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Securities Code: 1951
June 6, 2016

To Our Shareholders:

Fuminori Kozono
President and Representative Director
KYOWA EXEO CORPORATION
29-20, Shibuya 3-chome, Shibuya-ku, Tokyo

NOTICE OF THE 62nd ORDINARY GENERAL MEETING OF SHAREHOLDERS

We express our heartfelt sympathy to all persons affected by the 2016 Kumamoto Earthquake, and sincerely hope for the earliest possible recovery of the affected areas.

You are cordially invited to attend the 62nd Ordinary General Meeting of Shareholders of KYOWA EXEO CORPORATION (the “Company”) on June 24, 2016, which will be held as described hereunder.

Meeting Details

- 1. Date and Time:** Friday, June 24, 2016 at 10:00 a.m. (Japan time)
(The reception will begin at 9:00 a.m.)
- 2. Venue:** 29-20, Shibuya 3-chome, Shibuya-ku, Tokyo
KYOWA EXEO CORPORATION 3F Conference Room

3. Purposes:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 62nd Fiscal Year from April 1, 2015 to March 31, 2016 and Reports of Audit on the Consolidated Financial Statements by Financial Auditor and Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 62nd Fiscal Year (from April 1, 2015 to March 31, 2016)

Matters to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of One (1) Director
Proposal 3: Election of Three (3) Audit & Supervisory Board Members
Proposal 4: Issuance of Subscription Rights to Shares as Stock Options

* Any revisions to the contents of the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-Consolidated Financial Statements made by the day immediately preceding the day of the General Meeting of Shareholders will be notified by mailing of documents or posting on the Company’s website (<http://www.exeo.co.jp/>) (in Japanese only).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The Company regards profit distribution to shareholders as an important managerial issue, and regarding the appropriation of surplus, we set our target dividend on equity ratio (DOE) at 3% and our basic policy is to continue issuing stable dividends.

Based on this policy, we propose the following year-end dividend for the fiscal year under review:

Matters concerning the year-end dividend

1. Type of dividend assets
Cash
2. Matters concerning allocation of dividend assets and the total amount
Dividend per common share of the Company: ¥22
Total amount of dividends: ¥2,144,356,478
Note: The annual dividend for the current fiscal year, being the total of the interim and year-end dividends, is ¥38 per share.
3. Effective date of dividend from surplus
Monday, June 27, 2016

Proposal 2: Election of One (1) Director
 Mr. Takayuki Watanabe will resign from the position of Director at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) Director to fill this vacancy.

The candidate for this position is as follows:

Name (Date of birth)	Career summary, positions and areas of responsibility	Number of the Company's shares held
Tomohiro Kurosawa (Jul. 23, 1957) New Candidate Board of Directors meeting attendance during the year ended March 31, 2016: – Term served as Director of the Company: –	Jun. 2009 Senior Vice President, Managing Director of Service Quality Management Department, NTT DoCoMo, Inc.	2,000
	Jun. 2011 Senior Vice President, Managing Director of Hokkaido Regional Office, NTT DoCoMo, Inc.	
	Jun. 2014 Operating Officer, General Manager of Mobile Sales Division, DoCoMo Business Headquarters, KYOWA EXEO CORPORATION	
	Jun. 2015 Managing Operating Officer, General Manager of DoCoMo Business Headquarters and Mobile Sales Division, DoCoMo Business Headquarters, KYOWA EXEO CORPORATION (present position)	
	(Important concurrent positions) N/A	
	(Reasons for nomination as candidate for Director) Mr. Tomohiro Kurosawa has abundant experience in the telecom industry and has made large contributions to the development of the mobile business as an Operating Officer at the Company. The Company believes that his specialized knowledge and insight in the telecom industry will allow him to properly perform his duties as Director.	

Note: There are no conflicts of interest between the candidate and the Company.

Proposal 3: Election of Three (3) Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members Mr. Yuji Sugita, Mr. Akira Yamada and Mr. Kozo Meguro will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of three (3) Audit & Supervisory Board Members.

The Company has obtained the consent of the Audit & Supervisory Board to this proposal.

