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(Stock Exchange Code 2749)
November 7, 2017

To Shareholders with Voting Rights:

Kazuhiro Ogita
President and Representative Director
JP-HOLDINGS, INC.
3-15-31 Aoi, Higashi-ku, Nagoya City

NOTICE OF THE EXTRAORDINARY SHAREHOLDERS MEETING

Dear Shareholders:

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

You are cordially invited to attend an Extraordinary Shareholders Meeting of JP-HOLDINGS, INC. (the "Company"). The meeting will be held as described on Page 2.

Although this Extraordinary Shareholders Meeting is held upon the request by a shareholder, the proposals submitted include both a proposal by the Company (Proposal 1) and proposals by the said shareholder (Proposals 2 to 4).

The contents of the proposals are described in the Reference Documents for the Extraordinary Shareholders Meeting below. **The Company's Board of Directors is in opposition to the proposals submitted by the shareholder** ("Shareholder Proposals"). Please refer to Pages 5 to 9 for the views of the Company's Board of Directors on the Shareholder Proposals.

Exercising voting rights at shareholders meetings is an important right of shareholders. If you are unable to attend the meeting, you can exercise your voting rights, either in writing by postal mail or through the Internet. **Please be sure to refer to "4. Precautions upon Exercising Voting Rights" on Page 2 and exercise your voting rights correctly.**

Please review the Reference Documents for the Extraordinary Shareholders Meeting described below. We request that you will endorse the opinions of the Company's Board of Directors. Please follow the instructions on Page 4 to exercise your voting rights.

1. **Date and Time:** Wednesday, November 22, 2017, at 10:00 a.m. Japan time

2. **Venue:** Sirius, 3rd Floor, Hotel Mielparque NAGOYA
3-16-16 Aoi, Higashi-ku, Nagoya City

3. **Meeting Agenda:**

Proposals to be resolved:

[Company Proposal]

Proposal 1: Partial Amendment of the Articles of Incorporation

[Shareholder Proposals]

Proposal 2: Partial Amendment of the Articles of Incorporation

Proposal 3: Termination of Director Naoto Nishii

Proposal 4: Election of One (1) Director

*For the outline of individual proposals and reasons for such proposals, please refer to the Reference Documents for the Extraordinary Shareholders Meeting below.

4. **Precautions upon Exercising Voting Rights**

(1) **Shareholder Proposals**

Shareholder Proposals (Proposals 2 to 4) have been submitted for this Extraordinary Shareholders Meeting. The contents of such proposals are described in the Reference Documents for the Extraordinary Shareholders Meeting below. **The Company's Board of Directors is in opposition to Proposals 2 to 4.**

Moreover, the contents of Proposals 1 and 2 are in conflict with each other. Therefore, please note that, **if you vote for both Proposals 1 and 2, such exercise of voting rights shall be deemed invalid for each of these proposals in light of the relationship between the two proposals.** If you endorse the views of the Company's Board of Directors, please indicate "for" for Proposal 1 and "against" for Proposal 2 in exercising your voting rights.

(2) **Deadline for the exercise of voting rights**

Votes exercised in writing (by submitting the Voting Rights Exercise Form) or via the Internet that **arrive (are received) no later than 6:00 p.m. Japan time on Tuesday, November 21, 2017** shall be accepted. If you intend to exercise your voting rights in writing (by submitting the Voting Rights Exercise Form), you are requested to post the completed Voting Rights Exercise Form in good time as postal delivery of Voting Rights Exercise Forms takes longer than usual post.

If you intend to attend the Extraordinary Shareholders Meeting, you are not required to follow any procedures in advance. When attending the meeting, please bring your Voting Rights Exercise Form with you.

5. **Other Matters Decided upon Convocation**

- (1) If you exercise your voting rights by submitting more than one Voting Rights Exercise Form, the Voting Rights Exercise Form that arrives at the Company last shall be deemed as the valid exercise of voting rights.
- (2) If you exercise your voting rights more than once via the Internet, the last exercise of voting rights shall be deemed as the valid exercise of voting rights.
- (3) If you exercise your voting rights both via the Internet and in writing (by submitting the Voting Rights Exercise Form), the exercise via the Internet shall be deemed as the valid exercise of voting rights.
- (4) If you indicate neither for nor against each proposal, your vote shall be treated as "for" in the case of the Company Proposal, and "against" in the case of the Shareholder Proposals.
- (5) For the exercise of voting rights by proxy, in principle, it is necessary to submit the following documents 1) to 3).
 - 1) Voting Rights Exercise Form of the proxy
 - 2) Document evidencing authority of the proxy (letter of attorney with the signature or with the name and the seal affixed)
 - 3) Voting Rights Exercise Form of the shareholder who assigns the power of attorney to the proxy or the seal registration certificate corresponding to the seal affixed to the letter of attorney, or a copy of an official document for identification of the shareholder, including but not limited to a passport, a driver's license, and a health insurance card

