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(Securities Code: 8227)

April 28, 2020

To our shareholders:

Makoto Suzuki  
President and Representative Director  
**Shimamura Co., Ltd.**  
2-19-4 Miyahara-cho, Kita-ku,  
Saitama-city, Saitama

## Notice of the 67th Annual General Meeting of Shareholders

You are cordially invited to attend the 67th Annual General Meeting of Shareholders of Shimamura Co., Ltd. (the “Company”), which will be held as indicated below.

If you are unable to attend the Meeting in person, you can exercise your voting rights in writing or by electronic means (such as via the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders, and follow the Instructions given below to exercise your voting rights no later than Thursday, May 14, 2020, at 6:30 p.m. (JST).

- 1. Date and Time:** Friday, May 15, 2020, at 10:00 a.m. (JST)
- 2. Venue:** Main meeting room, 6F, Head Office of Shimamura Co., Ltd.  
2-19-4 Miyahara-cho, Kita-ku, Saitama-city, Saitama  
(Please note that the venue has changed from last time.)

**3. Purpose of the Meeting:**

**Matters to be reported**

1. The Business Report and the Consolidated Financial Statements for the 67th fiscal year (from February 21, 2019 to February 20, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 67th fiscal year (from February 21, 2019 to February 20, 2020)

**Matters to be resolved**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Election of One Director  
**Proposal No. 3:** Election of Four Audit & Supervisory Board Members  
**Proposal No. 4:** Payment of Retirement Benefits to a Retiring Audit & Supervisory Board Member

**4. Instructions for Exercising Your Voting Rights**

- (1) Exercising your voting rights in writing

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received by the voting deadline indicated above.

- (2) Exercising your voting rights via the Internet

If you are exercising your voting rights via the Internet, please examine the “Instructions for Exercising Your Voting Rights via the Internet, Etc.”(in Japanese only) on page 3 of this notice and vote by the voting deadline indicated above.

In order to prevent infections of the novel coronavirus (COVID-19), attendees may be asked to wear a mask, use an alcohol disinfectant, etc. For shareholders who plan on attending, please take the condition of your health into consideration and do not overexert yourself. In addition, if there are any significant changes regarding the holding of this Meeting, the information will be posted on the Company's website (<https://www.shimamura.gr.jp/>).

- When you attend the Meeting, you are kindly requested to present the enclosed voting form at the reception.
- If any changes are made to the Reference Documents for the General Meeting of Shareholders or to the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, such changes will be posted on the Company's website (<https://www.shimamura.gr.jp/>).

Up until last year, it was customary for the Company to prepare gifts that were distributed to attending shareholders at the conclusion of the meeting. However, due to various circumstances, the Company has discontinued this practice, effective this General Meeting of Shareholders. We ask for your understanding concerning this decision.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

#### 1. Year-end dividends

The Company has given consideration to matters including the business performance of the fiscal year and future business development, and it proposes to pay year-end dividends for the 67th fiscal year as follows.

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥100 per common share of the Company.

In this event, the total dividends will be ¥3,675,046,800.

(3) Effective date of dividends of surplus

The effective date of dividends will be May 18, 2020.

#### 2. Other appropriation of surplus

As for internal reserves, the Company proposes the following to strengthen the management foundation in preparation for the aggressive development of operations in the future.

(1) Item of surplus to be decreased and amount of decrease:

Retained earnings brought forward: ¥4,000,000,000

(2) Item of surplus to be increased and amount of increase:

General reserve: ¥4,000,000,000

**Proposal No. 2: Election of One Director**

The term of office of Director Tsuneyoshi Kitajima will expire at the conclusion of this Meeting. Therefore, the Company proposes the election of one Director as a substitute.

In addition, as provided for in the Company's Articles of Incorporation, the term of office of a Director elected as a substitute will be until the terms of office of the other currently serving Directors expire. The candidate for Director is as follows:

Name (Date of birth)	Career summary, positions and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Hidejiro Fujiwara (October 18, 1940)	Sept. 1970    Joined the Company Office Manager Apr. 1975    Director May 1981    Senior Managing Director May 1989    Senior Managing Director and Representative Director May 1990    President and Representative Director May 2005    Chairman and Representative Director May 2009    Director and Advisor May 2011    Advisor (current position)	681,100 Shares

Notes: There is no special interest between the candidate for Director and the Company.

### Proposal No. 3: Election of Four Audit & Supervisory Board Members

The terms of office of all four Audit & Supervisory Board Members will expire at the conclusion of this Meeting.

Therefore, the Company proposes the election of four Audit & Supervisory Board Members, including one new candidate.