The candidates for these positions are as follows:

No.	Name (Date of birth)	Career summary and positions	Number of the Company's shares held
1	<p>Kozo Meguro (Feb. 1, 1953) Candidate for Reelection</p> <p>Outside Officer Independent Officer</p> <p>Board of Directors meeting attendance during the year ended March 31, 2016: 15/15 times (100%)</p> <p>Audit & Supervisory Board meeting attendance during the year ended March 31, 2016: 14/14 times (100%)</p> <p>Term served as Audit & Supervisory Board Member of the Company: 2 years (at the conclusion of this Ordinary General Meeting of Shareholders)</p>	<p>Sep. 1984 Joined Chuo Accounting Office Audit Corporation</p> <p>Jul. 1989 Registered as a Certified Public Accountant</p> <p>Jul. 2003 Representative Partner, Chuo Aoyama Audit Corporation</p> <p>Sep. 2006 Representative Partner, PricewaterhouseCoopers Aarata</p> <p>Jul. 2013 Opened MEGURO & Co. (present position)</p> <p>Jun. 2014 Audit & Supervisory Board Member, KYOWA EXEO CORPORATION (present position)</p> <p>(Important concurrent positions) Certified Public Accountant at MEGURO & Co.</p> <p>(Reasons for nomination as candidate for Outside Audit & Supervisory Board Member) The Company believes that Mr. Kozo Meguro's abundant experience and specialized knowledge in financial operations and accounting cultivated as a Certified Public Accountant will allow him to properly perform his duties as Outside Audit & Supervisory Board Member. Furthermore, while he has not been directly involved in corporate management outside of being an Outside Director, for the above reasons, the Company believes he will properly perform his duties as Outside Audit & Supervisory Board Member.</p>	0

No.	Name (Date of birth)	Career summary and positions	Number of the Company's shares held
2	<p>Haruhiko Yamada (May 22, 1953) New Candidate</p> <p>Outside Officer</p> <p>Board of Directors meeting attendance during the year ended March 31, 2016: -</p> <p>Audit & Supervisory Board meeting attendance during the year ended March 31, 2016: -</p> <p>Term served as Audit & Supervisory Board Member of the Company: -</p>	<p>Aug. 2006 Director and General Manager of Channel Sales Division, Corporate Business Headquarters, NTT Communications Corporation</p> <p>Jun. 2008 Vice President and Director, NTT World Engineering Marine Corporation</p> <p>Jun. 2009 Executive Vice President and General Manager of Accounts and Finance Division, NTT FACILITIES, INC.</p> <p>Jun. 2011 President & CEO, NTT Travel Service, Co., Ltd. (present position)</p> <p>(Important concurrent positions) N/A</p> <p>(Reasons for nomination as candidate for Outside Audit & Supervisory Board Member) Mr. Haruhiko Yamada has specialized knowledge and insight in financial operations and accounting through his abundant experience in management in the telecom industry and as a finance officer, and the Company believes he will properly perform his duties as Outside Audit & Supervisory Board Member.</p>	0

No.	Name (Date of birth)	Career summary and positions	Number of the Company's shares held
3	<p>Yoshiharu Takizawa (Dec. 18, 1954) New Candidate</p> <p>Board of Directors meeting attendance during the year ended March 31, 2016: –</p> <p>Audit & Supervisory Board meeting attendance during the year ended March 31, 2016: –</p> <p>Term served as Audit & Supervisory Board Member of the Company: –</p>	<p>Aug. 2006 General Manager of Kansai Sales Division, Corporate Business Headquarters, NTT Communications Corporation</p> <p>Jul. 2007 Joined KYOWA EXEO CORPORATION General Manager of Sales Division, IT Solutions Headquarters, KYOWA EXEO CORPORATION</p> <p>Jun. 2010 Operating Officer, General Manager of Sales Division, Business Solutions Headquarters, KYOWA EXEO CORPORATION</p> <p>Apr. 2013 Operating Officer, General Manager of ICT Solution Headquarters, KYOWA EXEO CORPORATION</p> <p>Jun. 2014 Managing Operating Officer, General Manager of Procurement Division, KYOWA EXEO CORPORATION (present position)</p> <p>(Important concurrent positions) N/A</p> <p>(Reasons for nomination as candidate for Outside Audit & Supervisory Board Member) Mr. Yoshiharu Takizawa has specialized knowledge in the telecom and ICT fields through his abundant experience in the telecom industry and involvement in a range of operational execution as an Operating Officer of the Company, and the Company believes he will appropriately perform his duties as Outside Audit & Supervisory Board Member.</p>	15,300

