

Securities Code: 6444
June 11, 2019

Notice of Convocation of the 93rd Ordinary General Meeting of Shareholders

Dear Shareholders:

It is our pleasure to invite you to the 93rd Ordinary General Meeting of Shareholders of Sanden Holdings Corporation (hereinafter referred to as “Sanden” or “Company”). The details of the meeting are provided below.

If you are unable to attend the Ordinary General Meeting of Shareholders in person, you may exercise your voting rights by mail or via the Internet, etc. Please review “The Reference Materials for the Ordinary General Meeting of Shareholders” attached here and exercise your voting rights no later than 5:30 p.m. on Wednesday, June 26, 2019 in accordance with the “Information on the Exercise of Voting Rights” attached here.

Sincerely,

Kin-ei Kanda
Representative Director & President,
Sanden Holdings Corporation
20, Kotobuki-cho, Isesaki City,
Gunma Prefecture

Details of the Meeting

1. Date and time: Thursday, June 27, 2019, 10:00 a.m. (The reception will start at 9:30 a.m.)

2. Venue: Culture hall of Honjo-shi people
1422-3, Kitabori, Honjo City, Saitama Prefecture
The venue is different from that of last year, because the hall where the last year's meeting took place is temporarily closed. Please be sure to come to the venue above.

3. Meeting agenda:

Items to be reported

- (1) Business Report and Consolidated Financial Statements for the 93rd Fiscal Year (from April 1, 2018 to March 31, 2019) and Reports of the Accounting Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements
- (2) Non-Consolidated Financial Statements for the 93rd Fiscal Year (from April 1, 2018 to March 31, 2019)

Agenda item to be resolved

Item: Election of Nine (9) Directors

4. About your vote

- (1) If you vote both by mail and via the Internet etc., only the vote placed via the Internet etc. will be effective.
- (2) If you submit your vote more than once via the Internet etc., only the last vote submitted will be effective.

**This English-language translation is an abridged version of the original notice in Japanese. In the event of any discrepancy, the Japanese version shall prevail.*

Information on the Exercise of Voting Rights

If You Will Attend the Ordinary General Meeting of Shareholders

Please bring the enclosed Voting Right Exercise Form and submit it at the reception desk at the place of the Meeting.

Date and Time: Thursday, June 27, 2019, 10:00 a.m. (The reception desk is scheduled to open at 9:30 a.m.)

If You Will Not Attend the Ordinary General Meeting of Shareholders

[By Mail]

Please indicate your approval or disapproval of each proposal on the enclosed Voting Rights Exercise Form and return it to the Company by the deadline to exercise mentioned below.

Deadline to Exercise: The mail must be received no later than Wednesday, June 26, 2019, 5:30 p.m.

[Vote by the Internet etc.] Please see the next page for the details.

After accessing the Voting Rights Exercise website, enter the “Voting Rights Exercise Code” and “Password” noted on the enclosed Voting Rights Exercise Form, and input your approval or disapproval of each proposal following the on-screen instructions.

Voting Rights Exercise website: <https://www.web54.net>

Deadline to Exercise: Wednesday, June 26, 2019, 5:30 p.m.

Disclosure via the Internet

- Among the documents appended to the notice of convocation for the Ordinary General Meeting of Shareholders, the following documents are, based on stipulations of the law and our articles of incorporations, published on our online website, so they are not recorded in these appended documents.
 - Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements in the Consolidated Financial Statements
 - Non-Consolidated Statements of Changes in Net Assets and Notes to Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements
- Furthermore, the consolidated financial statements and financial statements audited in the course of the Audit and Supervisory Committee creating the audit report and in the course of the accounting auditor creating the accounting audit report include those attached to this notice as well as the Consolidated Statements of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-Consolidated Statements of Changes in Net Assets, and Notes to Non-Consolidated Financial Statements.
- If revisions are made to the Reference Materials for the Ordinary General Meeting of Shareholders, the business report, the consolidated financial statements, the financial statements, or the audit report, these will be published on our online website below.

The Company’s website: <https://www.sanden.co.jp/ir/event/meeting.html>

Guide to Exercising Voting Rights via the Internet etc.

You may exercise your voting rights via the Internet only by using the company-specified Voting Rights Exercise website. The website may also be accessed using a smartphone or mobile phone.

Deadline to exercise voting rights:

No later than Wednesday, June 26, 2019, 5:30 p.m.

Please exercise your voting rights early to facilitate calculation of voting results.

Voting Rights Exercise website:

<https://www.web54.net>

You may access the Voting Rights Exercise website by scanning the QR Code® on the left through your mobile phone with its barcode reading function.

For details of operating procedures, please refer to the instructions for use of your mobile phone.

(QR code is a registered trademark of Denso Wave Inc.)

Procedures for access

1. Access the Voting Rights Exercise website
Click “Next”
 2. Enter the Voting Rights Exercise Code
Enter the “Voting Rights Exercise Code” printed on the enclosed Voting Rights Exercise Form, then click “Login”
 3. Enter the Password
Enter the “Password” printed on the enclosed Voting Rights Exercise Form, then click “Next”
- Subsequently, please enter your vote for or against the proposals by following the on-screen instructions.

- Although the deadline for exercise of voting rights is Wednesday, June 26, 2019, 5:30 p.m., it is advisable to exercise your voting rights at your earliest convenience. If you submit your vote both by mail and via the Internet, only the vote placed via the Internet will be effective. If you submit your vote more than once via the Internet, only the last vote submitted will be effective.
- The voting service identifies you only by Password. Please pay them the same attention as an official stamp or PIN number.
- If you input the wrong password more than a certain number of times, your password will be locked and invalid. If you would like your password to be re-issued, please follow the on-screen instructions.
- The “Voting Rights Exercise Code” on the Voting Rights Exercise Form is valid only for this year’s Ordinary General Meeting of Shareholders.

[Voting Rights Exercise platform for Institutional Investors]

Institutional investors may also vote by the ICJ platform, a voting platform provided by ICJ, Inc. subject to the application for subscription in advance.

For any questions about the exercise of voting rights via the Internet, please contact the following support desk.

