

To Shareholders with Voting Rights:

Yoshizumi Nezu
President and Representative Director
TOBU RAILWAY CO., LTD.
Registered Office: 1-2 Oshiage 1-chome,
Sumida-ku, Tokyo
Head Office: 18-12 Oshiage 2-chome,
Sumida-ku, Tokyo

**NOTICE OF
THE 197TH 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 197th Annual General Meeting of Shareholders of TOBU RAILWAY CO., LTD. (the "Company"). The Meeting will be held for the purposes as described below.

If you are unable to attend the Meeting in person, you may exercise your voting rights either by mail or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:15 p.m. on Thursday, June 22, 2017 (Japan time).

1. Date and Time: Friday, June 23, 2017 at 10:00 a.m. (Japan time)
(The reception desk will open at 8:45 a.m.)

2. Place: Nishiki on the 4th floor of TOBU HOTEL LEVANT TOKYO located at
2-2, Kinshi 1-chome, Sumida-ku, Tokyo, Japan

3. Purposes:

- Items to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 197th Fiscal Year (from April 1, 2016 to March 31, 2017) and results of audits by the Independent Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 197th Fiscal Year (from April 1, 2016 to March 31, 2017)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Share Consolidation
Proposal 3: Election of Sixteen (16) Directors

4. Predetermined Terms of the Convening:

- (1) If you exercise your voting rights both by mail and via the Internet, the vote exercised via the Internet will be counted as valid.
- (2) If you exercise your voting rights multiple times via the Internet, the last vote exercised will be counted as valid.

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Matters regarding year-end dividend

In order to strengthen the management base over the long-term, the Company pays an ordinary dividend with the basic policy of continuing stable dividend payments by ensuring financial soundness as well as comprehensively taking into consideration its business performance and management environment.

In the fiscal year under review, taking into consideration that the numerical targets (consolidated Operating profit: 65.0 billion yen, Profit attributable to owners of parent: 32.0 billion yen) of “Tobu Group Medium-Term Business Plan 2014 – 2016” have been achieved in its last year, and performance has been steady, the Company would like to pay a year-end dividend for the fiscal year under review, increasing 0.5 yen per share as follows:

(1) Type of dividend property

Cash

(2) Distribution of dividend property to shareholders and total amount

¥3.5 per share of common stock of the Company

Total amount: ¥ 3,746,352,610

(Accordingly, the annual dividend, including the interim dividend of ¥3 per share, amounts to ¥6.5 per share.)

(3) Effective date of distribution

June 26, 2017

Proposal 2: Share Consolidation

- (1) Reasons for implementing reverse stock split
 Japanese stock exchanges have announced the Action Plan for Consolidating Trading Units, aiming to consolidate all shares of common stock of domestic companies listed on Japanese stock exchanges to one hundred (100) shares per trading unit by October 1, 2018.
 As a company listed on the Tokyo Stock Exchange, the Company shall respect this intention and resolved to change its number of shares constituting one trading unit from one thousand (1,000) shares to one hundred (100) shares pursuant to the provisions of the Companies Act, subject to the resolution as originally proposed at its Board of Directors' meeting to be held On May 18, 2017.
 At the same time, with an aim to adjust the investment unit to a level suggested by stock exchanges (50,000 yen or more, and less than 500,000 yen), while also taking into account mid-to long-term stock price fluctuation, the Company proposes the implementation of a share consolidation.
- (2) Proportion of reverse stock split
 The Company proposes to consolidate five shares into one share.
 If any fractional shares of less than one share are produced from the reverse stock split, such shares will be collectively disposed by the Company pursuant to the provisions in the Companies Act, and the proceeds of those will be distributed to shareholders holding such fractional shares, in proportion to their respective holding.
- (3) Effective date of the reverse stock split
 October 1, 2017
- (4) Total number of shares authorized to be issued as of the effective date
 400,000,000 shares

[Reference]

Subject to the approval and resolution of this proposal as originally proposed, partial amendments shall be made to the Articles of Incorporation of the Company on October 1, 2017.

(Amended parts are underlined.)