- Notes:
1. There are no conflicts of interest between any of the candidates and the Company.
 2. Mr. Kozo Meguro and Mr. Haruhiko Yamada are candidates for Outside Audit & Supervisory Board Members. Furthermore, Mr. Kozo Meguro satisfies the conditions for Independent Officer as provided for in the regulations of the Tokyo Stock Exchange and the Company's regulations.
 3. Mr. Haruhiko Yamada is currently President & CEO of NTT Travel Service Co., Ltd., however, on June 17, 2016 he will resign from this position and become an advisor for said company.
 4. Liability Limitation Agreements with Audit & Supervisory Board Members
In order for our Audit & Statutory Board Members to more effectively perform in their expected roles, Article 39 of the current Articles of Incorporation of the Company provides that the Company may enter into agreements with its Audit & Supervisory Board Members limiting their liability for failure to properly perform their respective duties. The candidate for Audit & Supervisory Board Member Mr. Kozo Meguro has entered into an agreement with the Company that limits his liability for damages under Article 423(1) of the Companies Act to the minimum amount prescribed by laws and regulations, and if his reelection is approved, the above liability limitation agreement will continue. Furthermore if the candidates for Audit & Supervisory Board Members, Mr. Haruhiko Yamada and Mr. Yoshiharu Takizawa, are elected, they will enter into agreements with the Company that limit their liability for damages under Article 423(1) of the Companies Act to the minimum amount prescribed by laws and regulations.

Proposal 4: Issuance of Subscription Rights to Shares as Stock Options

The shareholders are requested to approve the proposal to entrust the Board of Directors of the Company with the task of determining the terms of the Issuance of Subscription Rights to Shares as Stock Options to Directors (excluding Outside Directors), Operating Officers and employees of the Company, and Directors of the Company's subsidiaries under the provisions of Articles 236, 238 and 239 of the Companies Act.

The number of Directors of the Company to be subject to this Proposal is eight (8).

The issuance of Subscription Rights to Shares to the Directors is within the annual limit of 20,000,000 Yen approved as Subscription Rights to Shares that may be offered as remuneration for the Directors at the Ordinary General Meeting of Shareholders held on June 21, 2013.

1. Reasons for Issuing the Subscription Rights to Shares on particularly favorable conditions
The reason for issuing Subscription Rights to Shares as stock options free of charge to the Directors, Operating Officers and employees of the Company, and Directors of the Company's subsidiaries is to provide an incentive to improve business performance, increase corporate value and enhance a management focus on shareholder interests.
2. Persons to whom Subscription Rights to Shares will be allotted
Directors, Operating Officers and employees of the Company, and Directors of the Company's subsidiaries will be allotted Subscription Rights to Shares.
3. Details and maximum number etc. of the Subscription Rights to Shares for which offering terms may be determined based on the matters resolved at the Meeting
 - (1) Class and Number of Shares to be issued upon exercise of Subscription Rights to Shares
The total number of shares subject to Subscription Rights to Shares shall not exceed 300,000 shares of common stock of the Company. Of which, the number of the Subscription Rights to Shares to be allotted to Directors of the Company shall not exceed 70,000 shares of common stock of the Company.

If the Company makes any share split or share consolidation, the number of shares subject to Subscription Rights to Shares shall be adjusted using the following formula, provided that, such adjustment shall be made with regard to the number of the shares subject to Subscription Rights to Shares that have not been exercised at such time, and that if any fraction less than one (1) share arises as a result of such adjustment, such fraction shall be discarded:

$$\begin{array}{l} \text{Number of} \\ \text{shares after} \\ \text{adjustment} \end{array} = \begin{array}{l} \text{Number of} \\ \text{shares prior to} \\ \text{adjustment} \end{array} \times \begin{array}{l} \text{Ratio of} \\ \text{split/consolidation} \end{array}$$

Furthermore, if any unavoidable event other than those set forth above arises after the Allotment Date of the Subscription Rights to Shares that makes it necessary to adjust the number of shares, the Company shall make the necessary adjustment to the extent reasonable.