Sumitomo Mitsui Trust Bank, Ltd. Stock Transfer Agency Online Support Desk, the administrator of the shareholder register

Dedicated line: 0120-652-031 (Operating hours: 9:00 a.m. to 9:00 p.m.)

The Reference Materials for the Ordinary General Meeting of Shareholders

Item: Election of Nine (9) Directors

The term of office of all nine (9) directors shall expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we propose that the following nine (9) director nominees be elected. Furthermore, as part of the reconstruction of corporate governance, the Company established the “Executive Nomination and Compensation Committee” (chaired by an independent outside director) in August 2017 as an advisory body to the Board of Directors, with independent outside directors occupying its majority, ensuring transparency and objectivity in the selection process for director nominees. This proposal was resolved by the Board of Directors based on the report from the “Executive Nomination and Compensation Committee.”

The nine (9) director nominees are as follows:

List of Nominees

Nominee No.	Name (Age)	Current Position and Responsibilities at the Company	Attendance at Board of Directors meetings	Expertise			
				Corporate planning	Technology / manufacturing	Sales	Finance / accounting
1	Re-election Katsuya Nishi (54)	Representative Director & Executive Vice President in charge of Planning, Finance, Accounting, Management Control, R&D and Manufacturing strategy	100% 13/13	○	○		○
2	Re-election Tsuguo Ito (62)	Director & Executive Corporate Officer, Head of Global Compressor Business	100% 10/10	○		○	
3	Re-election Mark Ulfig (62)	Director & Executive Vice President in charge of Global Compliance	100% 13/13	○		○	
4	New nominee Hideyuki Kobayashi (52)	Corporate Officer, General Manager of Corporate Planning Office	—	○	○		
5	New nominee Hiroshi Takahashi (61)	Corporate Officer in charge of Gunma, Manager, Manufacturing Process Standardization PJ	—	○	○		
6	New nominee Toru Akima (49)	Corporate Officer, Division General Manager, Accounting Division	—	○			○

Nominee No.	Name (Age)	Current Position and Responsibilities at the Company	Attendance at Board of Directors meetings	Expertise			
				Corporate planning	Technology / manufacturing	Sales	Finance / accounting
7	Re-election Hideto Ozaki (73) Outside Independent	Director, Chairperson of Executive Nomination and Compensation Committee	92% 12/13	○			○
8	Re-election Naonori Kimura (50) Outside Independent	Director, Member of Executive Nomination and Compensation Committee	100% 13/13	○			○
9	New nominee Yuzo Ushiyama (69) Outside Independent	—	—	○		○	

Re-election: Director nominee for re-election

Outside: Outside Director nominee

New nominee: New Director nominee

Independent: Independent Director nominee

The Company's Policy and Procedure for Election of Directors

The Company has established the Executive Nomination and Compensation Committee (chaired by an Independent Outside Director) comprised of five Directors, including three Independent Outside Directors. Based on the committee's recommendations, the Board of Directors deliberates and determines nomination policies and procedures.

For the nomination of nominees for Director, consideration is given to diversity in personnel in view of factors such as corporate globalization alongside the balance between overall knowledge, experience, and ability. For nominees for Outside Director, in addition to the above, nominated personnel must secure substantial independence from the Company while possessing high levels of specialization and wide experiences and insights, etc., providing adequate qualifications that can contribute to the sustainable growth and mid- to long-term improvement in corporate value of the Company.

