire information of the notice, please check the original notice in Japanese.**

Securities Code: 4739  
June 2, 2017

To Shareholders with Voting Rights

Satoshi Kikuchi, President & CEO  
ITOCHU Techno-Solutions Corporation  
3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

## **Notice of the 38th Fiscal Year Annual General Meeting of Shareholders**

You are cordially invited to attend the 38th Fiscal Year Annual General Meeting of Shareholders (the “Meeting”) of ITOCHU Techno-Solutions Corporation (the “Company”) to be held as described below.

**If you are unable to attend the Meeting, you can exercise your voting rights in either via mail or the Internet, etc. Please review the “Reference Materials for the Meeting” to be hereinafter described (pp.5-21) and exercise your voting rights according to the instructions on page 3 by no later than 5:30 p.m., Tuesday, June 20, 2017 Japan time.**

1. Date and time: 10:00 a.m., Wednesday, June 21, 2017, Japan time
2. Place: Nikkei Hall, 3F, Nikkei Building  
1-3-7, Otemachi, Chiyoda-ku, Tokyo
3. Meeting agenda:  
Matters to be Reported:
  1. Contents of the Business Report, Consolidated Financial Statements for the 38th Fiscal Year (from April 1, 2016 to March 31, 2017) and the report of audit results by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements.
  2. Contents of the Non-consolidated Financial Statements for the 38th Fiscal Year (from April 1, 2016 to March 31, 2017).

Matters to be Resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Reduction of legal capital surplus
- Proposal 3:** Election of nine (9) Directors
- Proposal 4:** Election of one (1) Corporate Auditor
- Proposal 5:** Election of one (1) Substitute Corporate Auditor
- Proposal 6:** Introduction of performance-linked share-based remuneration plan for Directors, etc.

4. Other matters related to convocation of the Meeting

- (1) Exercising voting rights by proxy

When voting rights are to be exercised by proxy, please present a written certificate of proxy along with the relevant shareholder’s Voting Rights Exercise Form at the reception desk of the meeting place. Please note that only a single other shareholder with voting rights of the Company can be designated as a proxy.

(2) Diverse exercise of voting rights

If you wish to make a diverse exercise of your voting rights, please notify the Company of such intention and reasons in writing at least three days prior to the date of the Meeting.

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When attending the Meeting, please present the enclosed Voting Rights Exercise Form at the reception desk of the meeting place.

Notes:

1. Of documents which shall be provided, the following are presented in the Company's website on the Internet (stated below) pursuant to the laws and regulations and Article 16 of the Company's Articles of Incorporation, and thus not included in the documents provided with this notice of convocation of the Meeting.

Notes to Consolidated Financial Statements

Notes to Non-consolidated Financial Statements

The Consolidated and Non-consolidated Financial Statements audited by the Corporate Auditors and the Accounting Auditor include the documents attached to this notice of convocation of the Meeting as well as the Notes to Consolidated and Non-consolidated Financial Statements presented in the Company's website (stated below).

2. The Company will promptly post any revisions made to the Reference Materials for the Meeting and the attachments on its website (stated below) .

<http://www.ctc-g.co.jp/ir/>

[ Guide to Exercising Voting Rights ]

**If attending the Meeting**

Date and time of the Meeting: 10:00 a.m., Wednesday, June 21, 2017, Japan time  
(The reception will begin at 9:00 a.m.)

Please bring and present the enclosed Voting Rights Exercise Form at the reception desk of the meeting place. Additionally, please bring this document with you as reference for the proceedings.

\*Exercise of voting rights via proxy is allowed by a single other shareholder with voting rights of the Company in attendance at the Meeting. However, submission of a written certificate of proxy will be required.

**If unable to attend the Meeting**

**Exercise of voting rights via mail (writing)**

Exercise deadline: Arrival by 5:30 p.m., Tuesday, June 20, 2017, Japan time

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form enclosed herewith, and return it so that it will be received by no later than the above deadline.

**Exercise of voting rights via the Internet**

Exercise deadline: Until 5:30 p.m., Tuesday, June 20, 2017, Japan time

Please visit the voting website using PC or other devices and enter your vote for or against the proposals by no later than the above deadline. For more details about the voting website and how to exercise voting rights, please refer to [Guide to Exercising Voting Rights via the Internet] on page 4.

[ Guide to Exercising Voting Rights via the Internet ]

Exercising voting rights via the Internet

- (1) You can exercise your voting rights on the Company's designated "voting website" (see URL below) using PC or mobile phone, instead of exercising your voting rights in writing. If you wish to do so, please log in to the website with the voting rights exercise code and password printed in the right side of the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to enter your vote. For security reasons, you will have to change the password when you log in for the first time.

<http://www.it-soukai.com/>

[For mobile phones]  
QR code



- (2) Deadline for exercising voting rights is 5:30 p.m., Tuesday, June 20, 2017, Japan time, and you are required to finish entering your vote by then. Your exercise at the earliest opportunity is advised.
- (3) If you exercise your voting rights both in writing and via the Internet, the vote through the Internet shall be effective. If you exercise your voting rights more than once, the last exercise shall be deemed as effective.
- (4) The password (including one changed by you) is valid only for the Meeting. A new password will be issued for the next General Meeting of Shareholders.
- (5) Any fees related to internet connection will be at your own expense.