Current	Proposed amendments
(Total Number of Shares Authorized to be Issued, Share Unit) Article 6. The total number of shares authorized to be issued by the Company shall be <u>two billion (2,000,000,000) shares</u> . 2. The number of shares constituting one unit of stock shall be <u>one thousand (1,000)</u> .	(Total Number of Shares Authorized to be Issued, Share Unit) Article 6. The total number of shares authorized to be issued by the Company shall be <u>four hundred million (400,000,000) shares</u> . 2. The number of shares constituting one unit of stock shall be <u>one hundred (100)</u> .

Proposal 3: Election of Sixteen (16) Directors

All of the fifteen (15) Directors will complete their respective terms of office at the conclusion of this General Meeting of Shareholders. Accordingly, the election of sixteen (16) Directors is proposed.

The candidates are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Yoshizumi Nezu (October 26, 1951)	<p>April 1974 Joined the Company</p> <p>April 1988 General Manager with special assignment of Group Administration Office</p> <p>May 1990 General Manager of Group Administration Office</p> <p>June 1990 Director, General Manager of Group Administration Office</p> <p>April 1991 Managing Director</p> <p>June 1993 Representative Director (to present)</p> <p>June 1993 Senior Managing Director</p> <p>June 1995 Vice President</p> <p>June 1999 President (to present)</p> <p>[Significant concurrent positions]</p> <p>Outside Director, TOKYU CORPORATION</p> <p>Outside Director, Matsuya Co., Ltd.</p> <p>External Audit & Supervisory Board Member, FUKOKU MUTUAL LIFE INSURANCE COMPANY</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Yoshizumi Nezu has served in important positions of group administration division, etc., and he is well familiar with general operations of the Group. He also performs his duties by making use of his rich management experience and broad insight as a Director of the Company. From 1999, he has directed management of the Group with strong leadership as President, realizing improved corporate value by enhancing our management foundation. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	1,997,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Kenichi Tsunoda (February 21, 1946)	<p>April 1968 Joined the Company</p> <p>April 1996 General Manager with special assignment of General Planning Office</p> <p>October 1996 General Manager of General Planning Office</p> <p>April 1999 General Manager of Human Resources Department</p> <p>June 1999 Director, General Manager of Human Resources Department</p> <p>June 2001 Managing Director, General Manager of Human Resources Department</p> <p>January 2002 Managing Director, Head of Railway Business Division</p> <p>April 2006 Managing Director</p> <p>June 2007 Representative Director (to present)</p> <p>June 2007 Senior Managing Director</p> <p>June 2014 Vice President (to present)</p> <p>[Responsibilities in the Company] Overall company affairs, Internal Audit Department</p> <p>[Reason for nomination as a candidate for Director] Mr. Kenichi Tsunoda has served in important positions in the railway business division, corporate organization and human resources division and corporate planning division, etc., and he is well familiar with general operations of the Group. He also performs his duties by making use of his rich management experience and broad insight as a Director of the Company. Currently he is demonstrating his leadership in oversight of general business from a perspective of optimizing the Group overall, with the aim of improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	54,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Osamu Makino (April 26, 1955)	<p>April 1979 Joined the Company</p> <p>April 2003 General Manager of Railway Vehicles and Transport Department, Railway Business Division</p> <p>April 2004 General Manager of Transport Department and General Manager of Railway Vehicles Department, Railway Business Division</p> <p>October 2006 General Manager of Transport Department, Railway Business Division</p> <p>April 2007 General Manager of Transport Department and General Manager of Train Crew Training Center, Railway Business Division</p> <p>July 2008 General Manager of Planning and Administration Department, Railway Business Division</p> <p>June 2009 Director, Deputy Head of Railway Business Division and General Manager of Planning and Administration Department</p> <p>June 2010 Director, Head of Railway Business Division and General Manager of Planning and Administration Department</p> <p>July 2010 Director, Head of Railway Business Division</p> <p>June 2012 Managing Director, Head of Railway Business Division</p> <p>June 2014 Representative Director (to present)</p> <p>June 2014 Senior Managing Director, Head of Railway Business Division</p> <p>April 2016 Senior Managing Director (to present)</p> <p>[Responsibilities in the Company] Public Relations Department, Human Resources Department, Railway Business Division</p> <p>[Reason for nomination as a candidate for Director] Mr. Osamu Makino has served in important positions in the railway business division and he is well familiar with general operations of the Group. He also performs his duties by making use of his rich management experience and broad insight as a Director of the Company. Currently he is demonstrating leadership primarily in planning and realization of railway business strategy, public relations strategy and corporate organization and human resources strategy which are aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	26,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Shinji Inomori (August 3, 1957)	<p>April 1980 Joined the Company</p> <p>June 2004 Managing Director of TOBU CARD BUSINESS CO., LTD.