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Stock Exchange Code: 3001
March 5, 2020

To Shareholders with Voting Rights:

Ryosuke Joko
President and CEO, Representative
Director
Katakura Industries Co., Ltd.
6-4 Akashi-cho, Chuo-ku, Tokyo

**NOTICE OF
THE 111TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 111th Annual General Meeting of Shareholders of Katakura Industries Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:20 p.m., Japan time on Thursday, March 26, 2020.

- 1. Date and Time:** Friday, March 27, 2020 at 10:00 a.m. Japan time
(Reception opens at 9:00 a.m.)
- 2. Place:** JIJI PRESS HALL (2nd floor of Jiji Press Building) located at
5-15-8, Ginza, Chuo-ku, Tokyo
- 3. Meeting Agenda:**
Matters to be reported:
 1. The Business Report and Consolidated Financial Statements for the Company's 111th Fiscal Year (January 1, 2019 - December 31, 2019), and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 111th Fiscal Year (January 1, 2019 - December 31, 2019)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Seven (7) Directors
Proposal 3: Election of Four (4) Audit & Supervisory Board Members
Proposal 4: Revision of the Amount of Compensation for Directors

- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- ◎ Please refer to the English translation of the Reference Documents for the General Meeting of Shareholders which will be posted on the Company's website (<https://www.katakura.co.jp/>).
- ◎ Pursuant to relevant laws, regulations and the Company's Articles of Incorporation, "Notes to the Consolidated Financial Statements" and "Notes to the Non-consolidated Financial Statements," which pertain to the Consolidated Financial Statements and Non-consolidated Financial Statements in the attached documents, respectively, are provided to shareholders through the Company's website (<https://www.katakura.co.jp/>), and are not included in the attached documents. The Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor in the preparation of audit reports include "Notes to the Consolidated Financial Statements" and "Notes to the Non-consolidated Financial Statements" posted on the Company's website (<https://www.katakura.co.jp/>), in addition to information listed in the attached documents.
- ◎ Should the Reference Documents for the General Meeting of Shareholders and the Business Report, as well as the Non-consolidated Financial Statements and the Consolidated Financial Statements require any revision, the revised version will be posted on the Company's website (<https://www.katakura.co.jp/>).

<p>Please be advised that no souvenirs will be provided to shareholders attending the General Meeting of Shareholders. We appreciate your understanding.</p>
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Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The dividend policy of the Company is based on a principle of distributing stable dividend payments to shareholders. Dividends are determined by thoroughly considering this year's business results, future business development, the level of internal reserves, the dividend payout ratio, etc.

With regard to the year-end dividend for the 111th fiscal year, as the Company will celebrate the 100th anniversary of its founding on March 23, 2020, we propose to pay 14 yen per share by adding a 100th anniversary commemorative dividend of 2 yen to the Company's ordinary dividend of 12 yen.

- (1) Type of property to be distributed as dividend:
Cash
- (2) Matters regarding the assignment of dividend property and total amount thereof:
14 yen per share of the Company's common stock (of which, an ordinary dividend of 12 yen and a 100th anniversary commemorative dividend of 2 yen)
Total amount of the dividend will be 492,123,464 yen.
- (3) Date on which payment of surplus takes effect:
March 30, 2020

Proposal 2: Election of Seven (7) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of seven (7) Directors is proposed.

The candidates of Director are as follows:

No.		Name	Current positions and responsibilities at the Company	Attendance at Board of Directors meetings	
1	Reappointment	Kimiya Sano	Chairman and Representative Director	12/12	
2	Reappointment	Ryosuke Joko	President and CEO, Representative Director	12/12	
3	Reappointment	Yoshio Furuta	Managing Director In charge of Machinery Business Department, Life Solution Business Department	12/12	
4	New	Kenichi Mizusawa	Executive Officer and General Manager of Planning Department, and General Manager of Life Solution Business Department	—	
5	Reappointment	Outside Independent	Kouichi Oomuro	Outside Director	10/10
6	Reappointment	Outside Independent	Masataka Nakayama	Outside Director	9/10
7	New	Outside Independent	Michio Kuwahara	—	—

No.