(Important notes)

- The password is a means to identify a shareholder who exercises his/her voting rights. The Company will not ask your password.
- The password will be locked and disabled when inputted incorrectly a certain number of times. Please follow the instructions on the screen in such a case.
- The voting website has been tested and validated by general internet access devices but still may fail in some cases, depending on the device.

Contact information

For inquiries, please contact the administrator of shareholder registry, Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd. at the following numbers.

- (1) For technical support on the voting website:  
0120-768-524 (Toll free within Japan/Weekdays 9:00 – 21:00)
- (2) For any other inquiries on stock administration:  
0120-288-324 (Toll free within Japan /Weekdays 9:00 – 17:00)

(Reference)

With regard to institutional investors, they may use the Electronic Voting Platform for Institutional Investors operated by ICJ, Inc.

## Reference Materials for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Appropriation of surplus

The Company proposes the following for the appropriation of surplus:

Matters related to year-end dividend

The Company recognizes return of profits to shareholders as one of the most important management issues, and its basic policy is to ensure stable dividend payments in accordance with business performance and to enhance dividend scale with consideration of the balance of internal reserves. We are targeting a consolidated dividend payout ratio of around 40%.

The Company proposes the following year-end dividend based on the basic policy, an increase of ¥5 per share compared to the previous year, to show our appreciation to shareholders for their continued support:

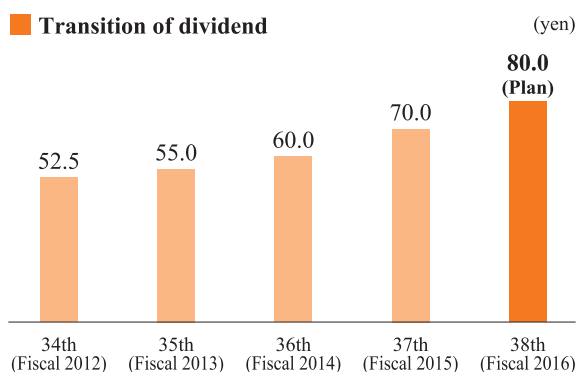
- (1) Type of property for dividend  
Cash
- (2) Allotment of property for dividend to shareholders and the total amount thereof  
¥42.50 per share of the Company's common stock, ¥4,913,603,585 in total amount  
(Note) Combined with the interim dividend of ¥37.50 per share paid on December 2, 2016, the annual dividend for the current fiscal year will be ¥80 per share, an increase of ¥10 per share from that of the previous fiscal year.
- (3) Effective date for the dividend from surplus  
June 22, 2017

#### (Reference) Transition of Annual Dividend per Share and Consolidated Dividend Payout Ratio

Period	34th	35th	36th	37th	38th (Year ended March 31, 2017) (Note) 3
Annual dividend per share (Yen) (Note) 1	52.5	55.0	60.0	70.0	80.0 (Plan)
Consolidated dividend payout ratio (%) (Note) 2	39.1	45.8	40.3	44.9	42.3 (Plan)

(Notes)

1. The company conducted a 2-for-1 split of common shares with an effective date of April 1, 2015. The above figures reflect the impact of the stock split.
2. In calculating the figures, basic earnings per share based on Japanese GAAP is used for the 34th fiscal year, while basic earnings per share based on IFRS is used from the 35th fiscal year onwards.
3. The annual dividend per share and the consolidated dividend payout ratio for the 38th fiscal year (the current fiscal year) are based on the premise that proposal is approved as proposed.



**Proposal 2: Reduction of legal capital surplus**

1. Objective of reduction of legal capital surplus

To secure flexibility and agility for future capital policy, the Company proposes the reduction of a portion of legal capital surplus and increasing an identical amount of other capital surplus, pursuant to the stipulations of Article 448, Paragraph 1 of the Companies Act.

2. Overview of reduction of legal capital surplus

(1) Item and amount of legal capital surplus to be reduced

Legal capital surplus                                  ¥20,000,000,000 out of ¥33,076,014,360

(2) Item and amount of surplus to be increased

Other capital surplus                                  ¥20,000,000,000

(3) Effective date of reduction of legal capital surplus

August 31, 2017


**Proposal 3: Election of nine (9) Directors**

As the terms of office of all the eight (8) Directors will expire at the conclusion of the Meeting and Director Shunsuke Noda resigned on March 31, 2017, the Company proposes the election of nine (9) Directors. The candidates for Directors are described below.


No.		Name		Current position and responsibilities at the Company	Attendance at Board of Directors Meetings
1	For reappointment	Satoshi Kikuchi		President & CEO	100% (16 out of 16)
2	For reappointment	Toru Matsushima		Director and Executive Vice President (EVP) CAO, CFO and CCO Responsible for Global Business Development	100% (16 out of 16)
3	For reappointment	Masaaki Matsuzawa		Director and Executive Vice President (EVP) COO, Distribution & Enterprise Group Officer responsible for Business Group	100% (16 out of 16)
4	For reappointment	Tadataka Okubo		Director and Senior Managing Executive Officer COO, Advanced IT Strategy Group Officer responsible for Advanced IT Strategy Group and IT Services Group CTO and CIO	100% (16 out of 16)
5	For reappointment	Takahiro Susaki		Director and Managing Executive Officer COO, Public & Regional Business Group	100% (16 out of 16)
6	For reappointment	Makiko Nakamori	Outside Independent	Director	94% (15 out of 16)
7	For reappointment	Toshio Obi	Outside Independent	Director	100% (16 out of 16)
8	New appointment	Tatsushi Shingu			
9	New appointment	Tadayoshi Yamaguchi			


(Note) The name of Mr. Toshio Obi recorded in the family register is Toshio Nakamura.


