

May 19, 2016

To whom it may concern:

Company Name	TOHO HOLDINGS CO., LTD.
Corporate Representative	Norio Hamada, President and Representative Director (First Section of Tokyo Stock Exchange Securities Code:8129)
Contact:	Makoto Kawamura, Joint General Manager, Corporate Planning Division and General Manager, Public and Investor Relations Office (TEL: 03-6838-2803)

### Notice concerning Partial Amendments to the Articles of Incorporation

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; President and Representative Director: Norio Hamada; hereinafter, the “Company”) announced on May 11, 2016 that it had resolved to shift to a Company with an Audit and Supervisory Committee, on the premise of approval at the 68th annual general meeting of shareholders scheduled on June 29, 2016 (the “Annual General Meeting of Shareholders”). The Company hereby announces that it has resolved at the meeting of the Board of Directors held today to submit a proposal regarding partial amendments to the Articles of Incorporation to the Annual General Meeting of Shareholders with a view to shifting to a Company with an Audit and Supervisory Committee, as described below.

#### 1. Reason for Amendments

- (1) In accordance with the “Act for Partial Amendment of the Companies Act” (Act No. 90 of 2014) which came into force on May 1, 2015, the Company plans to make necessary amendments to the Company’s Articles of Incorporation in order to shift to a Company with an Audit and Supervisory Committee, a newly designed organization.
- (2) In line with the transition to a Company with an Audit and Supervisory Committee, the Company proposes that the number of Directors (excluding those who are Audit and Supervisory Committee Members) be changed from "three (3) or more but not exceeding forty (40)" to "not exceeding thirty (30)" and the number of the Directors who are Audit and Supervisory Committee Members be set to "not exceeding five (5)," in order to keep the number of Directors (excluding those who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members to an appropriate level.
- (3) Necessary amendments are proposed to be made with respect to the convener and chairperson of the General Meetings of Shareholders and the Board of Directors meetings, in order to ensure that flexible measures can be taken.
- (4) In association with the addition and deletion of provisions, changes of the numbers of provisions, modifications of phrases, and other necessary amendments are proposed to be made.

#### 2. Description of Amendments

The amendments are as shown below.

#### 3. Schedule

- (1) Scheduled date of the general meeting of shareholders for amendment of the Articles of Incorporation: June 29, 2016
- (2) Scheduled effective date of amendment of the Articles of Incorporation: June 29, 2016

The amendments are as shown below.

(Underlines indicate amended portions.)

Current provisions of the Articles of Incorporation	Proposed amendments
Chapter I: General Provisions	Chapter I: General Provisions
Articles 1 to 4 (Omitted)	Articles 1 to 4 (Not amended)
Chapter II: Shares	Chapter II: Shares
Articles 5 to 11 (Omitted)	Articles 5 to 11 (Not amended)
Chapter III: General Meetings of Shareholders	Chapter III: General Meetings of Shareholders
Article 12 (Omitted)	Article 12 (Not amended)
(Person Authorized to Convene the Meeting and the Chairperson)	(Person Authorized to Convene the Meeting and the Chairperson)
Article 13. 1. Except as otherwise provided by laws and regulations, <u>the President shall convene the General Meeting of Shareholders</u> based on a resolution by the Board of Directors. <u>If the President is unable to act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall act in his/her place.</u>	Article 13. 1. Except as otherwise provided by laws and regulations, <u>a Director determined in advance by the Board of Directors shall convene and chair the General Meeting of Shareholders</u> based on a resolution by the Board of Directors.
2. <u>The General Meeting of Shareholders shall be chaired by the President. If the President is unable to act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall act in his/her place.</u>	2. If <u>the Director</u> is unable to act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, <u>shall convene</u> and chair the General Meeting of Shareholders.
Articles 14 to 17 (Omitted)	Articles 14 to 17 (Not amended)
Chapter IV: Directors and Board of Directors	Chapter IV: Directors and Board of Directors
Article 18 (Omitted)	Article 18 (Not amended)