1

Kimiya Sano Born on March 8, 1955

Reappointment

Number of shares of the Company held:
18,800Years serving as Director:
7Attendance at Board of Directors meetings:
12/12

Past experience, positions and responsibilities at the Company

April	1977	Joined the Company	February	2011	Executive Officer and General Manager of
January	2008	General Manager of General Affairs Department of the Company			Accounting and Finance Department of the Company
January	2010	General Manager of Retail Business Department of the Company	March	2013	Managing Director of the Company
March	2010	Executive Officer and General Manager of Retail Business Department of the Company	March	2015	President and CEO, Representative Director of the Company
			March	2019	Chairman and Representative Director of the Company (to present)

Reasons for nomination as a candidate for Director:

Mr. Kimiya Sano promoted management reforms as the President and CEO, Representative Director starting from March 2015, such as the strengthening of the Group's management structure and implementation of structural reforms, and has a wealth of experience and insight as a manager. Moreover, he has been leading the Group as the Chairman and Representative Director since March 2019 by putting to good use his deep insight into management and supervisory capabilities. He is deemed suitable for a position where he can continue to contribute to improving the Company's corporate value, and therefore has been re-nominated as a candidate for Director.

No.

2

Ryosuke Joko Born on August 6, 1961

Reappointment

Number of shares of the Company held:
1,100Years serving as Director:
2Attendance at Board of Directors meetings:
12/12

Past experience, positions and responsibilities at the Company

April	1985	Joined The Fuji Bank, Limited	April	2017	Executive Adviser of Mizuho Bank, Ltd.
April	2010	General Manager of Osaka Branch of Mizuho Bank, Ltd.	May	2017	Executive Adviser of the Company
April	2012	Executive Officer and General Manager of Executive Secretariat of Mizuho Financial Group, Inc.	March	2018	Senior Managing Director of the Company
April	2014	Managing Executive Officer / In charge of Corporate Banking of Mizuho Bank, Ltd.	March	2019	President and CEO, Representative Director of the Company (to present)

Reasons for nomination as a candidate for Director:

He has displayed strong leadership since March 2019 as the President and CEO, Representative Director, carrying out structural reforms, which have been the Group's top priorities in management. In addition, he has actively worked on improving the Company's organizational culture by promoting work-style reforms and human resource development. Because his wealth of experience and insight as a manager can be put to good use in management, he is deemed suitable for a position where he can continue to contribute to improving the Company's corporate value, and therefore has been re-nominated as a candidate for Director.

No. **3** **Yoshio Furuta** Born on May 24, 1957

Reappointment

Number of shares of the Company held: 4,200 Years serving as Director: 5 Attendance at Board of Directors meetings: 12/12

Past experience, positions and responsibilities at the Company

April 1980	Joined the Company	March 2015	Managing Director /
May 2010	General Manager of Mechatronics Business Department of the Company		In charge of Machinery Business Department, Life Solution Business Department of the Company (to present)
March 2013	Executive Officer and General Manager of Mechatronics Business Department of the Company	June 2019	President and CEO of Nihon Kikai Kogyo Co., Ltd. (to present)
March 2014	Managing Executive Officer and General Manager of Mechatronics Business Department of the Company		Significant concurrent positions: President and CEO of Nihon Kikai Kogyo Co., Ltd.

Reasons for nomination as a candidate for Director:

Since assuming the position of Director in March 2015, Mr. Yoshio Furuta has engaged in the Group's management by serving as the person in charge of Machinery Business Department and Life Solution Business Department, and as a representative of a subsidiary. Because his wealth of work experience and insight can be put to good use in management, he is deemed suitable for a position where he can contribute to improving the Company's corporate value, and therefore has been re-nominated as a candidate for Director.

No. **4** **Kenichi Mizusawa** Born on July 22, 1970

New

Number of shares of the Company held: 800

Past experience, positions and responsibilities at the Company

April 1994	Joined the Company	October 2015	General Manager of Planning Department of the Company
April 2012	Manager of Group Business Section, Planning Department of the Company	March 2019	Executive Officer and General Manager of Planning Department of the Company
July 2013	Manager of Accounting Section, Accounting and Finance Department of the Company	December 2019	Executive Officer and General Manager of Planning Department, and General Manager of Life Solution Business Department (to present)

Reasons for nomination as a candidate for Director:

Mr. Kenichi Mizusawa has served in key positions at the accounting division and planning division of the Company, and has a wealth of experience and broad insight. Because he has a thorough knowledge of the Group's business operations, he is deemed suitable for a position where he can contribute to improving the Company's corporate value, and therefore has been nominated as a candidate for Director.