Candidates for Directors


No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)	 <table border="1" data-bbox="1193 499 1426 633"> <tr> <td data-bbox="1201 499 1418 595">Number of the Company's shares held</td> </tr> <tr> <td data-bbox="1201 595 1418 633">14,600</td> </tr> </table>	Number of the Company's shares held	14,600
Number of the Company's shares held					
14,600					
1	<p>Satoshi Kikuchi (December 29, 1952)</p> <p>(For reappointment)</p>	<p>April 1976      Joined ITOCHU Corporation  June 2006      Executive Officer, ITOCHU Corporation  April 2008      Managing Executive Officer, ITOCHU Corporation  June 2008      Representative Director and Managing Director, ITOCHU Corporation  April 2010      Representative Director and Managing Executive Officer, ITOCHU Corporation  June 2012      President &amp; CEO of the Company (current position)</p> <p>Status of attendance at Board of Directors Meetings:  16/16 (100%)</p> <p>Term of office as Director:  5 years</p> <p>Reasons for the nomination of the candidate for Director:  Mr. Satoshi Kikuchi possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of President &amp; CEO in June 2012, he has achieved the Medium-term Management Plan (fiscal 2014 to fiscal 2015), and is currently demonstrating leadership in business growth and improving corporate value toward achieving the three-year Medium-term Management Plan from fiscal 2016. Thus, the Company proposes his continued appointment as Director.</p> <p>Special interests:  There are no special interests between Mr. Satoshi Kikuchi and the Company.</p>			





No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
2	Toru Matsushima (April 16, 1955)  (For reappointment)	<p>April 1979      Joined ITOCHU Corporation</p> <p>June 2006      Executive Officer, ITOCHU Corporation</p> <p>April 2009      Managing Executive Officer, ITOCHU Corporation</p> <p>June 2010      Representative Director and Managing Executive Officer, ITOCHU Corporation</p> <p>April 2014      Senior Managing Executive Officer and CSO of the Company</p> <p>June 2014      Director of the Company (current position)</p> <p>April 2015      Executive Vice President (EVP), CAO, Responsible for Global Business Development and CCO of the Company (current position)</p> <p>Chairman &amp; Director, CTC GLOBAL SDN. BHD. (current position)</p> <p>Chairman &amp; Director, CTC GLOBAL PTE. LTD. (current position)</p> <p>June 2015      CFO of the Company (current position)</p>	 <table border="1" data-bbox="1193 465 1422 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>7,100</td> </tr> </table>	Number of the Company's shares held	7,100
		Number of the Company's shares held			
7,100					
<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Term of office as Director: 3 years</p> <p>Reasons for the nomination of the candidate for Director: Mr. Toru Matsushima possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2014, he has served as CAO, CFO, and CCO. He has extensive knowledge and abilities regarding management, and the Company believes that he is necessary for the management of the Company. Thus, the Company proposes his continued appointment as Director.</p> <p>Special interests: There are no special interests between Mr. Toru Matsushima and the Company.</p>					


No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
3	Masaaki Matsuzawa (November 23, 1954)  (For reappointment)	<p>April 1978      Joined C.ITOH DataSystems Co., Ltd.</p> <p>October 1989    Transferred to the Company</p> <p>June 2002      Executive Officer of the Company</p> <p>April 2007      Managing Executive Officer and COO, Datacenter Group of the Company</p> <p>June 2009      Director of the Company (current position)</p> <p>April 2011      COO, Telecommunication Systems Group of the Company</p> <p>April 2013      Officer responsible for Telecommunication Systems Group and Financial &amp; Public Systems Group of the Company</p> <p>April 2015      Senior Managing Executive Officer of the Company</p> <p>April 2016      Officer responsible for Distribution &amp; Enterprise Group and Telecommunication Group of the Company</p> <p>COO, Distribution &amp; Enterprise Group of the Company (current position)</p> <p>June 2016      Director, Asahi Business Solutions Corp. (current position)</p> <p>April 2017      Executive Vice President (EVP) and Officer responsible for Business Group of the Company (current position)</p>	  <table border="1" data-bbox="1193 465 1423 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>12,600</td> </tr> </table>	Number of the Company's shares held	12,600
Number of the Company's shares held					
12,600					
		<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Term of office as Director: 8 years</p> <p>Reasons for the nomination of the candidate for Director: Mr. Masaaki Matsuzawa possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2009, he has previously served as COO of the Datacenter Group, the Telecommunication Systems Group, and the Distribution &amp; Enterprise Group in addition to possessing extensive knowledge and abilities regarding management, and the Company believes that he is necessary for the management of the Company. Thus, the Company proposes his continued appointment as Director.</p> <p>Special interests: There are no special interests between Mr. Masaaki Matsuzawa and the Company.</p>			