The selection of candidates for Director is deliberated and determined by the Board of Directors based on recommendations provided by the Executive Nomination and Compensation Committee, which has deliberated the selection.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
1	<p style="text-align: center;">Re-election</p> <p style="text-align: center;">Katsuya Nishi (Aug. 3, 1964) (54)</p> <p>[Period in office as Director (years)] 10</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 23,348 (6,248)</p> <p>[Attendance at the Board of Directors meeting] 100% (13 out of 13)</p>	<p>Apr. 1985 Joined Sanden</p> <p>July 2008 General Manager of Corporate Planning Office</p> <p>June 2009 Director Corporate Officer General Manager of Corporate Planning Office</p> <p>June 2012 Director & Executive Corporate Officer in in charge of Corporate Planning, Finance, Accounting and Administration</p> <p>June 2013 Senior Director</p> <p>June 2015 Director & Executive Corporate Officer Division General Manager, Accounting Division</p> <p>July 2015 Director & Executive Corporate Officer, Division General Manager of Accounting Division Representative Director & President, Sanden of America, Inc.</p> <p>June 2016 Director & Executive Vice President</p> <p>June 2017 Director & Executive Vice President in charge of Planning, Management Control, Finance, Accounting</p> <p>Apr. 2018 Representative Director & Executive Vice President in charge of Planning, Finance, Accounting, Management Control, R&D and Manufacturing strategy (present)</p> <p>(Reasons for selection as nominee for Director) Mr. Katsuya Nishi has been in charge of the Company's corporate planning, finance, and accounting for many years and has extensive knowledge and experience in those fields. In 2008, he assumed office as General Manager of the Corporate Planning Office, and drove rebuilding management after the 2008 global financial crisis. In 2015, he drove the transition to a holding company structure and completed the transformation of the group structure. Also, in 2016, he implemented drastic structural reforms and realized substantial improvement in business performance. Since he assumed office as Representative Director in April 2018, he has played a central role in management, focusing on the appropriateness of the business portfolio. Owing to rapid changes in the market environment and the rise of geopolitical risk since the second quarter of 2018, the Company has been approaching a significant turning point in management. We expect him, especially under the new Medium-term Management Plan, to drive the promotion of the Group's medium- to long-term management strategy and improvement in corporate value. We also have judged that he, as a Director, can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
2	<p>Re-election</p> <p>Tsuguo Ito (Sep. 26, 1956) (62)</p> <p>[Period in office as Director (years)] 1</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 3,100 (-)</p> <p>[Attendance at the Board of Directors meeting] 100% (10 out of 10)</p>	<p>Apr. 1980</p> <p>July 1997</p> <p>Aug. 2002</p> <p>Aug. 2012</p> <p>Dec. 2014</p> <p>Jan. 2015</p> <p>Apr. 2015</p> <p>June 2017</p> <p>June 2018</p>	<p>Joined Mitsubishi Motors Corporation</p> <p>Executive Vice President, Mitsubishi Motor Sales of America, Inc.</p> <p>President, The US Business Initiatives, Inc.</p> <p>Executive Vice President, ITOCHU Automobile America Inc.</p> <p>Joined Sanden</p> <p>Division General Manager, Compressor Division</p> <p>Representative Director & President, Sanden Automotive Components Corporation (present)</p> <p>Executive Corporate Officer, Head of Global Compressor Business</p> <p>Director & Executive Corporate Officer, Head of Global Compressor Business (present)</p>
		<p>(Major Concurrent Positions)</p>	<p>Representative Director & President, Sanden Automotive Components Corporation</p>
		<p>(Reasons for selection as nominee for Director)</p>	<p>Mr. Tsuguo Ito has a wealth of experience at overseas bases in Australia and the Americas in the automotive industry, and in April 2015, he assumed office as a Representative Director of Sanden Automotive Components Corporation, a subsidiary of the Company. Even after joining the Company, he has been contributing to the growth of overseas development by advancing extensive activities at overseas bases. In June 2018, he assumed office as Director of the Company, formulating strategies for the automotive business, the Company's mainstay business, on a global scale, while establishing structures to promote and implement the strategies and sharing them across group companies in a leadership role. We expect him, especially in the drastically changing automotive industry, to contribute to improvement in business competitiveness and further business growth with his ability and insight in a wide range of fields. We also have judged that as a Director, he can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
3	<p>Re-election</p> <p>Mark Ulfig (Nov. 14, 1956) (62)</p> <p>[Period in office as Director (years)] 6</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] 100% (13 out of 13)</p>	<p>May 1978 Research Engineer, General Electric Co.</p> <p>Aug. 1985 Senior Management Consultant, KPMG Peat Marwick</p> <p>May 1988 Plant Manager, Sanden International (U.S.A.), Inc.</p> <p>Oct. 2009 President, Sanden International (U.S.A.), Inc.</p> <p>Oct. 2010 Corporate Officer President, Sanden International (U.S.A.), Inc. President, Sanden Mexicana S.A.DE C.V.</p> <p>June 2013 Director & Senior Executive Corporate Officer</p> <p>June 2015 Director & Senior Executive Corporate Officer</p> <p>June 2016 Director & Executive Vice President</p> <p>June 2017 Director & Executive Vice President in charge of Global Business</p> <p>Oct. 2017 Director & Executive Vice President in charge of Global Business Chairman, Sanden International (U.S.A.), Inc.</p> <p>Apr. 2018 Director & Executive Vice President in charge of Global Compliance (present) Representative Director & President, Sanden International (U.S.A.), Inc. (present)</p>
		<p>(Major Concurrent Positions) Representative Director & President, Sanden International (U.S.A.), Inc.</p>
		<p>(Reasons for selection as nominee for Director) Mr. Mark Ulfig is qualified as a lawyer in the U.S., and has a wealth of legal experience and knowledge. Since 2009, he has served as a representative of the U.S. subsidiary, the Group's core, and has been engaged in sales and manufacturing reforms in the U.S. Since 2013, as Director of the Company, he has promoted global activities, especially strengthening the management of overseas subsidiaries and building strong relationships with global customers, mainly in the automobile business. In 2018, he led the initiatives to strengthen compliance on a global scale, while also conducting rationalization and strengthening cost competitiveness with an emphasis on the Company's locations in North America and Central and South America. We expect him, especially in overseas businesses with drastic changes in the environment, to drive reconstruction of the medium-term earnings base, as well as further drive to strengthen compliance by leveraging his legal knowledge and experience. We also have judged that he, as a Director, can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
4	<p data-bbox="408 479 531 501">New nominee</p> <p data-bbox="352 539 587 629">Hideyuki Kobayashi (Apr. 26, 1967) (52)</p> <p data-bbox="360 667 579 757">[Period in office as Director (years)] —</p> <p data-bbox="336 795 608 1019">[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 2,818 (1,118)</p> <p data-bbox="360 1057 579 1146">[Attendance at the Board of Directors meeting] —</p>	<p data-bbox="636 286 1366 667"> Apr. 1991 Joined Sanden Sep. 2012 Plant Manager, Compressor Business Plant June 2013 Deputy Division General Manager, Compressor Division Apr. 2015 General Manager, Product Strategy Department, Business Division, Sanden Automotive Components Corporation Jan. 2016 General Manager, Business Strategy Department, Corporate Planning Office June 2017 Corporate Officer General Manager, Corporate Planning Office (present) </p> <p data-bbox="636 674 1366 1366"> (Reasons for selection as nominee for Director) Mr. Hideyuki Kobayashi led the initiatives in the fields of technical development and production management of compressors for car air conditioners, one of the Company's core products, and has extensive knowledge and experience in those fields. He has contributed to expansion of global business by supporting manufacturing and technical development on a global scale as a Plant Manager in 2012 and being engaged in business management as a Deputy Division General Manager in 2013. In 2017, he played a central role in establishing and promoting the Medium-term Management Plan as a Corporate Officer and General Manager of the Corporate Planning Office. We expect him, in the drastically changing market environment since the second quarter of 2018, to drive the tangible promotion of the management strategy, especially with his experience and capabilities in the technical development field, as a person responsible for planning the new Medium-term Management Plan based on the new concept of management. We also have judged that as a Director, he can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his election as Director. </p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