</p> <p>October 2005 General Manager of Corporate Planning Department, Corporate Management Division of the Company</p> <p>May 2006 General Manager of Corporate Planning Department</p> <p>June 2010 Director, General Manager of Corporate Planning Department</p> <p>June 2012 Managing Director, Head of Real Estate Leasing Business Management Division and Head of Railway Area Development Business Division</p> <p>July 2012 Managing Director, Head of Lifestyle Service Creation Division</p> <p>September 2013 Managing Director</p> <p>June 2014 Representative Director (to present)</p> <p>June 2014 Senior Managing Director (to present)</p> <p>[Responsibilities in the Company]</p> <p>Inbound Travel Business Strategy Committee, TOBU Group Inbound Travel Promotion Department, Hotels Business Strategy Committee, System Development Department, Group Administration Department, Finance and Accounting Department and Asset Management Department</p> <p>[Significant concurrent position]</p> <p>Outside Director, TOBU STORE CO., LTD.</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Shinji Inomori has served in important positions in the corporate planning division, finance and accounting division, and real estate business division, etc., and he is well familiar with general operations of the Group. He also performs his duties by making use of his rich management experience and broad insight as a Director of the Company and other Group companies. Currently he is demonstrating leadership primarily in planning and realization of inbound strategy, hotel strategy of the Group and finance and accounting strategy which are aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	22,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Hiroaki Miwa (November 23, 1958)	<p>April 1981 Joined the Company</p> <p>October 2005 General Manager with special assignment of Planning and Administration Department, Railway Business Division</p> <p>April 2006 General Manager of Human Resources Department</p> <p>June 2011 Director, General Manager of Human Resources Department</p> <p>June 2015 Managing Director, Head of Lifestyle Service Creation Division and General Manager of Human Resources Department</p> <p>July 2015 Managing Director, Head of Lifestyle Service Creation Division</p> <p>April 2016 Managing Director (to present)</p> <p>[Responsibilities in the Company] Corporate Planning Department, General Affairs and Legal Department, Research Office, Lifestyle Service Creation Division</p> <p>[Significant concurrent position] President, General Incorporated Foundation Tobu Museum</p> <p>[Reason for nomination as a candidate for Director] Mr. Hiroaki Miwa has served in important positions in the corporate organization and human resources division and the real estate business division, etc., and he is well familiar with general operations of the Group. He also performs his duties by making use of his rich management experience and broad insight as a Director of the Company. Currently he is demonstrating leadership primarily in the planning and realization of real estate business strategy, management strategy of the Group and corporate legal strategy, which are aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	20,000 shares
6	Akihiro Ojiro (June 8, 1958)	<p>April 1982 Joined the Company</p> <p>October 2006 General Manager of Condominium Business Department, Real Estate Subdivision Business Division</p> <p>April 2010 General Manager with special assignment of Railway Area Development Business Division</p> <p>June 2012 Director, General Manager with special assignment of Railway Area Development Business Division</p> <p>July 2012 Director, General Manager of Living Environment Development Department, Lifestyle Service Creation Division</p> <p>June 2015 Director, Deputy Head of Lifestyle Service Creation Division and General Manager of Living Environment Development Department</p> <p>October 2015 Director, Deputy Head of Lifestyle Service Creation Division and General Manager of Building Leasing Business Department</p> <p>April 2016 Director, Head of Lifestyle Service Creation Division and General Manager of Building Leasing Business Department</p> <p>June 2016 Managing Director, Head of Lifestyle Service Creation Division and General Manager of Building Leasing Business Department (to present)</p> <p>[Responsibilities in the Company] Lifestyle Service Creation Division</p> <p>[Reason for nomination as a candidate for Director] Mr. Akihiro Ojiro has served in important positions in the real estate business division, etc., and he is well familiar with general operations of the Group. He is also making use of his rich management experience and broad insight as a Director of the Company to demonstrate leadership in planning and realization of real estate business strategy aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	22,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Yasuyoshi Okuma (April 1, 1955)	<p>April 1978 Joined the Company August 2005 General Manager of System Development Department June 2014 Director, General Manager of System Development Department (to present)</p> <p>[Reason for nomination as a candidate for Director] Mr. Yasuyoshi Okuma has served in important positions in the information system division, etc. He is also making use of his rich management experience and broad insight as a Director of the Company to demonstrate leadership in planning and realization of management efficiency improvement strategy using information systems, with the aim of improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	22,000 shares
8	Yutaka Tsuzuki (January 4, 1961)	<p>April 1984 Joined the Company July 2008 General Manager of Transport Department and General Manager of Train Crew Training Center, Railway Business Division July 2013 President and Representative Director of Tobu Engineering Co., Ltd. June 2015 Director, Deputy Head of Railway Business Division and General Manager of Transport Department and General Manager of Train Crew Training Center of the Company April 2016 Director, Head of Railway Business Division (to present)</p> <p>[Responsibilities in the Company] Railway Business Division</p> <p>[Reason for nomination as a candidate for Director] Mr. Yutaka Tsuzuki has served in important positions in the railway business division, etc. He is also making use of his rich management experience and broad insight as a Director of the Company and Group companies to demonstrate leadership in planning and realization of railway business strategy aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	18,000 shares