No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
4	Tadataka Okubo (July 20, 1956)  (For reappointment)	<p>January 1981    Joined C.ITOH DataSystems Co., Ltd.</p> <p>October 1989    Transferred to the Company</p> <p>June 2002        Executive Officer of the Company</p> <p>January 2004    COO, Information Management of the Company</p> <p>April 2004        COO, Information Systems/BPR and CIO of the Company</p> <p>April 2007        Deputy COO, Financial Systems Group of the Company</p> <p>April 2011        Managing Executive Officer of the Company</p> <p>April 2013        COO, Cross Function Group and CTO of the Company</p> <p>April 2014        COO, IT Services Business Group and CTO of the Company</p> <p>June 2014        Director of the Company (current position)</p> <p>April 2017        Senior Managing Executive Officer, COO, Advanced IT Strategy Group, Officer responsible for Advanced IT Strategy Group and IT Services Group, CTO and CIO of the Company (current position)</p>	 <table border="1" data-bbox="1193 465 1422 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>9,200</td> </tr> </table>	Number of the Company's shares held	9,200
Number of the Company's shares held					
9,200					
		<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Term of office as Director: 3 years</p> <p>Reasons for the nomination of the candidate for Director: Mr. Tadataka Okubo possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2014, he has been responsible for the IT Services Business Group, Advanced IT Strategy Group, and served as CTO in addition to possessing extensive knowledge and abilities regarding management, and the Company believes that he is necessary for the management of the Company. Thus, the Company proposes his continued appointment as Director.</p> <p>Special interests: There are no special interests between Mr. Tadataka Okubo and the Company.</p>			

No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
5	Takahiro Susaki (September 8, 1956)  (For reappointment)	<p>April 1979      Joined ITOCHU Corporation</p> <p>June 2004      Director of the Company</p> <p>June 2005      Executive Officer of the Company</p> <p>April 2009      Executive Officer and Chief Operating Officer, ICT &amp; Media Division, ITOCHU Corporation</p> <p>June 2009      Director of the Company (current position)</p> <p>April 2011      Chief Operating Officer, Information &amp; Communication Technology Division, ITOCHU Corporation</p> <p>April 2012      Managing Executive Officer (current position) and COO, IT Support Services Group of the Company</p> <p>April 2013      COO, Financial &amp; Public Systems Group of the Company</p> <p>January 2015      COO, Regional Business Development of the Company</p> <p>April 2016      Officer responsible for Public &amp; Regional Business Group and Finance &amp; Social Infrastructure Group of the Company</p> <p>COO, Public &amp; Regional Business Group of the Company (current position)</p>	 <table border="1" data-bbox="1193 465 1423 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>5,900</td> </tr> </table>	Number of the Company's shares held	5,900
Number of the Company's shares held					
5,900					
		<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Term of office as Director: 8 years</p> <p>Reasons for the nomination of the candidate for Director: Mr. Takahiro Susaki possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2009, he has been responsible for the IT Support Services Group, the Financial &amp; Public Systems Group, and the Public &amp; Regional Business Group since April 2012 in addition to possessing extensive knowledge and abilities regarding management, and the Company believes that he is necessary for the management of the Company. Thus, the Company proposes his continued appointment as Director.</p> <p>Special interests: There are no special interests between Mr. Takahiro Susaki and the Company.</p>			

No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
	Makiko Nakamori (August 18, 1963)	<p>April 1987      Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION</p> <p>October 1991    Joined Asahi &amp; Co. (current KPMG AZSA LLC)</p> <p>April 1996      Registered as certified public accountant</p> <p>July 1997      Director, Nakamori CPA Offices (current position)</p> <p>August 2000    Corporate Auditor, Oracle Corporation Japan</p> <p>December 2006   Corporate Auditor, istyle Inc. (current position)</p> <p>August 2008    Director, Oracle Corporation Japan</p> <p>March 2010     Corporate Auditor, GLOBAL-DINING, INC.</p> <p>September 2011 Corporate Auditor, THE JADE GROUP K.K. (current LOCONDO, Inc.)</p> <p>December 2011   Corporate Auditor, M&amp;A Capital Partners Co., Ltd. (current position)</p> <p>June 2013      Director of the Company (current position) Corporate Auditor, NEXT Co., Ltd. (current LIFULL Co., Ltd.) (current position)</p> <p>November 2015   Corporate Auditor, TeamSpirit Inc. (current position)</p>	 <table border="1" data-bbox="1193 465 1422 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>0</td> </tr> </table>	Number of the Company's shares held	0
Number of the Company's shares held					
0					
6	(For reappointment)  (Outside)  (Independent)	<p>Status of attendance at Board of Directors Meetings: 15/16 (94%)</p> <p>Term of office as Director: 4 years</p> <p>Reasons for the nomination of the candidate for Outside Director: Ms. Makiko Nakamori possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2013, has fulfilled her duties as Outside Director. She does not have experience of being directly engaged in corporate management except serving as an Outside Director or an Outside Corporate Auditor, yet she possesses a high level of financial and accounting expertise and extensive experience as a certified public accountant and the Company believes she is necessary for the management of the Company. Thus, the Company proposes her continued appointment as Outside Director.</p> <p>Special interests and views toward independence: There are no special interests between Ms. Makiko Nakamori and the Company. Additionally, the Company has reported to the Tokyo Stock Exchange, Inc., Ms. Makiko Nakamori as an independent officer with no potential conflicts of interest with general shareholders as required by the aforementioned Exchange.</p> <p>Other special notes on the candidate for Director: Ms. Makiko Nakamori has entered into a liability limitation agreement with the Company under Article 423, Paragraph 1 of the Companies Act, whereby liability for damage based on the agreement is limited to the amount stipulated by laws and regulations. When her reappointment is approved, she will renew the liability limitation agreement with the Company.</p>			