5	<p style="text-align: center;">New nominee</p> <p style="text-align: center;">Hiroshi Takahashi (Apr. 14, 1958) (61)</p> <p style="text-align: center;">[Period in office as Director (years)] —</p> <p style="text-align: center;">[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 5,265 (3,465)</p> <p style="text-align: center;">[Attendance at the Board of Directors meeting] —</p>	<p>Apr. 1979 Joined Sanden</p> <p>July 2002 General Manager, Production Management Department, A/C SystemPlant</p> <p>May 2007 Division General Manager, IT Division</p> <p>Apr. 2014 Corporate Officer Yattajima Plant Manager</p> <p>Apr. 2015 Corporate Officer Division General Manager, Production Management Division</p> <p>July 2017 Corporate Officer Akagi Plant Manager</p> <p>Nov. 2018 Corporate Officer in charge of Gunma, Manager, Manufacturing Process Standardization PJ (present)</p> <hr/> <p>(Reasons for selection as nominee for Director) Mr. Hiroshi Takahashi has been in charge of the manufacturing field including production technology and production management for many years and has extensive knowledge and experience in this field. In 2007, he assumed office as Division General Manager of the IT Division and led operational reforms of the Group by introducing information technology. Subsequently, he promoted craftsmanship reforms in the Company's mainstay automotive business in addition to the logistics business as a Plant Manager of a global mother business office. He has launched a company-wide project for further operational reforms and been addressing cost reductions on a global basis since 2018. We expect him to further promote manufacturing innovation with his experience in plant management and through the driving of the efficiency project using IT. We also have judged that as a Director, he can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
6	<p data-bbox="411 349 528 376">New nominee</p> <p data-bbox="387 412 552 506">Toru Akima (Dec. 1, 1969) (49)</p> <p data-bbox="363 542 576 636">[Period in office as Director (years)] —</p> <p data-bbox="339 672 600 891">[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 1,700 (-)</p> <p data-bbox="363 927 576 1043">[Attendance at the Board of Directors meeting] —</p>	<p data-bbox="639 291 1358 542"> Apr. 1992 Joined Sanden July 2008 General Manager, Corporate Planning Office June 2015 Director & Executive Vice President, Sanden International (U.S.A.), Inc. June 2017 General Manager, Accounting Division Apr. 2018 Corporate Officer Division General Manager, Accounting Division (present) </p> <p data-bbox="639 546 1374 1111"> (Reasons for selection as nominee for Director) Mr. Toru Akima has been in charge of the Company's finance and accounting for many years and has extensive knowledge and experience in those fields. In 2008, he drove structural reforms after the 2008 global financial crisis as General Manager of the Corporate Planning Office. In 2015, he contributed to improvement in the profitability and cash flow of a US subsidiary as Director & Executive Vice President of the subsidiary. In 2018, as Corporate Officer and Division General Manager of the Accounting Division, he produced results in strengthening structures to appropriately manage financial and investment risk for the Group, which has business operations on a global scale. We expect him to further drive the reform of financial structure and cash flow management of the Group. We also have judged that as a Director, he can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his election as Director. </p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
7	<p style="text-align: center;">Re-election Outside Independent</p> <p style="text-align: center;">Hideto Ozaki (Dec. 26, 1945) (73)</p> <p>[Period in office as Director (years)] 6</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 2,200 (-)</p> <p>[Attendance at the Board of Directors meeting] 92% (12 out of 13)</p>	<p>Apr. 1968</p> <p>June 1999</p> <p>July 2000</p> <p>June 2008</p> <p>June 2011</p> <p>June 2013</p> <p>July 2014</p> <p>June 2015</p>	<p>Joined Toyota Motor Sales Co., Ltd.</p> <p>Director, Toyota Motor Corporation</p> <p>Representative Director & President, Toyota Financial Services Corporation</p> <p>Representative Director & Chairman, Aioi Insurance Company, Limited (currently Aioi Nissay Dowa Insurance Company, Limited)</p> <p>Special Advisor, Aioi Nissay Dowa Insurance Company, Limited</p> <p>Outside Director, Sanden (present)</p> <p>Advisory Council, SVP Global Asia LLC</p> <p>Outside Director, Mito Securities Co., Ltd.</p> <p>(Reasons for selection as nominee for Outside Director) Mr. Hideto Ozaki has a high level insight and ability in management strategy and business administration from his experience in a wide range of corporate management at automobile companies, non-life insurance companies, and other companies. He has provided a great deal of advice on management from a shareholder perspective and has also contributed to the Company as Chairman of the Executive Nomination and Compensation Committee established in August 2017. We expect him to contribute to further assure the Group's management transparency with his insight and wealth of experience in corporate management. We also have judged that he can supervise the Group's business activities through decision-making as a Director. Accordingly, we propose his re-election as Outside Director.</p> <p>(Independence) There is no business relationship between the Company and Mr. Hideto Ozaki. He meets the Independence Criteria for Outside Directors established by the Company and is thus considered independent. The Company notified the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange. If he is re-elected, he will continue serving as an Independent Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
8	<p>Re-election Outside Independent</p> <p>Naonori Kimura (July 8, 1968) (50)</p> <p>[Period in office as Director (years)] 2</p> <p>[No. of Sanden shares held] 0 (-)</p> <p>[Attendance at the Board of Directors meeting] 100% (13 out of 13)</p>	<p>Dec. 1988 Ran the start-up company (Sold in 1998)</p> <p>June 1998 Joined NCR Japan, Ltd.</p> <p>Sep. 2001 Joined Towers Perrin Tokyo Branch</p> <p>Jan. 2004 Joined Arthur D Little Japan Inc.</p> <p>Nov. 2007 Director, Industrial Growth Platform, Inc. (IGPI)</p> <p>Jan. 2012 Partner and Managing Director, IGPI</p> <p>Apr. 2013 Professor, Graduate School of Management, Globis University (present)</p> <p>Jan. 2015 Partner / Member of the board / Managing Director, IGPI (present)</p> <p>Dec. 2016 Managing Director, IGPI Shanghai (present)</p> <p>June 2017 Outside Director, Molten Corporation (present)</p> <p>June 2017 Outside Director, Sanden (present)</p>
		<p>(Major Concurrent Positions)</p> <p>Partner / Member of the board / Managing Director, Industrial Growth Platform, Inc.</p> <p>Professor, Graduate School of Management, Globis University</p> <p>Outside Director, Molten Corporation</p>
		<p>(Reasons for selection as nominee for Outside Director)</p> <p>Mr. Naonori Kimura has corporate management experience and is familiar with preparation of business strategies and creation of management administration systems. He also has extensive insight and ability to strengthen corporate governance. Since his appointment as Outside Director of the Company in 2017, he has provided a great deal of advice toward strengthening the Company's management base, strengthening its corporate governance, nurturing the next generation of management talent, etc.</p> <p>We expect him to further strengthen the Group's corporate governance with his abundant experience in management guidance as a corporate manager and management consultant. We also have judged that he can supervise the Group's business activities through decision-making as a Director. Accordingly, we propose his re-election as Outside Director.</p> <p>(Independence)</p> <p>There is no business relationship between the Company and Mr. Naonori Kimura. He is currently in office as Partner / Member of the board / Managing Director at Industrial Growth Platform, Inc. Although there are transactions for contracted operations between said company and Sanden, the scale of these transactions is less than 1% of each party's consolidated net sales. He meets the Independence Criteria for Outside Directors established by the Company and thus considered independent. The Company notified the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange. If he is re-elected, he will continue serving as an Independent Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
9	<p data-bbox="411 338 544 412">New nominee Outside Independent</p> <p data-bbox="384 450 571 539">Yuzo Ushiyama (June 10, 1950) (69)</p> <p data-bbox="368 577 587 667">[Period in office as Director (years)] —</p> <p data-bbox="341 705 614 929">[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 10,000 (-)</p> <p data-bbox="368 967 587 1079">[Attendance at the Board of Directors meeting] —</p>	<p data-bbox="643 271 759 297">Apr. 1974</p> <p data-bbox="643 304 759 331">July 2000</p> <p data-bbox="643 369 759 396">June 2004</p> <p data-bbox="643 403 759 430">June 2009</p> <p data-bbox="643 468 759 495">June 2010</p> <p data-bbox="643 501 759 528">June 2015</p>	<p data-bbox="821 271 1235 297">Joined Toyota Motor Sales Co., Ltd.</p> <p data-bbox="821 304 1315 360">Senior Vice President, Toyota Motor Sales, U.S.A. Inc.</p> <p data-bbox="821 367 1342 394">Managing Officer, Toyota Motor Corporation</p> <p data-bbox="821 400 1347 456">Executive Vice President, TOKAI RIKA CO., LTD.</p> <p data-bbox="821 463 1235 490">President, TOKAI RIKA CO., LTD.</p> <p data-bbox="821 497 1219 524">Advisor, TOKAI RIKA CO., LTD.</p> <p data-bbox="643 530 1155 557">(Reasons for selection as nominee for Outside Director)</p> <p data-bbox="643 564 1374 754">Mr. Yuzo Ushiyama has experience in a wide range of corporate management in the automobile industry and also possesses a high level insight and ability in the fields of overseas strategic planning, overseas business, and production management. In 2010, he assumed office of resident of TOKAI RIKA CO., LTD. and successfully rebuilt management and achieved business growth after the 2008 global financial crisis.</p> <p data-bbox="643 761 1369 929">We expect him to provide the Group with a great deal of advice toward driving structural reform of the Group's automobile business and advancing the new Medium-term Management Plan. We also have judged that as a Director, he can provide the Group with appropriate decision-making and supervision. Accordingly, we propose his election as Outside Director.</p> <p data-bbox="643 967 820 994">(Independence)</p> <p data-bbox="643 1001 1378 1162">There is no business relationship between the Company and Mr. Yuzo Ushiyama. He meets the Independence Criteria for Outside Directors established by the Company and thus considered independent. If he is elected, the Company plans to notify the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange.</p>