9	Yoshimi Yokota (August 1, 1961)	<p>April 1984 Joined the Company June 2012 General Manager of Corporate Planning Department April 2015 General Manager of Corporate Planning Department and General Manager of Ikebukuro Development Project June 2015 Director, General Manager of Corporate Planning Department and General Manager of Ikebukuro Development Project January 2016 Director, General Manager of Corporate Planning Department (to present)</p> <p>[Reason for nomination as a candidate for Director] Mr. Yoshimi Yokota has served in important positions in the corporate planning division, etc. He is also making use of his rich management experience and broad insight as a Director of the Company to demonstrate leadership in planning of management strategy of the Group aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	14,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Koichi Sekiguchi (December 22, 1955)	<p>April 1978 Joined the Ministry of Transport August 2010 Senior Deputy Director-General of Railway Bureau of Ministry of Land, Infrastructure, Transport and Tourism August 2011 Deputy Director-General of the Japan Meteorological Agency September 2014 Joined the Company Adviser of Corporate Planning Department June 2015 Director, Deputy Head of Railway Business Division (to present)</p> <p>[Responsibilities in the Company] Railway Business Division</p> <p>[Reason for nomination as a candidate for Director] Mr. Koichi Sekiguchi reflects his rich experience and broad insight in transport policy on management of the Company. He also performs his duties by making use of his rich management experience as a Director of the Company. Currently he is demonstrating leadership primarily in the planning and realization of railway business strategy aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	7,000 shares
11	Toshiaki Onodera (September 6, 1959)	<p>April 1982 Joined the Company October 2010 General Manager of General Affairs Department and General Manager of Research Office July 2013 General Manager of Transport Department, Railway Business Division and General Manager of Train Crew Training Center June 2015 General Manager of General Affairs and Legal Department and General Manager of Research Office June 2016 Director, General Manager of General Affairs and Legal Department and General Manager of Research Office (to present)</p> <p>[Reason for nomination as a candidate for Director] Mr. Toshiaki Onodera has served in important positions in the general affairs division and the railway business division, etc. He performs his duties by making use of his rich management experience as a Director of the Company and broad insight. Currently he is demonstrating leadership mainly in planning and realization of corporate legal strategy aimed at improving our corporate value. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Director again.</p>	22,000 shares
12	Hiroya Otsuka (October 31, 1961)	<p>April 1984 Joined the Company March 2011 President of Tobu Physical Distribution Service Co., Ltd. March 2013 Senior Managing Director of TOBU TRANSPORTATION CO., LTD. June 2013 President of Zao Ropeway Co., Ltd. June 2015 General Manager of Group Administration Department of the Company June 2016 Director, General Manager of Group Administration Department (to present)</p> <p>[Significant concurrent positions] Outside Audit & Supervisory Board Member, TOBU STORE CO., LTD.</p> <p>[Reason for nomination as a candidate for Director] Mr. Hiroya Otsuka has served in important positions in the group administration division, etc. He is utilizing his extensive management experience as a Director of the Company and other Group companies and broad insight to demonstrate leadership in planning and realizing the Group's business strategy aimed at improving our corporate value. We have determined that utilizing his experience and insight for management as a Director will continue to contribute to further improvement of corporate value of the Group, and therefore we nominate him as a candidate for Director.</p>	10,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
13	Noriko Yagasaki (April 22, 1963)	<p>April 1987 Joined Sumitomo Bank</p> <p>October 1989 Presiding Chief Researcher, Consulting Division of The Japan Research Institute, Limited</p> <p>October 2008 Director of the Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism</p> <p>July 2011 Research Associate Professor of Faculty of Urban Environmental Sciences at Tokyo Metropolitan University</p> <p>April 2014 Associate Professor of Department of International Tourism Studies, Faculty of Regional Development Studies at Toyo University</p> <p>June 2015 Director of the Company (to present)</p> <p>April 2017 Associate Professor, Department of International Tourism Studies, Faculty of International Tourism Studies, Toyo University (to present)</p> <p>[Significant concurrent positions] Associate Professor, Department of International Tourism Studies, Faculty of International Tourism Studies, Toyo University Outside Director, Japan Freight Railway Company</p> <p>[Reason for nomination as a candidate for Outside Director] Ms. Noriko Yagasaki has reflected her extensive knowledge as an academic in transport policy and tourism policy, as well as her experience as an outside director of other corporations on management of the Company. She has played a supervisory role of business execution from an objective point of view, being independent from the management of the Company. We have determined her to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate her as a candidate for Outside Director again. Although she has not engaged in corporate management in a role other than as an outside officer, based on the reasons described above, we have deemed that she is capable of properly executing her duties as an Outside Director. In addition, the Company has determined that she is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” which objectively determine independence. (The “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members” of the Company are as described on page 14.)</p>	0 share