No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
		<p>July 1973 Program planner, UN Development Programme</p> <p>January 1977 Senior researcher in the Center of Japanese Economy and Business at Columbia University</p> <p>April 1980 Adviser, Communications and Information Network Association of Japan (current position)</p> <p>April 1988 Executive adviser to Japanese Minister of Labor</p> <p>April 2001 Professor, Waseda University (current position)</p> <p>April 2002 Director, Institute of e-Government, Waseda University (current position)</p> <p>May 2004 Director, APEC e-Government Research Center (current position)</p> <p>May 2006 Chair, National e-Government Promotion Council, Ministry of Internal Affairs and Communications (current position)</p> <p>September 2008 President, International Academy of CIO (current position)</p> <p>August 2009 Member, Evaluation and Expert Research Committee for IT Strategic Headquarters, Cabinet Office</p> <p>January 2011 Adviser to Secretary General of ITU</p> <p>January 2012 Vice Chairman, ICT Super-Aging Society Design Council, Ministry of Internal Affairs and Communications</p> <p>June 2014 Director of the Company (current position)</p>	 <table border="1" data-bbox="1193 465 1423 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>0</td> </tr> </table>	Number of the Company's shares held	0
Number of the Company's shares held					
0					
7	<p>(For reappointment)</p> <p>(Outside)</p> <p>(Independent)</p>	<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Term of office as Director: 3 years</p> <p>Reasons for the nomination of the candidate for Outside Director: Mr. Toshio Obi possesses personal qualities such as high ethical perspective and fairness as Director, and subsequent to assuming the office of Director in June 2014, has fulfilled his duties as Outside Director. He does not have experience of being directly engaged in corporate management except serving as an Outside Director or an Outside Corporate Auditor, yet he possesses a high level of expertise as an academic and deep knowledge in information systems and the Company believes he is necessary for the management of the Company. Thus, the Company proposes his continued appointment as Outside Director.</p> <p>Special interests and views toward independence: There are no special interests between Mr. Toshio Obi and the Company. Although there are operational transaction relationships between the Company and Waseda University, where he serves as professor, the amount of the transactions is immaterial at less than 0.1% of the Company's consolidated revenue, and there is no significance to create special interests. Thus, the Company has reported to the Tokyo Stock Exchange, Inc., Mr. Toshio Obi as an independent officer with no potential conflicts of interest with general shareholders as required by the aforementioned Exchange.</p> <p>Other special notes on the candidate for Director: Mr. Toshio Obi has entered into a liability limitation agreement with the Company under Article 423, Paragraph 1 of the Companies Act, whereby liability for damage based on the agreement is limited to the amount stipulated by laws and regulations. When his reappointment is approved, he will renew the liability limitation agreement with the Company.</p>			

No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)			
8	Tatsushi Shingu (July 9, 1964)  (New appointment)	<p>April 1987      Joined ITOCHU Corporation</p> <p>May 2008      General Manager, Mobile &amp; Wireless Department, ITOCHU Corporation</p> <p>June 2008      Director, ITC NETWORKS CORPORATION (current CONEXIO Corporation)</p> <p>April 2009      General Manager, Mobile Network Business Department, ITOCHU Corporation</p> <p>April 2011      General Manager, Communication &amp; Mobile Business Department, ITOCHU Corporation</p> <p>April 2012      Deputy Chief Operating Officer, ICT, Insurance &amp; Logistics Division, ITOCHU Corporation</p> <p>April 2015      Deputy Chief Operating Officer, ICT Division, ITOCHU Corporation</p> <p>April 2016      SVP &amp; CAO, ITOCHU International Inc; SVP &amp; General Manager, Corporate Planning Division, ITOCHU International Inc; President &amp; CEO, ITOCHU Canada Ltd.</p> <p>April 2017      Executive Officer, Chief Operating Officer, ICT Division, ITOCHU Corporation (current position) Director, ITOCHU Fuji Partners, Inc. (current position)</p> <p>May 2017      Director, BELLSYSTEM24 Holdings, Inc. (current position)</p>	 <table border="1" data-bbox="1193 465 1423 600"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>0</td> </tr> </table>	Number of the Company's shares held	0
Number of the Company's shares held					
0					
		<p>Reasons for the nomination of the candidate for Director: Mr. Tatsushi Shingu possesses personal qualities such as high ethical perspective and fairness, and possesses a high level of expertise and extensive knowledge regarding management as Chief Operating Officer of the ICT Division of ITOCHU Corporation, and the Company believes that he is qualified for the management of the Company. Thus, the Company proposes his appointment as Director.</p> <p>Special interests: There are no special interests between Mr. Tatsushi Shingu and the Company.</p> <p>Other special notes on the candidate for Director: When Mr. Tatsushi Shingu is appointed, the Company plans to newly enter into a liability limitation agreement with him under Article 423, Paragraph 1 of the Companies Act. The liability for damage based on the agreement will be limited to the amount stipulated by laws and regulations.</p>			