Notes:

- 1: There is no special interest between any of the director nominees and the Company.
- 2: Hideto Ozaki and Naonori Kimura have entered into the “Liability Limitation Agreement” with the Company that limits the liability under Paragraph 1 of Article 423 of the Companies Act to the ceiling amount under laws and regulations. If they are re-elected as proposed, we will renew their agreement. If Yuzo Ushiyama is elected as proposed, we will also continue to conclude the aforementioned agreement with him.
- 3: The number of the Company’s shares held by Katsuya Nishi, Hideyuki Kobayashi, and Hiroshi Takahashi among the above nominees, includes the number of shares scheduled to be delivered at their resignation as of March 31, 2019 under the Performance-Linked Stock Compensation system. The relative number of shares is shown in the brackets under the total number of shares held by each nominee. [Explanation about the number of shares to be delivered under the Performance-Linked Stock Compensation System]
From the 90th (2015) fiscal year, the Company introduced the Performance-Linked Stock Compensation System (the “System”) for directors and corporate officers and senior general managers with whom the Company has entered into an engagement agreement (excluding foreign residents, outside directors, and part-time directors; hereinafter “Directors, Etc.”).
The System is a stock compensation system where the Directors, Etc. will be awarded a certain number of points according to the attainment level of performance targets of each fiscal year and position on June 1 immediately after the end of the fiscal year. Upon retirement, the shares of the Company and money equivalent to the amount for the conversion to cash of the shares of the Company (“Company Shares, Etc.”) with five points as one share of the Company according to the accumulated points will be delivered or paid (“Delivery, Etc.”) to the Directors, Etc. who satisfy the beneficiary terms. The number of shares shown for each nominee above as the shares delivered under this system is the number equivalent to the accumulated points by June 1, 2018. No voting rights shall be exercised on the Company shares prior to their actual future delivery to the above nominees. The shares accounting for 10% of the shares to be delivered will be sold in the market and the proceeds will be delivered.
- 4: The age of each nominee described is as of this Ordinary General Meeting of Shareholders.