<p>(Number of Directors)</p> <p>Article 19. The number of Directors of the Company shall be <u>three (3) or more but not exceed forty (40).</u></p> <p>(Newly established)</p> <p>(Election of Directors)</p> <p>Article 20. Directors shall be elected by a resolution of the General Meeting of Shareholders. A resolution for the election of Directors shall be adopted by a majority vote of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights. However, Directors shall not be elected by cumulative voting.</p> <p>(Term of Office of Director)</p> <p>Article 21. The term of office of a Director shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within one (1) year from his/her election.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Number of Directors)</p> <p>Article 19. 1. The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company shall <u>not exceed thirty (30).</u></p> <p>2. The number of Directors who are Audit and Supervisory Committee Members of the Company (hereinafter referred to as the "Audit and Supervisory Committee Members") shall <u>not exceed five (5).</u></p> <p>(Election of Directors)</p> <p>Article 20. Directors shall be elected by a resolution of the General Meeting of Shareholders, <u>while distinguishing Audit and Supervisory Committee Members and other Directors.</u> A resolution for the election of Directors shall be adopted by a majority vote of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights. However, Directors shall not be elected by cumulative voting.</p> <p>(Term of Office of Director)</p> <p>Article 21. 1. The term of office of a Director shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within one (1) year from his/her election.</p> <p>2. <u>Notwithstanding the preceding paragraph, the term of office of an Audit and Supervisory Committee Member shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within two (2) years from his/her election.</u></p> <p>3. <u>If an Audit and Supervisory Committee Member is elected to fill a vacancy of another Audit and Supervisory Committee Member, the term of office of the substitute Audit and Supervisory Committee Member shall be the same as the remaining term of office of the resigned Audit and Supervisory Committee Member.</u></p> <p>4. <u>The resolution for the election of the substitute Audit and Supervisory Committee Member pursuant to Article 329, Paragraph 3 of the Companies Act shall be effective until the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within two (2) years from the election of the substitute Audit and Supervisory Committee Member.</u></p>
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<p>Article 22 (Omitted)</p> <p>(Convocation of Board of Directors)</p> <p>Article 23. 1. <u>The President</u> shall convene the Board of Directors meeting, and if <u>the President</u> is unable to so act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall act in his/her place. A notice of convocation of a Board of Directors meeting shall be issued to each Director <u>and each Auditor</u> at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.</p> <p>2. When the consent of all Directors <u>and</u> all <u>Auditors</u> is obtained in advance, a Board of Directors meeting may be held without following the procedures for convening a meeting.</p> <p>(Chairman of a Board of Directors Meeting)</p> <p>Article 24. <u>The President</u> shall chair a Board of Directors meeting, and if <u>the President</u> is unable to act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall chair the Board of Directors meeting.</p> <p>(Resolution Method)</p> <p>Article 25. 1. (Omitted)</p> <p>2. If all Directors express their consent in writing or by electromagnetic means to a proposal to be resolved by the Board of Directors, the proposal shall be deemed to have been approved and resolved by the Board of Directors. <u>However, this clause shall not apply if an Auditor expresses his/her objection to the proposal.</u></p>	<p>Article 22 (Not amended)</p> <p>(Convocation of Board of Directors)</p> <p>Article 23. 1. <u>The Director determined in advance by the Board of Directors shall convene the Board of Directors meeting</u>, and if <u>the Director</u> is unable to so act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall act in his/her place. A notice of convocation of a Board of Directors meeting shall be issued to each Director at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.</p> <p>2. When the consent of all Directors is obtained in advance, a Board of Directors meeting may be held without following the procedures for convening a meeting.</p> <p>(Chairman of a Board of Directors Meeting)</p> <p>Article 24. <u>The Director determined in advance by the Board of Directors</u> shall chair a Board of Directors meeting, and if <u>the Director</u> is unable to act, another Director, determined in accordance with the order of priority prescribed by the Board of Directors, shall chair the Board of Directors meeting.</p> <p>(Resolution Method)</p> <p>Article 25. 1. (Not amended)</p> <p>2. If all Directors express their consent in writing or by electromagnetic means to a proposal to be resolved by the Board of Directors, the proposal shall be deemed to have been approved and resolved by the Board of Directors.</p>