No.	Name (Date of birth)	Brief personal history, position, responsibilities and status of significant concurrent position(s)	 <table border="1" data-bbox="1193 465 1423 600"> <tr> <td data-bbox="1201 472 1415 566">Number of the Company's shares held</td> </tr> <tr> <td data-bbox="1201 566 1415 593">0</td> </tr> </table>	Number of the Company's shares held	0
Number of the Company's shares held					
0					
9	<p>Tadayoshi Yamaguchi (July 24, 1966)</p> <p>(New appointment)</p>	<p>April 1989      Joined ITOCHU Corporation  April 2008      PRESIDENT &amp; CEO, ITOCHU Financial Services, Inc.  July 2011        Managing Director, TCI Finance Corporation  April 2015        General Manager, Financial Business Department, ITOCHU Corporation  April 2016        General Manager, ICT &amp; Financial Planning &amp; Administration Department, ITOCHU Corporation (current position)</p> <p>Reasons for the nomination of the candidate for Director:  Mr. Tadayoshi Yamaguchi possesses personal qualities such as high ethical perspective and fairness, and possesses a high level of expertise and extensive knowledge regarding management as General Manager of the ICT &amp; Financial Planning &amp; Administration Department of ITOCHU Corporation, and the Company believes that he is qualified for the management of the Company. Thus, the Company proposes his appointment as Director.</p> <p>Special interests:  There are no special interests between Mr. Tadayoshi Yamaguchi and the Company.</p> <p>Other special notes on the candidate for Director:  When Mr. Tadayoshi Yamaguchi is appointed, the Company plans to newly enter into a liability limitation agreement with him under Article 423, Paragraph 1 of the Companies Act. The liability for damage based on the agreement will be limited to the amount stipulated by laws and regulations.</p>			

(Note) The terms of office for Directors are as of the conclusion of this Meeting.




**Proposal 4:** Election of one (1) Corporate Auditor

As the term of office of Corporate Auditor Shintaro Ishimaru will expire at the conclusion of the Meeting, the Company proposes his reappointment.

With regard to the submission of this proposal, the Company has received approval from the Board of Corporate Auditors.

The candidate for Corporate Auditor is described below.

Candidate for Corporate Auditor

Name (Date of birth)	Brief personal history, position and status of significant concurrent position(s)			
	April 1976	  <table border="1" data-bbox="1129 757 1359 887"> <tr> <td>Number of the Company's shares held</td> </tr> <tr> <td>2,500</td> </tr> </table>	Number of the Company's shares held	2,500
	Number of the Company's shares held			
	2,500			
	June 2006			
	April 2009			
	April 2011			
	May 2011			
April 2012				
June 2013				
<p>Shintaro Ishimaru (January 15, 1954)</p> <p>(For reappointment)</p> <p>(Outside)</p>	<p>Status of attendance at Board of Directors Meetings: 16/16 (100%)</p> <p>Status of attendance at Board of Corporate Auditors Meetings: 13/13 (100%)</p> <p>Term of office as Corporate Auditor: 4 years</p> <p>Reasons for the nomination of the candidate for Outside Corporate Auditor: Mr. Shintaro Ishimaru has been fulfilling his duties for the past four years since June 2013 as Outside Corporate Auditor of the Company, and possesses an adequate level of knowledge toward corporate management of the Group. He also possesses experience in management at ITOCHU Corporation and a high level of insight concerning information systems. Thus, the Company believes that he will appropriately audit the execution of duties by Directors, and proposes his continued appointment as Outside Corporate Auditor.</p> <p>Special interests: There are no special interests between Mr. Shintaro Ishimaru and the Company.</p> <p>Other special notes on the candidate for Corporate Auditor: Within the past five years, Mr. Shintaro Ishimaru has been an executive at ITOCHU Corporation, the parent company of the Company.</p>			

(Note) The term of office for Corporate Auditor is as of the conclusion of this Meeting.

**Proposal 5:** Election of one (1) Substitute Corporate Auditor

As the validity of the currently elected Substitute Corporate Auditor will expire at the commencement of this Annual General Meeting, the Company once again proposes the election of one (1) Substitute Corporate Auditor to prepare for the event where the number of Corporate Auditors falls below the number defined by laws and regulations.

With regard to the submission of this proposal, the Company has received approval from the Board of Corporate Auditors.

The candidate for Substitute Corporate Auditor is described below.

Candidate for Substitute Corporate Auditor

Name (Date of birth)	Brief personal history, position and status of significant concurrent position(s)	Number of the Company's shares held
Seiji Tanimoto (July 9, 1970)  (For reappointment)	April 1999 Registered as an attorney (Daini Tokyo Bar Association) Joined Hibiya Sogo Law Office	0
	Reasons for the nomination of the candidate for Substitute Corporate Auditor: Mr. Seiji Tanimoto does not have experience of being directly engaged in corporate management, yet he possesses abundant experience and a high level of expertise regarding corporate law as an attorney. Thus, the Company believes that he will appropriately audit the execution of duties by Directors, and proposes his continued appointment as Substitute Corporate Auditor. Additionally, he is a candidate for Substitute Outside Corporate Auditor.  Special interests and views toward independence: There are no special interests between Mr. Seiji Tanimoto and the Company. Additionally, in the event that Mr. Seiji Tanimoto assumes office of Outside Corporate Auditor, the Company plans to report him as an independent officer to the Tokyo Stock Exchange, Inc. as defined by the aforementioned Exchange.  Other special notes on the candidate for Substitute Corporate Auditor: When Mr. Seiji Tanimoto assumes office of Outside Corporate Auditor, the Company plans to newly enter into a liability limitation agreement with him under Article 423, Paragraph 1 of the Companies Act. The liability for damage based on the agreement will be limited to the amount stipulated by laws and regulations.	