Reference: Independence Criteria for Outside Directors at the Company

Independence Criteria for Outside Officers

1. In order for a person to be an independent Director or Audit & Supervisory Board Member (hereinafter referred to as "Independent Officer(s)") of the Company, he or she must not be an Executive Director, Corporate Officer, manager, or other employee (hereinafter collectively referred to as "Executive Director(s), etc.") of the Company, and must not have been an Executive Director, etc. of the Company during the ten (10) years prior to his or her appointment (however, for a person who was a Non-executive Director (referring to a Director who is not an Executive Director; hereinafter the same applies), Audit & Supervisory Board Member, or accounting advisor at any point during the ten (10) years prior to his or her appointment, this shall apply to the ten (10) year period prior to his or her appointment to that position).
2. In order for a person to be an Independent Officer of the Company, he or she must not be an Executive Director, etc. of a current subsidiary of the Company, and must not have been an Executive Director, etc. of any such subsidiary during the ten (10) years prior to his or her appointment (however, for a person who was a Non-executive Director, Audit & Supervisory Board Member, or accounting advisor at any point during the ten (10) years prior to his or her appointment, this shall apply to the ten (10) year period prior to his or her appointment to that position).
3. In order for a person to be an Independent Officer of the Company, he or she must not fall under any of the following categories:
 - (1) A Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of the current parent company of the Company;
 - (2) A person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of the current parent company of the Company during the past five (5) years;
 - (3) A current major shareholder of the Company (referring to a shareholder with 10% or more of the Company's voting rights; hereinafter the same applies), or in the event that this major shareholder is a corporation, a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Executive General Manager, Corporate Officer, manager, or other employee of the major shareholder, or a parent company or important subsidiary thereof;
 - (4) A person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Executive General Manager, Corporate Officer, manager, or other employee of a current major shareholder of the Company, or a parent company or important subsidiary thereof, during the past five (5) years;
 - (5) A Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of a company of which the Company is currently a major shareholder.
4. In order for a person to be an Independent Director of the Company, he or she must not fall under any of the following categories:
 - (1) A Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of a current sister company of the Company;
 - (2) A person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of a current sister company of the Company during the past five (5) years.
5. In order for a person to be an Independent Officer of the Company, he or she must not fall under any of the following categories:
 - (1) A person for whom the Company or a subsidiary thereof is a major business partner (a person who received 2% or more of total annual consolidated net sales in the most recent fiscal year from the Company or a subsidiary thereof; hereinafter the same applies), or a parent company or important subsidiary thereof, or in the event that such a person is a company, an Executive Director, Executive Officer, Corporate Officer, manager, or other employee of that company;
 - (2) A person for whom the Company or a subsidiary thereof was a major business partner (a person who received 2% or more of total annual consolidated net sales in the most recent fiscal year from the Company or a subsidiary thereof; hereinafter the same applies) in any of the most recent fiscal year and the two (2) fiscal years before that, or a parent company or important subsidiary thereof, or in the event that such a person is a company, an Executive Director, Executive Officer, Corporate Officer, manager, or other employee of that company;
 - (3) A person who is a major business partner of the Company (a person whose payments account for 2% or more of total annual consolidated net sales of the Company in the most recent fiscal year; hereinafter the same applies), or a parent company or important subsidiary thereof, or in the event that such a person is a company, an Executive Director, Executive Officer, Corporate Officer, manager, or other employee of that company;
 - (4) A person who was a major business partner of the Company (a person whose payments account for 2% or more of total annual consolidated net sales of the Company in the applicable fiscal year; hereinafter the same applies) in any of the most recent fiscal year and the two (2) fiscal years before that, or a parent company or important subsidiary thereof, or in the event that such a person is a company, an Executive Director, Executive Officer, Corporate Officer, manager, or other employee of that company;
 - (5) An Executive General Manager (limited to a person engaged in the execution of business operations) or other executive (referring to an officer executing the business operations of the organization or employee; hereinafter the same applies) of an organization (such as a public interest incorporated foundation, public interest incorporated association, nonprofit organization, etc.) receiving donations or support exceeding a certain amount (an average of 10 million yen per year or 30% of the average annual expenses of the organization in the past three (3) fiscal years, whichever is larger) from the Company or a subsidiary thereof.
6. In order for a person to be an Independent Officer of the Company, he or she must not be a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, or Corporate Officer of a company receiving Director(s) (including both full-time and part-time Directors) from the Company or a subsidiary thereof, or a parent company or subsidiary of such a company.
7. In order for a person to be an Independent Officer of the Company, he or she must not fall under any of the following categories:
 - (1) A Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of a financial institution or other major creditor that the Company relies on for fundraising to an indispensable, irreplaceable degree (hereinafter referred to as a "major creditor, etc.") or a parent company or important subsidiary thereof;
 - (2) A person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other employee of a current major creditor of the Company or a parent company or important subsidiary thereof during the past three (3) years.
8. In order for a person to be an Independent Officer of the Company, he or she must not fall under any of the following categories:
 - (1) A person who is a certified public accountant (or certified public tax accountant) or employee or partner of an audit corporation (or tax accountancy corporation) that is currently the Accounting Auditor or an accounting advisor of the Company or a subsidiary thereof;
 - (2) A person who was a certified public accountant (or certified public tax accountant) or employee or partner actually overseeing audit operations pertaining to the Company or a subsidiary thereof (however, this excludes participating in a supporting role) at an audit corporation (or tax accountancy corporation) that was the Accounting Auditor or an accounting advisor of the Company or a subsidiary thereof during the past three (3) years (including persons that have retired or exited from such employment at present);
 - (3) An attorney, certified public accountant, certified public tax accountant, or other consultant who does not fall under either of the above categories (1) or (2), and who has received cash or other proprietary interests equivalent to an average of 10 million yen or more per year in the past three (3) years from the Company or a subsidiary thereof, excluding officer remuneration;
 - (4) An employee, partner, or associate of a law office, audit corporation, tax accountancy corporation, consulting firm, or other specialist advisory firm that does not fall under either of the above categories (1) or (2), and for whom the Company or a subsidiary thereof is a major business partner (a firm that received average payments accounting for 2% or more of the total consolidated net sales of that firm in the past three (3) fiscal years from the Company or a subsidiary thereof; hereinafter the same applies).
9. In order for a person to be an Independent Director of the Company, he or she must not fall under any of the following categories:
 - (1) A spouse, relative within the second degree of kinship, or cohabiting relative of a Director, Corporate Officer, manager, or other important employee of the Company or a subsidiary thereof;
 - (2) A spouse, relative within the second degree of kinship, or cohabiting relative of a person who was a Director, Corporate Officer, manager, or other important employee of the Company or a subsidiary thereof within the past five (5) years;
 - (3) A spouse, relative within the second degree of kinship, or cohabiting relative of a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other important employee of the current parent company of the Company;
 - (4) A spouse, relative within the second degree of kinship, or cohabiting relative of a person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other important employee of the current parent company of the Company during the past five (5) years;
 - (5) A spouse, relative within the second degree of kinship, or cohabiting relative of a current major shareholder of the Company or a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Executive General Manager, or Corporate Officer thereof;
 - (6) A spouse, relative within the second degree of kinship, or cohabiting relative of a person who was a current major shareholder of the Company