This proposal has already been accepted by the Audit & Supervisory Board. The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, positions and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Hideyuki Yoshioka (July 31, 1955)	<p>Mar. 1978      Joined the Company</p> <p>Aug. 2006      Area Manager of Mitake Division Stores</p> <p>May 2007      Audit &amp; Supervisory Board Member of AVAIL Corporation</p> <p>May 2009      Standing Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>May 2009      Auditor of Shimamura (Taiwan) (current position)</p> <p>June 2011      Auditor of Shimamura (Shanghai) (current position)</p>	8,223 Shares
2	Hiroyuki Shimamura (April 12, 1953)	<p>Mar. 1979      Joined the Company</p> <p>Sept. 1986      General Manager of the Auditing Office</p> <p>May 1990      Director</p> <p>Nov. 1991      President and Representative Director of Shimamura Kousan Co., Ltd. (current position)</p> <p>May 2001      Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>Dec. 2019      Audit &amp; Supervisory Board Member of Shimamura Kikaku Co., Ltd. (current position)</p>	501,074 Shares
3	Shigehisa Horinokita (December 29, 1951) Candidate for outside Audit & Supervisory Board Member	<p>Aug. 1982      Registered as a certified public accountant</p> <p>June 2003      Representative partner of Asahi &amp; Co. (now KPMG AZSA LLC)</p> <p>July 2014      Established Shigehisa Horinokita Certified Public Accounting Office (current position)</p> <p>June 2015      Outside Director of Sanyo Industries, Ltd.</p> <p>Dec. 2015      Outside Auditor of TOYO Corporation (current position)</p> <p>May 2016      Outside Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>June 2016      Outside Director of Sanyo Industries, Ltd. (Audit and Supervisory Committee Member) (current position)</p>	0 Shares
4*	Tetsuya Omi (May 26, 1956) Candidate for outside Audit & Supervisory Board Member	<p>Apr. 1979      Joined Takihyo Co., Ltd.</p> <p>Mar. 2004      General Manager of the Textile II Division, Textile Department</p> <p>Mar. 2010      General Manager of the IT Department</p> <p>Mar. 2011      Executive Officer and General Manager of the IT Department</p> <p>Mar. 2017      Advisor (current position) Director, Executive Officer of T.F.C. Co., Ltd.</p> <p>Mar. 2020      Representative Director of T.T.C. Co., Ltd. (current position)</p>	0 Shares

Notes: 1. \* indicates a candidate for new Audit & Supervisory Board Member.

2. There is no special interest between any candidates and the Company.
3. Shigehisa Horinokita and Tetsuya Omi are candidates for outside Audit & Supervisory Board Member.
4. Reasons for nomination as candidates for, and tenures of, outside Audit & Supervisory Board Member
  - (1) The Company proposes the election of Shigehisa Horinokita as outside Audit & Supervisory Board Member because, while he does not possess direct corporate management experience, his knowledge and experience relating to finance and accounting which he cultivated as a certified public accountant means he can be counted on to provide support and advise for enhancing the auditing system of the Company.  
His term of office as outside Audit & Supervisory Board Member will have been four years at the conclusion of this Meeting.
  - (2) The Company proposes the election of the new candidate Tetsuya Omi as outside Audit & Supervisory Board Member, because his extensive knowledge and experience acquired as a representative director in another company means he can be counted on to ensure the appropriateness and adequacy of board decisions.
5. The Company has entered into a limited liability agreement with Shigehisa Horinokita to limit his liability for damages, as defined in Article 423, paragraph 1 of the Companies Act, to the amount designated by each item in Article 425, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act. Should Mr. Horinokita be elected, the Company intends to extend this agreement.  
The Company also plans to enter into a limited liability agreement with the new candidate Tetsuya Omi, as with Shigehisa Horinokita, should he be elected.  
The maximum amount of the liability for damages based on said agreements shall be the amount prescribed in laws and regulations.
6. The Company has submitted notification to Tokyo Stock Exchange, Inc. concerning the designation of Shigehisa Horinokita as an independent officer, and, if this proposal is approved and he is reappointed, the Company plans for his appointment as an independent officer to continue. The Company also plans to submit notification concerning the designation of the new candidate Tetsuya Omi as an independent officer, as he fulfills the independent officer criteria of Tokyo Stock Exchange, Inc.

**Proposal No. 4: Payment of Retirement Benefits to a Retiring Audit & Supervisory Board Member**

At the conclusion of this Meeting, Audit & Supervisory Board Member Keiichi Hayase will retire due to the expiration of his term of office. To compensate him for his efforts while in office, the Company wishes to pay retirement benefits within the acceptable scope designated by the Company and requests that the actual amount, timing of payment, method of payment, etc. be entrusted to the discretion of the Audit & Supervisory Board. The career summary for the retiring Audit & Supervisory Board Member is as follows:

Name	Career summary	
Keiichi Hayase	May 2012	Outside Audit & Supervisory Board Member of the Company (current position)