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
14	Hirofumi Nomoto (September 27, 1947)	<p>April 1971 Joined TOKYU CORPORATION June 2007 Director of TOKYU CORPORATION January 2008 Managing Director of TOKYU CORPORATION June 2008 Senior Managing Director of TOKYU CORPORATION April 2011 President & Representative Director of TOKYU CORPORATION June 2015 President & Representative Director and Executive Officer of TOKYU CORPORATION (to present) June 2016 Director of the Company (to present)</p> <p>[Significant concurrent positions] President & Representative Director and Executive Officer, TOKYU CORPORATION Director, TOKYU RECREATION CO., LTD. Director, Tokyu Fudosan Holdings Corporation Outside Director, TOEI COMPANY, LTD.</p> <p>[Reason for nomination as a candidate for Outside Director] Mr. Hirofumi Nomoto has reflected his extensive experience and broad insight as a corporate manager in the same transportation industry on management of the Company. He has played a supervisory role of business execution from an objective point of view, being independent from the management of the Company. We have determined him to be the proper person for pursuing further improvement of corporate value in the future. Therefore, we nominate him as a candidate for Outside Director again. In addition, the Company has determined that he is adequately independent by the “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members,” which objectively determine independence. (The “Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members” of the Company are as described on page 14.)</p>	10,000 shares
15	Takashi Kobiyama (December 10, 1961)	<p>April 1984 Joined the Company July 2009 General Manager of Building Leasing Business Department, Real Estate Leasing Sales Division April 2010 General Manager of Building Leasing Business Department, Real Estate Leasing Business Management Division July 2012 General Manager of Building Leasing Business Department, Lifestyle Service Creation Division October 2015 General Manager with special assignment of Public Relations Department April 2016 General Manager of Public Relations Department (to present)</p> <p>[Reason for nomination as a candidate for Director] Mr. Takashi Kobiyama has served in important positions in the real estate and leasing business division and public relations division, etc. He performs his duties by making use of his rich business experience and broad insight. Currently he is demonstrating leadership primarily in planning and realization of public relations strategy aimed at improving our corporate value. We have determined that utilizing his experience and insight for management as a Director will contribute to further improvement of corporate value of the Group, and therefore we have nominated him as a candidate for Director.</p>	12,000 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
16	Tsutomu Yamamoto (September 9, 1964)	<p>April 1989 Joined the Company June 2015 General Manager of Finance and Accounting Department (to present)</p> <p>[Reason for nomination as a candidate for Director] Mr. Tsutomu Yamamoto has served in important positions in the finance and accounting division, etc. He is utilizing his extensive business experience and broad insight to demonstrate leadership in planning and realizing the Group's finance and accounting strategy aimed at improving our corporate value. We have determined that utilizing his experience and insight for management as a Director will contribute to further improvement of corporate value of the Group, and therefore we have nominated him as a candidate for Director.</p>	5,000 shares