- or a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Executive General Manager, or Corporate Officer thereof during the past five (5) years;
- (7) A spouse, relative within the second degree of kinship, or cohabiting relative of a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, or Corporate Officer of a company of which the Company is currently a major shareholder;
 - (8) A spouse, relative within the second degree of kinship, or cohabiting relative of a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other important employee of a current sister company of the Company;
 - (9) A spouse, relative within the second degree of kinship, or cohabiting relative of a person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, Corporate Officer, manager, or other important employee of a current sister company of the Company during the past five (5) years;
 - (10) A spouse, relative within the second degree of kinship, or cohabiting relative of a person (individual) for whom the Company or a subsidiary thereof is a major business partner, or a spouse, relative within the second degree, or cohabiting relative of an Executive Director, Executive Officer, or Corporate Officer of a company for which the Company or a subsidiary thereof is a major business partner;
 - (11) A spouse, relative within the second degree of kinship, or cohabiting relative of a person (individual) for whom the Company or a subsidiary thereof was a major business partner in any fiscal year during the past three (3) years, or a spouse, relative within the second degree of kinship, or cohabiting relative of an Executive Director, Executive Officer, or Corporate Officer of a company for which the Company or a subsidiary thereof was a major business partner in any fiscal year during the past three (3) years;
 - (12) A spouse, relative within the second degree of kinship, or cohabiting relative of a major business partner (individual) of the Company, or relative within the second degree of kinship or cohabiting relative of an Executive Director, Executive Officer, or Corporate Officer of a company for which the Company is a major business partner;
 - (13) A spouse, relative within the second degree of kinship, or cohabiting relative of a person (individual) who was a major business partner of the Company in any fiscal year during the past three (3) years, or a spouse, relative within the second degree of kinship, or cohabiting relative of an Executive Director, Executive Officer, or Corporate Officer of a company for which the Company was a major business partner in any fiscal year in the past three (3) years;
 - (14) A spouse, relative within the second degree of kinship, or cohabiting relative of an Executive General Manager (limited to persons engaged in the execution of business operations) or other executive of an organization (such as a public interest incorporated foundation, public interest incorporated association, nonprofit organization, etc.) receiving donations or support exceeding a certain amount (an average of 10 million yen per year or 30% of the average annual expenses of the organization of the past three (3) fiscal years, whichever is larger) from the Company or a subsidiary thereof;
 - (15) A spouse, relative within the second degree of kinship, or cohabiting relative of a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, or Corporate Officer of a current major creditor, etc. of the Company;
 - (16) A spouse, relative within the second degree of kinship, or cohabiting relative of a person who was a Director, Audit & Supervisory Board Member, accounting advisor, Executive Officer, or Corporate Officer of a current major creditor, etc. of the Company during the past three (3) years;
 - (17) A person whose spouse, relative within the second degree of kinship, or cohabiting relative is a certified public accountant (or certified public tax accountant) or employee or partner of an audit corporation (or tax accountancy corporation) that is the Accounting Auditor or an accounting advisor of the Company or a subsidiary thereof;
 - (18) A person whose spouse, relative within the second degree of kinship, or cohabiting relative is a certified public accountant (or certified public tax accountant) or employee actually currently overseeing audit operations pertaining to the Company or a subsidiary thereof (however, this excludes participating in a supporting role) at an audit corporation (or tax accountancy corporation) that is the Accounting Auditor or an accounting advisor of the Company or a subsidiary thereof;
 - (19) A person whose spouse, relative within the second degree of kinship, or cohabiting relative was a certified public accountant (or certified public tax accountant) or employee or partner actually overseeing audit operations pertaining to the Company or a subsidiary thereof (however, this excludes participating in a supporting role) at an audit corporation (or tax accountancy corporation) that is the Accounting Auditor or an accounting advisor of the Company or a subsidiary thereof during the past three (3) years;
 - (20) A person whose spouse, relative within the second degree of kinship, or cohabiting relative is an attorney, certified public accountant, certified public tax accountant, or other consultant who does not fall under either category (1) or (2) in the above paragraph 8., and who has received cash or other proprietary interests equivalent to an average of 10 million yen or more per year in the past three (3) years from the Company or a subsidiary thereof, excluding officer remuneration, or an employee or partner of a law office, audit corporation, tax accountancy corporation, consulting firm, or other specialist advisory firm that does not fall under either category (1) or (2) in the above paragraph 8., and for whom the Company or a subsidiary thereof is a major business partner.
10. In order for a person to be an Independent Officer of the Company, he or she must be a person with no other ongoing possibility of a material conflict of interest occurring with general shareholders of the Company as a whole for reasons other than those considered in the above paragraphs 1. through 9.
 11. Even if a person falls under any of the categories in the above paragraphs 3. through 9., the Company may designate him or her as an Independent Officer of the Company if it considers he or she suitable as an Independent Director of the Company in view of his or her character, insight, etc., subject to his or her fulfilling the criteria for Outside Directors provided for in the Companies Act, and the Company providing a public explanation of the reasons he or she is considered suitable as an Independent Officer of the Company.
 12. In order for a person currently serving in the position of Independent Officer to be reelected as an Independent Officer of the Company, his or her total term in office must not exceed eight (8) years.