No. **5** **Kouichi Oomuro**

Born on February 6, 1945

Reappointment

Outside

Independent

Number of shares of the Company held:
1,300Years serving as Director:
1Attendance at Board of Directors meetings:
10/10

Past experience, positions and responsibilities at the Company

April	1968	Joined Mitsui Fudosan Co., Ltd.	February 2018	Special Consultant to the Company
June	1997	Managing Director of Mitsui Fudosan Co., Ltd.	March 2019	Outside Director of the Company (to present)
April	2005	Vice President and Chief Executive Officer of Mitsui Fudosan Co., Ltd.		Significant concurrent positions:
June	2011	Special Advisor to Mitsui Fudosan Co., Ltd.		Full-time Auditor of Shibaura Institute of Technology
October	2015	Full-time Auditor of Shibaura Institute of Technology (to present)		Outside Director of ARCLAND SAKAMOTO CO., LTD.
May	2016	Outside Director of ARCLAND SAKAMOTO CO., LTD. (to present)		

Reasons for nomination as a candidate for Outside Director:

Utilizing the wealth of experience and broad insight he has acquired as a manager at operational companies, Mr. Kouichi Oomuro has provided practical advice on promoting the Group's growing real estate business, as well as on the direction of the overall management from a wider perspective. In addition, he has contributed to improving the transparency and objectivity of decision-making processes at the Nomination and Compensation Advisory Committee. As such, he is deemed suitable for the position of an Outside Director who will supervise the execution of business operations, and therefore has been re-nominated as a candidate for Outside Director.

No. **6** **Masataka Nakayama**

Born on December 10, 1957

Reappointment

Outside

Independent

Number of shares of the Company held:
200Years serving as Director:
1Attendance at Board of Directors meetings:
9/10

Past experience, positions and responsibilities at the Company

April	1980	Joined The Norinchukin Bank	June 2010	Audit & Supervisory Board Member of KYOKUYO CO., LTD.
July	2005	General Manager of London Branch of The Norinchukin Bank	June 2018	Executive Adviser to Norinchukin Research Institute Co., Ltd.
July	2008	General Manager of Treasury & Forex Division of The Norinchukin Bank	March 2019	Outside Director of the Company (to present)

Reasons for nomination as a candidate for Outside Director:

Mr. Masataka Nakayama has a wealth of work experience at a financial institution and has acquired broad insight as a full-time supervisory board member at an operational company. By utilizing such experience and insight, he has helped the Company maintain and enhance corporate governance. In addition, he has contributed to improving the transparency and objectivity of decision-making processes at the Nomination and Compensation Advisory Committee. As such, he is deemed suitable for the position of an Outside Director who will supervise the execution of business operations, and therefore has been re-nominated as a candidate for Outside Director.

Number of shares of the Company held: 0

Past experience, positions and responsibilities at the Company

April 1972	Joined Marubeni Corporation	July 2016	Outside Director of TOSHIBA TEC CORPORATION (to present)
April 2006	Senior Managing Executive Officer, Member of the Board of Marubeni Corporation and President and CEO of Marubeni America Corporation	February 2017	Chairperson, Nomination and Compensation Advisory Committee of TOSHIBA TEC CORPORATION (to present)
June 2008	Representative Director, Senior Executive Vice President of Marubeni Corporation	Significant concurrent positions:	
May 2010	Representative Director, President and CEO of The Daiei, Inc.	Auditor of Tokyo University of Foreign Studies	
April 2016	Auditor of Tokyo University of Foreign Studies (to present)	Outside Director of TOSHIBA TEC CORPORATION (Chairperson, Nomination and Compensation Advisory Committee)	

Reasons for nomination as a candidate for Outside Director:

Mr. Michio Kuwahara has a wealth of experience and broad insight he has acquired as a manager at a general trading company and an operational company. In particular, we deem that his wide experience will help the Company to promote the enhancement of commercial facility operations, considering that he has engaged in the industry with a high affinity for such operations. As such, he is deemed suitable for the position of an Outside Director who will supervise the execution of business operations, and therefore has been nominated as a candidate for Outside Director.