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<p>(Newly established)</p> <p>(Minutes of Board of Directors) Article <u>26</u>. The minutes of a Board of Directors meeting shall include or record a summary of the proceedings, the results thereof, and any other matters specified by laws and regulations. The Directors <u>and Auditors</u> in attendance shall sign the minutes and <u>affix their seals thereto</u>, or sign them electronically.</p> <p>Article <u>27</u> (Omitted)</p> <p>(Remuneration, etc., of Directors) Article <u>28</u>. The amount of remuneration, etc., to be granted to Directors shall be determined by a resolution of the Meeting of Shareholders.</p> <p>(Directors' Exemption from Liability) Article <u>29</u>. 1. If the conditions provided in laws and regulations are satisfied with respect to the damage liability of Directors (including former <u>Directors</u>) as referred to in Article 423, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt Directors from their liability for damage, on the condition that the maximum liability amount exempt shall be the amount obtained by subtracting the minimum liability amount prescribed in laws and regulations from the damage liability amount. 2. (Omitted)</p> <p>Articles <u>30</u> to <u>31</u> (Omitted)</p>	<p><u>(Delegation of Decisions on Business Execution to Directors)</u> Article <u>26</u>. Pursuant to the provision of Article 399-13, Paragraph 6 of the Companies Act, <u>the Company may, by a resolution of the Board of Directors, delegate the whole or part of decisions on the execution of important business (excluding the matters listed in the items of Article 399-13, Paragraph 5 of the Companies Act) to Directors.</u></p> <p>(Minutes of Board of Directors) Article <u>27</u>. The minutes of a Board of Directors meeting shall include or record a summary of the proceedings, the results thereof, and any other matters specified by laws and ordinances. The Directors in attendance shall sign the minutes and <u>affix their seals thereto</u>, or sign them electronically.</p> <p>Article <u>28</u> (Not amended)</p> <p>(Remuneration, etc., of Directors) Article <u>29</u>. The amount of remuneration, etc., to be granted to Directors shall be determined by a resolution of the Meeting of Shareholders, <u>while distinguishing Audit and Supervisory Committee Members and other Directors.</u></p> <p>(Directors' Exemption from Liability) Article <u>30</u>. 1. If the conditions provided in laws and regulations are satisfied with respect to the damage liability of Directors (including former <u>Directors</u>) as referred to in Article 423, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt Directors from their liability for damage, on the condition that the maximum liability amount exempt shall be the amount obtained by subtracting the minimum liability amount prescribed in laws and ordinances from the damage liability amount. 2. (Not amended)</p> <p>Articles <u>31</u> to <u>32</u> (Not amended)</p>
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<p>Chapter V: <u>Auditors and Board of Corporate Auditors</u></p> <p>(Establishment of <u>Auditors and Board of Corporate Auditors</u>)  Article 32. The Company shall <u>appoint Auditors</u> and establish the Board of Corporate Auditors.</p> <p>(Number of Auditors)  Article 33. The number of the Company's Auditors shall be three (3) or more but not exceed five (5).</p> <p>(Election of Auditors)  Article 34. Auditors shall be elected by a resolution of the General Meeting of Shareholders. A resolution for the election of Auditors shall be adopted by a majority vote of the shareholders in attendance who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.</p> <p>(Term of Office of Auditor)  Article 35. 1. The term of office of an Auditor shall expire upon the conclusion of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within four (4) years from his/her election.  2. If an Auditor is elected to fill a vacancy of another Auditor, the term of office of the substitute Auditor shall be the same as the remaining term of office of the resigned Auditor.</p> <p>(Full-Time Auditors)  Article 36. The Board of Corporate Auditors shall designate Full-Time Auditors from among the Auditors.</p>	<p>Chapter V: <u>Audit and Supervisory Committee</u></p> <p>(Establishment of <u>Audit and Supervisory Committee</u>)  Article 33. The Company shall establish the Audit and Supervisory Committee.</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>
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<p>(Convocation of <u>Board of Corporate Auditors Meeting</u>)</p> <p>Article 37. 1. A notice of convocation of a <u>Board of Corporate Auditors</u> meeting shall be issued to each <u>Auditor</u> at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.</p> <p>2. When the consent of all <u>Auditors</u> is obtained in advance, a <u>Board of Corporate Auditors</u> meeting may be held without following the procedures for convening a meeting.</p> <p>(Resolution Method of <u>Board of Corporate Auditors</u>)</p> <p>Article 38. <u>Unless otherwise provided in laws and regulations, resolutions of the Board of Corporate Auditors shall be adopted by a majority of the total number of Auditors.</u></p> <p>(Minutes of <u>Board of Corporate Auditors</u>)</p> <p>Article 39. The minutes of a <u>Board of Corporate Auditors</u> meeting shall include or record a summary of the proceedings, the results thereof, and any other matters specified by laws and regulations. The <u>Auditors</u> in attendance shall sign the minutes <u>and affix their seals thereto</u>, or sign them electronically.