(Notes)

1. Mr. Hiroaki Miwa is the President of the General Incorporated Foundation Tobu Museum, to which the Company entrusts the business concerning operations of the Tobu Museum.
2. Mr. Hirofumi Nomoto is President & Representative Director and Executive Officer of TOKYU CORPORATION, which has rental fee transactions for railroad cars with the Company. TOKYU CORPORATION engages in the business in the same field as that of the Company.
3. The term of office of Ms. Noriko Yagasaki as Outside Director of the Company will be two years at the conclusion of this General Meeting of Shareholders.
4. The term of office of Mr. Hirofumi Nomoto as Outside Director of the Company will be one year at the conclusion of this General Meeting of Shareholders.
5. Mr. Hirofumi Nomoto is scheduled to assume the office of Outside Director of JAPAN POST BANK Co., Ltd. on June 20, 2017.
6. The Company has entered into liability limitation agreements with Ms. Noriko Yagasaki and Mr. Hirofumi Nomoto in accordance with Article 423 Paragraph 1 of the Companies Act to limit their liabilities to the amount stipulated by laws and regulations when they act in good faith without gross negligence. If their reelection is approved, the Company will continue such agreements.
7. The Company has designated Ms. Noriko Yagasaki and Mr. Hirofumi Nomoto as Independent Directors as specified by the Tokyo Stock Exchange and notified the same Exchange to that effect.
8. Mr. Takashi Kobiyama and Mr. Tsutomu Yamamoto are new candidates for Director.

(Reference)

Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members

The Company deems Outside Directors and Outside Audit & Supervisory Board Members to be independent when they do not fall under any of the following items.

- (1) A principal shareholder who holds 10% or more of the total number of voting rights of the Company at the end of the fiscal year, or its executive person
- (2) Of the lenders to the Company, a financial institution or other principal creditor that the Company depends upon for funding to the extent that it is not replaceable at the end of the fiscal year, or its executive person
- (3) Of the business partners of the Company, a party which receives the payment of 2% or more of the consolidated operating revenue for the fiscal year from the Company at the end of such fiscal year, or its executive person
- (4) Of the business partners of the Company, a party which pays to the Company at the end of the fiscal year of the party 2% or more of the consolidated operating revenue for such fiscal year, or its executive person
- (5) A person who receives from the Company donations or subsidies of an annual amount exceeding ¥10 million during the fiscal year, or its executive person
- (6) An attorney, certified public accountant, tax accountant, consultant or the like who receives from the Company compensation other than the compensation as Director or Audit & Supervisory Board Member of an annual amount exceeding ¥10 million during the fiscal year
- (7) A person who belongs to an organization, at the end of the fiscal year, such as a corporation (law firm, audit firm, tax accountant firm, consulting firm, etc.) or a union that receives from the Company money or other financial benefits whose amount exceeds 2% of consolidated operating revenue for the fiscal year of such organization
- (8) A person who served as an executive person of the Company or its subsidiaries during the past 10 years
- (9) The “fiscal year” mentioned in Items 1 to 7 falls under a year within the past three years.
- (10) When a person who falls under any of Items 1 to 8 serves in an important position, his/her spouse or relatives within the second degree of kinship