**Proposal 6:** Introduction of performance-linked share-based remuneration plan for Directors, etc.

1. Objectives of the proposal

In this Proposal, the Company requests approval for the introduction of a new performance-linked share-based remuneration plan “Board Benefit Trust (BBT)” (hereinafter the “Plan”) for Directors and Executive Officers of the Company (excluding part-time Directors, Outside Directors, and nonresidents of Japan; hereinafter the “Directors, etc.”). In the Plan, a portion of bonus in cash which has been calculated under the formula for the current performance-linked bonus will be replaced to share-based remuneration.

The Plan aims to make linkage between the remuneration for Directors, etc. and the Company’s share price clearer and to have Directors, etc. share the merits of increase of stock price as well as the risks of stock price declines with shareholders of the Company. It also aims to heighten awareness toward making contributions to improving our performance over the medium and long term and to increasing corporate value. Accordingly, the Company considers that the content of this Proposal is appropriate.

In order to provide new share-based remuneration to the Company’s Directors, this Proposal proposes the approval of an amount of remuneration, etc., separate from the amount of remuneration approved at the 27th Fiscal Year Annual General Meeting of Shareholders held on June 22, 2006 (up to ¥640 million per year, not including salaries provided for Directors concurrently serving as employees). Additionally, the Company requests that decision on details concerning the Plan be entrusted to the Board of Directors within the framework of 2. below.

Additionally, if Proposal 3 is approved as originally proposed, the number of Directors subject to the Plan will be 5 persons.

2. Amount and reference information of remuneration, etc., under the Plan

(1) Overview of the Plan

The Plan is a performance-linked share-based remuneration plan by which the Company’s shares are acquired through a trust using money contributed by the Company as the source (hereinafter the “Trust” for the trust established under the Plan), and the Company’s shares and the money equivalent to the market value of the Company’s shares (the “Company Shares, etc.”) will be delivered to Directors, etc., through a trust in accordance with the Officer Stock Benefit Regulations established by the Company. Additionally, Directors, etc., will receive the Company Shares, etc., in principle, upon their retirement as Directors, etc.

(2) Persons subject to the Plan

Directors and Executive Officers (excluding part-time Directors, Outside Directors, and nonresidents of Japan. Corporate Auditors shall not be subject to the Plan.)

(3) Trust period

The period from August 2017 (scheduled) until the end of the Trust (The Trust shall continue without determining a specific termination date, and as long as the Plan exists. The Plan shall be terminated upon occurrence of events such as when the Company’s shares are delisted or the Officer Stock Benefit Regulations are abolished, etc.)

(4) Trust amount (amount of remuneration, etc.)

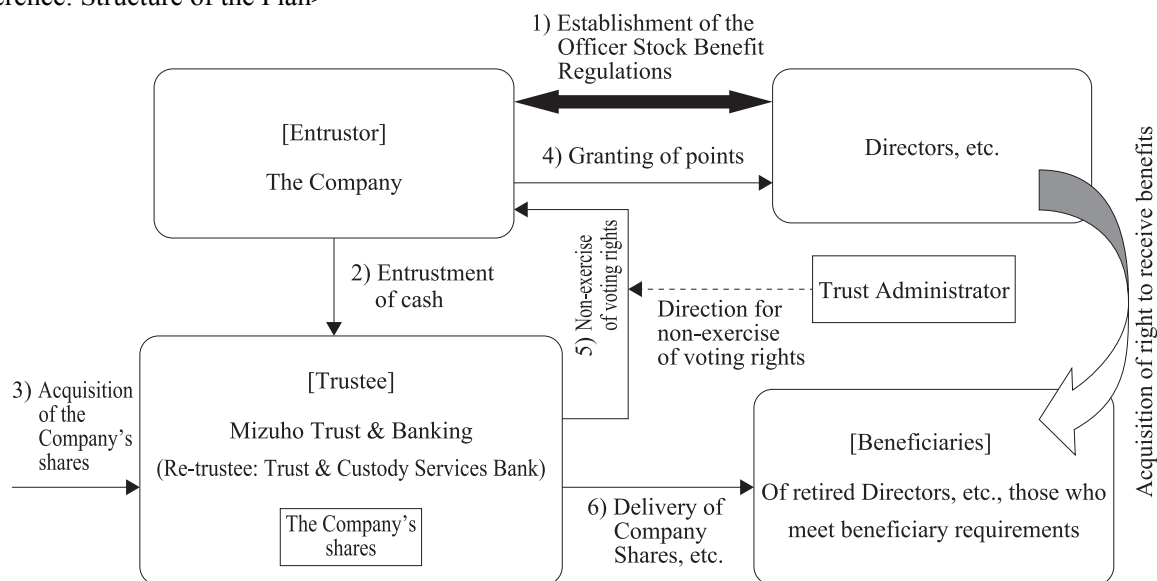
Under the condition that this Proposal is approved, the Company shall introduce the Plan to the three fiscal years from the fiscal year ending March 31, 2018 to that ending March 31, 2020 (hereinafter, the aforementioned three-year period shall be the “Initial Applicable Period,” and subsequent three-fiscal-year periods following the aforementioned three-fiscal-year period shall each be referred to as the “Applicable Period”), and for each following Applicable Period, and to provide Company Shares, etc., to Directors, etc. the Company shall contribute the following amounts of cash as the source of funds to acquire the Company’s shares for the Trust.