Consolidated Balance Sheet
(As of March 31, 2019)

(In millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets:	138,412	Current liabilities:	156,710
Cash and deposits	13,030	Notes and accounts payable – trade	50,000
Notes and accounts receivable – trade	73,591		
Merchandise and finished goods	24,142	Short-term loans payable	51,513
Work in process	11,685	Current portion of bonds	1,505
Raw materials	9,249	Current portion of long-term loans payable	23,704
Other inventories	3,194	Accounts payable – other	7,553
Accounts receivable – other	5,975	Lease obligations	2,175
Consumption taxes receivable	4,575	Income taxes payable	478
Other	9,531	Provision for bonuses	3,347
Allowance for doubtful accounts	(16,562)	Provision for sales rebates	426
		Provision for product warranties	2,782
		Provision for loss on compensation for damage	432
		Other	12,789
Noncurrent assets:	107,988	Noncurrent liabilities:	66,151
Property, plant and equipment	77,436	Bonds	5,832
Buildings and structures	20,767	Long-term loans payable	47,939
Machinery, equipment and vehicles	20,873	Lease obligations	5,974
Tools, furniture and fixtures	5,217		
Land	16,776	Deferred tax liabilities	245
Lease assets	7,615	Net defined benefit liability	3,653
		Provision for environmental measures	243
Construction in progress	6,187	Reserve for compensation to be paid in stock	255
		Other	2,005
Intangible assets	4,078	Total Liabilities	222,862
Goodwill	27	[Net assets]	
Lease assets	351	Shareholders' equity	24,225
Other	3,699	Capital stock	11,037
Investments and other assets	26,473	Capital surplus	3,579
Investment securities	21,873	Retained earnings	10,484
Net defined benefit asset	110	Treasury stock	(877)
Deferred tax assets	2,240	Accumulated other comprehensive income	(5,265)
Other	5,856	Valuation difference on available-for-sale securities	257
		Deferred gains or losses on hedges	(84)
Allowance for doubtful accounts	(3,606)	Foreign currency translation adjustment	(4,297)
		Remeasurements of defined benefit plans	(1,140)
		Non-controlling interests	4,579
		Total net assets	23,538
Total assets	246,401	Total liabilities and net assets	246,401

Consolidated Statement of Income
(From April 1, 2018 to March 31, 2019)

(In millions of yen)

Item	Amount	
Net sales		273,934
Cost of sales		227,011
Gross profit		46,922
Selling, general and administrative expenses		46,033
Operating income		889
Non-operating income		
Interest income	54	
Dividends income	41	
Equity in earnings of affiliates	2,148	
Foreign exchange gains	397	
Other	666	3,308
Non-operating expenses		
Interest expenses	2,482	
Other	1,150	3,633
Ordinary profit		564
Extraordinary income		
Gain on sales of noncurrent assets	337	
Gain on sales of investment securities	63	
Other	137	538
Extraordinary loss		
Loss on disposal of noncurrent assets	257	
Provision of allowance for doubtful accounts	16,244	
Restructuring charges	4,461	
Loss on reversal of foreign currency translation adjustment due to liquidation of a foreign subsidiary	109	
Provision for loss on damage compensation	432	
Other	165	21,672
Loss before income taxes and minority interests		20,568
Income taxes – current		686
Income taxes – deferred		2,384
Loss before minority interests		23,639
Net loss attributable to non-controlling shareholders		579
Net loss		23,060

Non-Consolidated Balance Sheet

(As of March 31, 2019)

(In millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets:	39,495	Current liabilities:	45,099
Cash and deposits	2,154	Operating payables	1,954
Operating receivables	4,931	Short-term loans payable	23,569
Supplies	14	Current portion of long-term loans payable	17,162
Short-term loan receivable from subsidiaries and affiliates	41,313	Current portion of bonds	1,505
Other	1,374	Lease obligations	50
Allowance for doubtful accounts	(10,292)	Provision for loss on compensation for damage	432
		Provision for bonuses	90
		Other	334
Noncurrent assets:	65,524	Noncurrent liabilities:	43,036
Property, plant and equipment	23,779	Bonds	5,832
Buildings	8,521	Long-term loans payable	36,702
Structures	921	Lease obligations	192
Machinery and equipment	38	Guarantee deposits received	24
Vehicles	0	Reserve for compensation to be paid in stock	255
Tools, furniture and fixtures	193	Other	28
Land	13,829		
Lease assets	40	Total liabilities	88,136
Construction in progress	233		
Intangible assets	2,376	[Net assets]	
Leasehold right	8	Shareholders' equity	16,620
Software	2,265	Capital stock	11,037
Other	102	Capital surplus	4,453
Investments and other assets	39,367	Legal capital surplus	4,453
Investment securities	915	Retained earnings	1,734
Stocks of subsidiaries and affiliates	22,155	Other retained earnings	1,734
Investments in capital of subsidiaries and affiliates	15,354	Retained earnings brought forward	1,734
Prepaid pension costs	110	Treasury stock	(605)
Deferred tax assets	48	Valuation and translation adjustments	263
Other	891	Valuation difference on available-for-sale securities	263
Allowance for doubtful accounts	(107)		
		Total net assets	16,883
Total assets	105,019	Total liabilities and net assets	105,019

Non-Consolidated Statement of Income
(From April 1, 2018 to March 31, 2019)

(In millions of yen)

Item	Amount	
Operating income		
Income from Group operations	5,943	
Income from real estate rentals	1,879	
Income from dividends of associated companies	5,209	
Other operating income	10	13,043
Operating expenses		8,135
Operating profit		4,908
Non-operating income		
Interest income	551	
Dividends income	31	
Foreign exchange gains	9	
Miscellaneous income	82	675
Non-operating expenses		
Interest expenses	806	
Taxes and dues	84	
Provision of allowance for doubtful accounts	95	
Miscellaneous loss	580	1,566
Ordinary profit		4,017
Extraordinary income		
Gain on sales of noncurrent assets	24	
Gain on sales of investment securities	63	
Others	70	158
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	867	
Loss on valuation of investments in capital of subsidiaries and affiliates	127	
Provision for loss on compensation for damage	432	
Other	107	1,535
Profit before income taxes		2,639
Income taxes – current		(104)
Income taxes – deferred		238
Net income		2,506