The number of proxies shall be one and the proxy shall be a shareholder with voting rights at this Extraordinary Shareholders Meeting, pursuant to Article 15, Paragraph 1 of the Company's Articles of Incorporation.

- (6) If you wish to make a diverse exercise of your voting rights, please notify the Company in writing of your intention of making a diverse exercise of your voting rights and the reasons therefor at least three days prior to the date of the Extraordinary Shareholders Meeting.
- (7) In the case that the results of the resolutions are unclear as a result of the exercise of voting rights by submission of Voting Rights Exercise Forms and via the Internet, votes on proposals shall be taken by means of a floor vote. In this case, (i) if neither for nor against each proposal is indicated, such vote shall be treated as “for” in the case of the Company Proposal, and “against” in the case of the Shareholder Proposals, and (ii) if votes are “for” for both Proposals 1 and 2, such exercise of voting rights for each of these two proposals shall be deemed invalid in light of the relationship between the two proposals.

*Any revisions to the Reference Documents for the Extraordinary Shareholders Meeting will be posted on the Company’s website at <http://www.jp-holdings.co.jp>.

**Instructions for Completing a Voting Rights Exercise Form
If You Endorse the Opinions of the Company’s Board of Directors**

The Company’s Board of Directors **is in opposition to the Shareholder Proposals (Proposals 2 to 4). If you endorse the views of the Company’s Board of Directors, please refer to the sample below in completing the Voting Rights Exercise Form.** If you indicate neither for nor against each proposal, your vote shall be treated as “for” in the case of the Company Proposal (Proposal 1), and “against” in the case of the Shareholder Proposals (Proposals 2 to 4).

<Sample for completing a Voting Rights Exercise Form>

*Please indicate a circle using a ballpoint pen in black ink.

*The image is for illustration purposes. Please note that it may differ from the layout of the actual Voting Rights Exercise Form.

議決権行使票

株式会社JPホールディングス

私は、平成29年11月11日開催の臨時株主総会（継続会または延会を含む）における各議案につき、右記（賛否を○印で表示）のとおりに議決権を行使します。
平成29年11月 日

議案	株主提案	第2号議案	第3号議案	第4号議案
社提案	○			
株主提案	○	○	○	○

（ご注意）当社取締役会は株主提案（第2号議案から第4号議案）に反対です。当社取締役会の意見にご賛同いただける場合は、株主提案の「否」の欄に○を付けてください。

Please note, if you circle “for” on both Proposals 1 and 2, such exercise of voting rights on each of these two proposals shall be deemed invalid in light of the relationship between Proposals 1 and 2.

Reference Documents for the Extraordinary Shareholders Meeting

Proposal 1 is the Company Proposal and Proposals 2 to 4 are the Shareholder Proposals. **The Company's Board of Directors is in opposition to all of the Proposals 2 to 4.** Please refer to the descriptions below and vote **"for" for Proposal 1 and "against" for Proposals 2 to 4.**

To Our Shareholders

This Extraordinary Shareholders Meeting will be held upon the request of Mr. Hiromi Yamaguchi who is a shareholder of the Company (the "Demander"). Proposals 2 to 4 are proposals that the Demander requested to be included in the meeting agenda at this Extraordinary Shareholders Meeting (the "Shareholder Proposals").

It is clear that the Demander submitted the Shareholder Proposals with the intention to become involved in the Company's management and the Board of Directors considers that **the Demander is unqualified to be involved in the Company's management** for the reasons below.