First, upon establishment of the Trust (scheduled for August 2017), the Company shall contribute funds to the Trust up to ¥390 million (of which, ¥180 million for Directors) as funds required for the Initial Applicable Period.

Furthermore, after the Initial Applicable Period, the Company will, in principle, make additional contributions up to ¥390 million (of which, ¥180 million for Directors) to the Trust every Applicable Period until the Plan ends. However, provided that in cases where such additional contribution is made and the Company’s shares (excluding shares corresponding to the points granted to Directors, etc. for which the delivery of such shares is incomplete) and cash (hereinafter the “Remaining Shares, etc.”) remain within the trust assets, the total amounts of the Remaining Shares (for the Company’s shares, the amount of the Remaining Shares shall be the market value thereof as of the last day of the preceding Applicable Period), and the additional contribution to the Trust shall be no more than ¥390 million (of which, ¥180 million for Directors). Additionally, if the Company decides upon an additional contribution, disclosure shall be made in a timely and appropriate manner.

- (5) Acquisition method and number of shares to be acquired for the Company's shares  
The acquisition of the Company's shares by the Trust shall use funds contributed in (4) above, and is planned to be made via exchange markets or via a disposal of the Company's treasury stock. For the Initial Applicable Period, acquisition shall be made without delay after the establishment of the Trust with an upper limit of 252,000 shares.  
Details of the acquisition of the Company's shares by the Trust shall be disclosed in a timely and appropriate manner.
- (6) Calculation method of Company Shares, etc., to be provided to Directors, etc.  
In each fiscal year, the Company will grant points to Directors, etc., defined as distribution funds corresponding to the degree of achievement of business results etc., which are divided by a certain stock price, as stipulated by the Officer Stock Benefit Regulations. The total number of points granted to Directors, etc., per year shall be no more than 84,000 points (of which, 39,000 points for Directors). This was determined in consideration of factors such as current executive remuneration standards, trends in the number of Directors, etc., and expectations, and the Company considers it as appropriate.  
Additionally, points granted to Directors, etc., shall be converted to one share of the Company's common stock per point upon granting of Company Shares, etc., in (7) below (however, if a stock split, allotment of shares without contribution or reverse stock split for the Company's shares is implemented after the approval of this Proposal, the upper limit for points, the number of points granted, or the conversion ratio shall be reasonably adjusted according to its ratio, etc.).  
The number of points for Directors, etc., which is the basis for the allotment of Company Shares, etc. stated in (7) below, shall in principle be the number of points granted to said Directors, etc. until the time of his or her retirement (points calculated in this manner shall hereinafter be referred to as the "Fixed Point Number").
- (7) Allotment of Company Shares, etc.  
If a Director, etc., who has retired from office meets the beneficiary requirements prescribed in the Officer Stock Benefit Regulations, the said Director, etc., may in principle receive the Company's shares from the Trust after his or her retirement in proportion to the "Fixed Point Number" defined in (6) above by taking the prescribed procedures to confirm the beneficiary. However, if requirements set under the Officer Stock Benefit Regulations are met, for a certain percentage of the Company's shares, a cash allotment shall be provided equivalent to the market value of the Company's shares, in place of allotment of the Company's shares. Additionally, the Trust may sell the Company's shares to pay such money.
- (8) Exercise of voting rights  
Voting rights related to the Company's shares held by the Trust shall not be exercised pursuant to the direction of the trust administrator. In this way, the Trust will be able to ensure its neutrality in the Company's management.
- (9) Handling of dividends  
Dividends related to the Company's shares held by the Trust shall be received by the Trust to acquire the Company's shares or pay for the trustee's remuneration, etc. Based on the Officer Stock Benefit Regulations, any remaining dividends, etc., upon termination of the Trust shall be distributed to Directors, etc. in office at that time in proportion to the number of points held by each person.
- (10) Handling of termination of the Trust  
The Trust shall be terminated when the Company's shares are delisted or the Officer Stock Benefit Regulations are abolished, etc.  
Of the residual assets in the Trust upon its termination, the Company's shares will be entirely acquired by the Company with no charge and be canceled pursuant to the resolution of the Board of Directors. Of the cash residual assets in the Trust upon its termination, the amount of cash remaining after allotment to Directors, etc. shall be allotted to the Company.

<Reference: Structure of the Plan>



- 1) The Officer Stock Benefit Regulations shall be established within the framework of the approval at the Meeting.
- 2) The Company entrusts funds in the range of the amount approved via this Proposal.
- 3) The Trust uses the funded amount as outlined in 2) above to acquire the Company's shares through the exchange markets or disposals of treasury stock.
- 4) The Company grants points to Directors, etc., based on the Officer Stock Benefit Regulations.
- 5) Voting rights for the Company's shares held by the Trust account will not be exercised pursuant to direction of the trust administrator, who is independent from the Company.
- 6) The Trust allots the Company's shares to retired Directors, etc., who also meet the beneficiary requirements set under the Officer Stock Benefit Regulations (hereinafter the "Beneficiaries") based on the number of points they have been granted. If a Director, etc. meets certain requirements set under the Officer Stock Benefit Regulations, the Company will grant, to a certain percentage of the points given, money equivalent to the market value of such shares.