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. The candidates for Director, Mr. Kouichi Oomuro, Mr. Masataka Nakayama, and Mr. Michio Kuwahara, are candidates for Outside Director.
3. Liability limitation agreements with the candidates for Director
 - (1) The Company has stipulated in Article 27, Paragraph 2 of the current Articles of Incorporation that it may enter into an agreement with each Director (excluding Directors engaged in the execution of business operations) to limit his or her liability for damages to the Company to a certain extent.
 - (2) If Mr. Kouichi Oomuro and Mr. Masataka Nakayama are reelected, the Company intends to continue such agreement with them. If Mr. Michio Kuwahara is elected, the Company intends to enter into the same liability limitation agreement with him.
 - (3) The outline of the agreements is as follows.
After the conclusion of the agreements, if the Directors neglect their duties and cause damages to the Company, they shall be liable for those damages up to the “minimum liability amount” stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that they act in good faith and without gross negligence in performing their duties.
4. The Company has designated Mr. Kouichi Oomuro and Mr. Masataka Nakayama as independent officers as stipulated by the Tokyo Stock Exchange, and notified the said Exchange to that effect. If they are reelected, the Company intends to continue designating them as independent officers. In addition, Mr. Michio Kuwahara fulfills the criteria for independent officers stipulated by the Tokyo Stock Exchange, and the Company intends to designate him as an independent officer and notify the said Exchange to that effect.

Proposal 3: Election of Four (4) Audit & Supervisory Board Members

The terms of office of all four (4) Audit & Supervisory Board Members will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of four (4) Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No. **1** **Nobuhiro Yoshida** Born on May 14, 1961 Reappointment

Number of shares of the Company held: 0	Years serving as Audit & Supervisory Board Member: 1	Attendance at Board of Directors meetings: 10/10 Attendance at Audit & Supervisory Board meetings: 10/10
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Past experience and responsibilities at the Company

April 1984	Joined TOA EIYO LTD.	April 2018	Associate Director and General Manager of Fukuoka Branch of TOA EIYO LTD.
July 2006	General Manager of Sales Planning Section, Sales Department of TOA EIYO LTD.	July 2018	Deputy General Manager of Planning Department of the Company
July 2009	General Manager of Sales Section I, Kyoto Branch of TOA EIYO LTD.	March 2019	Audit & Supervisory Board Member of the Company (to present)
July 2011	General Manager of Fukuoka Branch of TOA EIYO LTD.		

Reasons for nomination as a candidate for Audit & Supervisory Board Member:

Mr. Nobuhiro Yoshida has served in key positions at the Group's sales division and planning division, and has a wealth of experience and broad insight. The Company has determined that he has appropriately carried out the duties as an Audit & Supervisory Board Member since March 2019. Therefore, he has been re-nominated as a candidate for Audit & Supervisory Board Member.

No. **2** **Hiroshi Goibuchi** Born on May 31, 1961 New

Number of shares of the Company held: 0

Past experience and responsibilities at the Company

April 1985	Joined The Fuji Bank, Limited	May 2011	General Manager of Corporate Auditors Office of Mizuho Bank, Ltd.
February 2005	General Manager of Obihiro Branch of Mizuho Bank, Ltd.	November 2015	Senior Executive Officer and General Manager of Risk Management Department of Mizuho Office Management Co., Ltd. (to present)
April 2007	Deputy General Manager of Compliance Department of Mizuho Bank, Ltd.		

Reasons for nomination as a candidate for Audit & Supervisory Board Member:

Mr. Hiroshi Goibuchi has served in key positions at the sales division, compliance division, and auditing division at financial institutions, and has a wealth of business experience and high degree of expertise. As such, he is deemed able to appropriately carry out the duties as an Audit & Supervisory Board Member, and therefore has been nominated as a candidate for Audit & Supervisory Board Member.

No. **3** **Katsunari Maeda**

Born on February 1, 1955

Reappointment

Outside

Independent

Number of shares of the Company held:
900Years serving as Audit &
Supervisory Board Member:
4Attendance at Board of Directors meetings:
12/12Attendance at Audit & Supervisory Board
meetings: 17/17

Past experience and responsibilities at the Company

April 1978	Joined The Yasuda Mutual Life Insurance Co., Ltd.	March 2016	Outside Audit & Supervisory Board Member of the Company (to present)
July 2009	Executive Officer and General Manager of Marunouchi Regional Office of Meiji Yasuda Life Insurance Company	April 2016	Chairman and Representative Director of Meiji Yasuda Life Planning Center Co., Ltd.
April 2010	Executive Officer and Chief General Manager of Osaka Marketing Headquarters of Meiji Yasuda Life Insurance Company	April 2018	Auditor of Meiji Yasuda System Technology Company Limited (to present)
April 2012	Managing Executive Officer and Chief General Manager of Tokyo Marketing Headquarters of Meiji Yasuda Life Insurance Company	Significant concurrent positions: Auditor of Meiji Yasuda System Technology Company Limited	
April 2014	Senior Managing Executive Officer and Chief General Manager of Tokyo Marketing Headquarters of Meiji Yasuda Life Insurance Company		

Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member:

Mr. Katsunari Maeda has served in key positions at the sales division and financial division at financial institutions, and has a wealth of experience and broad insight. In addition, he has contributed to enhancing the corporate governance of the Company by actively participating in discussions at Board of Directors meetings. As such, he is deemed able to appropriately carry out the duties as an Audit & Supervisory Board Member, and therefore has been re-nominated as a candidate for Outside Audit & Supervisory Board Member.