- (2) Number of Subscription Rights to Shares

The number of the Subscription Rights to Shares to be issued shall not exceed 3,000 units, of which the number to be allotted to Directors of the Company shall not exceed 700 units.

The number of shares for each Subscription Right to Shares (hereinafter referred to as the “Number of Granted Shares”) shall be 100 shares; provided, however, if a share number adjustment set forth in (1) Class and Number of Shares to be issued upon exercise of Subscription Rights to Shares” above is conducted, similar adjustment shall be applied to the Number of Granted Shares.

- (3) Amount to be paid in exchange for the Subscription Rights to Shares
There shall be no requirement for payment in exchange for the Subscription Rights to Shares.
- (4) Value of property to be contributed when Subscription Rights to Shares are exercised
Amount to be paid when Subscription Rights to shares are exercised shall be the paid amount per share that can be delivered by exercising the Subscription Rights to Shares (hereinafter referred to as the “Exercise Price”), multiplied by the Number of Granted Shares concerning the relevant Subscription Rights to Shares.

The Exercise Price will be the average value of closing price in regular trading of the Company’s common stock on the Tokyo Stock Exchange (hereinafter referred to as the “Closing Price”) on each day of the previous month of the date when the Subscription Rights to Shares are allotted, multiplied by 1.05. Note that the date when the trade was not effective is not included. Fractions of less than one (1) Yen will be rounded up. However, in the case the amount is lower than the Closing Price of the Allotment Date (when no Closing Price is published on that day, Closing Price of the nearest previous date shall be applied), it will be the Closing Price on the Allotment Date.

After the Allotment Date, in an event of a share split or share consolidation of the Company’s common stock, or other event where it is necessary to adjust the Exercise Price, it will be adjusted by the following formula, with fractions of less than one (1) Yen rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of share split or consolidation}}$$

In addition, after the Allotment Date of the Subscription Rights to Shares, in an event where the Company issues new shares of common stock or disposes of treasury shares of common stock at a price lower than market price, the Exercise Price will be adjusted by the following formula, with fractions of less than one (1) Yen rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of outstanding shares} + \frac{\text{Number of shares newly issued} \times \text{Paid-in amount per share}}{\text{Current market price per share}}}{\text{Number of outstanding shares} + \text{Number of shares newly issued}}$$

The “Number of outstanding shares” in the above formula shall be the total number of the shares of common stock issued less treasury shares of common stock owned by the

Company, and in the case of disposition of treasury shares, the “Number of shares newly issued” shall read as “Number of treasury shares to be disposed of.”

In addition to the above, if any unavoidable event such as a merger, a company split or capital reduction of the Company arises after the Allotment Date where the Exercise Price must be adjusted, the Company may adjust the Exercise Price to a reasonable extent, subject to a resolution of the Board of Directors.

- (5) Period during which Subscription Rights to Shares can be exercised
From July 2, 2018 to June 30, 2022.
- (6) Conditions for exercise of Subscription Rights to Shares
 - 1) Any person who has been allotted Subscription Rights to Shares (hereinafter referred to as a “Holder of Subscription Rights to Shares”) must at the time of exercising such rights have a position in the Company as a Director, Operating Officer, or employee, or a Director of a subsidiary of the Company.

However this requirement does not apply in the case where the person concerned no longer has this position due to, in the case of Directors or Operating Officers of the Company or Directors of the Company’s subsidiaries, expiry of his/her term of office, in the case of employees of the Company, retirement at mandatory retirement age, or other circumstances where it is justifiable that this requirement not apply.
 - 2) Other terms and conditions shall be as specified in the “Subscription Rights to Shares Allotment Agreement” to be entered into between the Company and holders of the Subscription Rights to Shares based on a resolution of the Board of Directors.
- (7) Restriction on transfer of Subscription Rights to Shares
The acquisition of Subscription Rights to Shares by transfer shall require approval by a resolution of the Board of Directors.
- (8) Reasons and conditions for acquisition of Subscription Rights to Shares
 - 1) If a proposal for the approval of a merger agreement under which the Company ceases to exist, a proposal for the approval of a company split agreement or a plan under which the Company is split, a proposal for the approval of a share exchange agreement or a share-transfer plan under which the Company becomes a wholly owned subsidiary is approved at the General Meeting of Shareholders (or at the Board of Directors if approval at the General Meeting of Shareholders is unnecessary), the Company may acquire the Subscription Rights to Shares without compensation
 - 2) In the event that a Holder of Subscription Rights to Shares becomes no longer eligible to exercise his/her Subscription Rights to Shares, the Company may acquire the Subscription Rights to Shares without compensation.
- (9) Matters regarding capital and capital reserves that will be increased in cases where shares will be issued as a result of the exercise of Subscription Rights to Shares
 - 1) The amount of the capital to be increased by issuance of shares at the time of exercise of the Subscription Rights to Shares shall be half of the maximum amount of increase of the capital, etc. which is calculated in accordance with Article 17, paragraph 1 of the Corporate Accounting Rules, and any fraction less than one (1) Yen as a result of the said calculation shall be rounded up.