</p> <p>(Rules of <u>Board of Corporate Auditors</u>)</p> <p>Article 40. In addition to what is prescribed in laws and regulations and the Articles of Incorporation, matters concerning the <u>Board of Corporate Auditors</u> shall be in accordance with the <u>Board of Corporate Auditors Rules</u> established by the <u>Board of Corporate Auditors</u>.</p> <p>(<u>Remuneration, etc., of Auditors</u>)</p> <p><u>Article 41. The amount of remuneration, etc., to be granted to Auditors shall be determined by a resolution of the Meeting of Shareholders.</u></p>	<p>(Convocation of <u>Audit and Supervisory Committee</u>)</p> <p>Article 34. 1. A notice of convocation of an <u>Audit and Supervisory Committee</u> meeting shall be issued to each <u>Audit and Supervisory Committee Member</u> at least three (3) days before the meeting; provided, however, that such period may be shortened in the event of urgency.</p> <p>2. When the consent of all <u>Audit and Supervisory Committee Members</u> is obtained in advance, an <u>Audit and Supervisory Committee</u> meeting may be held without following the procedures for convening a meeting.</p> <p>(Resolution Method of <u>Audit and Supervisory Committee</u>)</p> <p>Article 35. Resolutions of the <u>Audit and Supervisory Committee</u> shall be adopted by a <u>majority of the Audit and Supervisory Committee Members in attendance who constitute a majority of the total number of Audit and Supervisory Committee Members.</u></p> <p>(Minutes of <u>Audit and Supervisory Committee</u>)</p> <p>Article 36. The minutes of an <u>Audit and Supervisory Committee</u> meeting shall include or record a summary of the proceedings, the results thereof, and any other matters specified by laws and regulations. The <u>Audit and Supervisory Committee Members</u> in attendance shall sign the minutes <u>and affix their seals thereto</u>, or sign them electronically.</p> <p>(Rules of <u>Audit and Supervisory Committee</u>)</p> <p>Article 37. In addition to what is prescribed in laws and regulations and the Articles of Incorporation, matters concerning the <u>Audit and Supervisory Committee</u> shall be in accordance with the <u>Audit and Supervisory Committee Rules</u> established by the <u>Audit and Supervisory Committee</u>.</p> <p>(Deleted)</p>
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<p><u>(Auditors' Exemption from Liability)</u>  <u>Article 42. 1. If the conditions provided in laws and regulations are satisfied with respect to the damage liability of Auditors (including former Auditors) as referred to in Article 423, Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt Auditors from their liability for damage, on the condition that the maximum liability amount exempt shall be the amount obtained by subtracting the minimum liability amount prescribed in laws and ordinances from the damage liability amount.</u>  <u>2. If the conditions provided in laws and regulations are satisfied with respect to the damage liability of Auditors as referred to in Article 423, Paragraph 1 of the Companies Act, the Company may enter into an agreement with each Auditor to limit his/her damage liability; provided, however, that the limit of the liability under such agreement shall be the prescribed amount of no less than five (5) million yen, or the amount set by laws and regulations, whichever is greater.</u></p> <p>Chapter VI: Accounting Auditor</p> <p>Articles <u>43</u> to <u>45</u> (Omitted)</p> <p>(Compensation, etc. of Accounting Auditor)  Article <u>46</u>. The compensation, etc. of the Accounting Auditor shall be specified by the Representative Director with the consent of the <u>Board of Corporate Auditors</u>.</p> <p>Chapter VII: Accounts</p> <p>Articles <u>47</u> to <u>50</u> (Omitted)</p>	<p>(Deleted)</p> <p>Chapter VI: Accounting Auditor</p> <p>Articles <u>38</u> to <u>40</u> (Not amended)</p> <p>(Compensation, etc. of Accounting Auditor)  Article <u>41</u>. The compensation, etc. of the Accounting Auditor shall be specified by the Representative Director with the consent of the <u>Audit and Supervisory Committee</u>.</p> <p>Chapter VII: Accounts</p> <p>Articles <u>42</u> to <u>45</u> (Not amended)</p>
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Supplementary Provisions	Supplementary Provisions
<p data-bbox="129 241 767 427"><u>Article 1. Unless otherwise provided in laws and regulations or these Supplementary Provisions, these Articles of Incorporation shall become effective when the resolution for the amendment is passed.</u></p> <p data-bbox="316 465 576 501">(Newly established)</p>	<p data-bbox="1023 241 1145 277">(Deleted)</p> <p data-bbox="767 465 1401 539"><u>(Interim Measures Concerning Auditors' Exemption from Liability)</u></p> <p data-bbox="767 539 1401 837"><u>1. The Company may, by a resolution of the Board of Directors, exempt an Auditor from the damage liability as referred to in Article 423, Paragraph 1 of the Companies Act with respect to his/her act committed before the conclusion of the 68th Annual Meeting of Shareholders, to the extent permitted under laws and regulations.</u></p> <p data-bbox="767 837 1401 1243"><u>2. With respect to an agreement to limit the damage liability as referred to in Article 423, Paragraph 1 of the Companies Act with respect to the act committed by an Auditor before the conclusion of the 68th Annual Meeting of Shareholders, the provision of Article 42, Paragraph 2 of the Articles of Incorporation before the amendment made by the resolution which was passed at the same Annual Meeting of Shareholders shall continue to apply to such agreement.</u></p>