No. **4** **Shinji Ozaki**

Born on January 31, 1960

New

Outside

Independent

Number of shares of the Company held: 0

Past experience and responsibilities at the Company

April 1982	Joined The Yasuda Fire and Marine Insurance Company, Limited	April 2016	President and CEO of Auto Business Service Co., Inc. (to present)
April 2013	Executive Officer and General Manager of Corporate Sales Department No.1 of Sompo Japan Insurance Inc., Executive Officer of NIPPONKOA Insurance Co., Ltd.	June 2016	Outside Audit & Supervisory Board Member of TPR Co., Ltd. (to present)
April 2015	Managing Executive Officer and Chief General Manager of Saitama District of Sompo Japan Nipponkoa Insurance Inc.	Significant concurrent positions: Adviser of Sompo Japan Nipponkoa Insurance Inc. President and CEO of Auto Business Service Co., Inc. Outside Audit & Supervisory Board Member of TPR Co., Ltd.	
April 2016	Adviser of Sompo Japan Nipponkoa Insurance Inc. (to present)		

Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member:

Mr. Shinji Ozaki has a wealth of experience and broad insight he has acquired at the sales division of financial institutions and in the management of an operational company. As such, he is deemed able to appropriately carry out the duties as an Audit & Supervisory Board Member, and therefore has been nominated as a candidate for Outside Audit & Supervisory Board Member.

(Notes)

1. There are no special interests between each candidate for Audit & Supervisory Board Member and the Company.
2. The candidates for Audit & Supervisory Board Member, Mr. Katsunari Maeda and Mr. Shinji Ozaki are candidates for Outside Audit & Supervisory Board Member.
3. Liability limitation agreements with the candidates for Audit & Supervisory Board Member
The Company has stipulated in Article 37, Paragraph 2 of the current Articles of Incorporation that it may enter into an agreement with each Audit & Supervisory Board Member to limit his or her liability for damages to the Company to a certain extent. Accordingly, if Mr. Nobuhiro Yoshida and Mr. Katsunari Maeda are reelected, the Company intends to continue such agreement with them. If Mr. Hiroshi Goibuchi and Mr. Shinji Ozaki are elected, the Company intends to enter into the same liability limitation agreement with them.
The outline of the agreements is as follows:
 - After the conclusion of the agreements, if the Audit & Supervisory Board Members neglect their duties and cause damages to the Company, they shall be liable for those damages up to the “minimum liability amount” stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that they act in good faith and without gross negligence in performing their duties.
4. The Company has designated Mr. Katsunari Maeda as an independent officer as stipulated by the Tokyo Stock Exchange, and notified the said Exchange to that effect. If Mr. Katsunari Maeda is reelected, the Company intends to continue designating him as an independent officer. In addition, Mr. Shinji Ozaki fulfills the criteria for independent officers stipulated by the Tokyo Stock Exchange, and the Company intends to designate him as an independent officer and notify the said Exchange to that effect.

Proposal 4: Revision of the Amount of Compensation for Directors

The amount of compensation for Directors of the Company has been set to be no more than 200 million yen per year (of which the amount for Outside Directors is no more than 20 million yen) since it was approved at the 100th Annual General Meeting of Shareholders held on March 27, 2009.

In this proposal, the Company would like to seek for approval to revise the amount of compensation for Directors to be no more than 230 million yen per year (of which the amount for Outside Directors is no more than 50 million yen), considering that the economic situation has changed after the amount was resolved, and the roles and responsibilities of Outside Directors have increased due to the enhancement of the Company's corporate governance.

As in the past, the amount of compensation for Directors shall not include the portion of employee's salary for Directors who concurrently serve as employees.

Currently, there are seven (7) Directors (including three (3) Outside Directors), and if Proposal 2 is approved and resolved as originally proposed, there will continue to be seven (7) Directors (including three (3) Outside Directors).