- 2) The amount of capital reserves to be increased by issuance of shares at the time of exercise of Subscription Rights to Shares shall be obtained by subtracting the capital being increased in 1) above from the maximum amount of increase of capital, etc. in 1) above.
- (10) Handling of Subscription Rights to Shares at the time of restructuring action
If the Company is to engage in a merger (limited to cases where the Company ceases to exist as a result of such merger), absorption-type company split, incorporation-type company split, or subject to a share exchange or share transfer (all of which are collectively referred to as a “Restructuring Action”), Subscription Rights to shares in the company as listed under Article 236, paragraph 1, item 8 (a) through (e) of the Companies Act (such company limited hereafter referred to as the “Restructured Company”) shall in each case be issued in accordance with applicable conditions below to holders of the Subscription Rights to Shares that remain in effect as of the effective date of the Restructuring Action (hereinafter referred to as the “Remaining Subscription Rights to Shares”). In this case, the Remaining Subscription Rights to Shares shall cease to exist, and the Restructured Company shall issue new Subscription Rights to Shares. However, such issuance shall be limited to the cases where issuance of the Subscription Rights to Shares of the Restructured Company under the following conditions is prescribed in the merger agreement, the absorption-type company split agreement, the incorporation-type company split plan, the share exchange agreement or the plan of the share transfer.
 - 1) Number of Subscription Rights to Shares to be issued by the Restructured Company
The holders of the Remaining Subscription Rights to Shares shall be granted the Subscription Rights to Shares of which the number is equivalent to the number of such Rights held at the Restructured Company.
 - 2) Class and Number of Shares to be issued by the Restructured Company upon exercise of Subscription Rights to Shares
The class of shares to be delivered upon exercise of the Subscription Rights to shares shall be the common shares of the Restructured Company, and the number of the shares to be delivered upon exercise of Subscription Rights to Shares shall be determined in accordance with (1) above, taking into consideration the conditions, etc. of the Restructuring Action.
 - 3) Value of property to be contributed when Subscription Rights to Shares are exercised
The value of property to be contributed upon exercise of each Subscription Right to Shares to be delivered shall be the amount obtained by multiplying the amount per share to be paid in after reorganization obtained by adjusting the Exercise Price set forth in (4) above by the number of shares to be delivered upon exercise of relevant stock acquisition rights as determined in accordance with 2) above, taking into consideration the conditions, etc. of the Restructuring Action.
 - 4) Period during which Subscription Rights to Shares can be exercised
The exercise period shall begin on either the first date of the exercise period for the Subscription Rights to Shares stipulated in (5) above, or on the date that the Restructuring Actions take effect, whichever comes later, and shall continue to the final date of the exercise period stipulated in (5) above.
 - 5) Matters concerning acquisition of Subscription Rights to Shares
To be determined in accordance with (8) above.

- 6) Restrictions on transfer of Subscription Rights to Shares
Any acquisition of the Subscription Rights to Shares by transfer requires approval by a resolution of the Board of Directors of the Restructured Company.
- 7) Matters regarding capital and capital reserves that will be increased in cases where shares will be issued as a result of the exercise of Subscription Rights to Shares
To be determined in accordance with (9) above.
- (11) Method of calculating the fair value of Subscription Rights to Shares
The Black-Scholes model shall be used to calculate the fair value of the subscription rights to Shares based on the various conditions applicable on the Allotment Date.
- (12) Other requirements concerning Subscription Rights to Shares
Other requirements concerning Subscription Rights to Shares may be decided by resolution at separately held meetings of the Board of Directors.