Firstly, in the written request for convocation of this Extraordinary Shareholders Meeting, the Demander states that he has no intention of becoming involved in the Company's management. However, in the course of receiving the written request for convocation of this Extraordinary Shareholders Meeting and the Shareholder Proposals, the Company has confirmed the fact that the Demander repeatedly made remarks that imply his strong intention to become involved in the Company's management. In addition, as described below, regarding the Shareholder Proposals, the Demander submitted a proposal that involves immediate retirement of all the incumbent Directors of the Company but did not clarify his intention. In consideration of these facts, the Demander's explanation that he "has no intention of becoming involved in the Company's management" lacks credibility and we think there are grounds for concluding that he is concealing his real intention. In the statement of large-volume holdings, the Demander states that the purpose of his shareholding is as follows: "...as the founder, to perform acts of material proposals according to the situation" ("acts of material proposals" means acts that materially change or materially influence business activities.) Also, the total ownership ratio of share certificates, etc. of the Demander and his joint holders (hereinafter referred to as the "Demander Group") was 35.16% as of October 5, 2017 and recently the Demander Group has been frequently and continuously purchasing additional shares of the Company. Thus, it cannot but be concluded that **it is at least clear that the Demander intends to become involved in the Company's management in some way.**

The Demander is the former President and Representative Director of the Company who resigned on February 17, 2015. As a result of an investigation conducted by the Company in cooperation with three external attorneys-at-law immediately after the resignation of the Demander (the "Investigation"), a fact came into light to the effect that the Demander committed acts of material sexual harassment against a female employee of the Company at that time (the "Fact").

The Fact at least constitutes material sexual harassment and it was considered that it might constitute a case of further gravity. Therefore, at the meeting of the Company's Board of Directors held on February 17, 2015, the Board of Directors confirmed the facts with the Demander and the Demander admitted to that effect in question and eventually expressed his intention to resign for the reason of hospitalization due to poor health.

It is clear that such a person is unsuitable to be involved in management of the Company that operates the nursery and childcare support services, which is extremely public in nature. In the Investigation, it has been acknowledged that the Demander clearly lacks the qualifications to serve as a Director from the viewpoint of the impact within the Group, the impact on the Group's social credibility, risks in operating business, and other aspects.

In view of such situation, the Company established an independent committee consisting of external experts on October 17, 2017 for the following purposes: 1) investigation from a neutral stance of the Fact and facts concerning Mr. Yamaguchi's acts related to the Fact, 2) verification and evaluation of the Company's implementation of recurrence measures and initiatives to prevent sexual harassment in view of the results of the investigation of 1) above, and 3) report on the results of the investigation.

In consideration of the circumstances, including the above-mentioned unsuitability of the Demander as a person to be involved in the Company's management and the results of the investigation to be reported by the independent committee, we request shareholders to endorse the opinions of the Company's Board of Directors and vote "for" for Proposal 1 and "against" for Proposals 2 to 4.

*The report by the independent committee will be posted on the Company's website at <http://www.jp-holdings.co.jp>.

[Company Proposal (Proposal 1)]

Proposal 1: Partial Amendment of the Articles of Incorporation

1. Reasons for the Proposal

The Company proposes Proposal 1. While it is proposed that the terms of office of Directors be shortened to one (1) year in order to establish a continuous, superior corporate governance structure, it is also proposed that such amendment take effect at the closing of the Ordinary Shareholders Meeting held with respect to the fiscal year ending March 31, 2018 at which the terms of office of incumbent Directors expire, in order to prevent any disturbance in the Company’s business operations if all the incumbent Directors leave office immediately when the amendment of the Articles of Incorporation takes effect.

The Company received a proposal from the Demander also to amend the Articles of Incorporation as described in Proposal 2 below. In Proposal 2 it is proposed that all the incumbent Directors leave office immediately and the Company is in opposition to Proposal 2 because it may cause disturbance in the Company’s business operations.

Corporate governance for the Company is an autonomous initiative for achieving “sustainable growth” of the Company and “enhancement of corporate value over the medium to long term” and as such would not be improved by the proposal made by the Demander. The Company believes that better practice should be pursued by continuously and developmentally improving the Company’s management systems currently in place and it will be possible to realize this if Proposal 1 is approved.

2. Details of the Amendments

The details of the amendments are as follows.

(Underlined portions are amended.)

Current Articles of Incorporation	Proposed Amendments
(Term of Office) Article 19. 1. The term of office of a Director shall expire at the closing of the Ordinary Shareholders Meeting held with respect to the latest business year ending within <u>two (2) years</u> after his or her election. 2. The term of office of a Director who has been elected to increase the number of Directors or to fill a vacancy shall expire when the terms of office of the incumbent Directors expire.	(Term of Office) Article 19. 1. The term of office of a Director shall expire at the closing of the Ordinary Shareholders Meeting held with respect to the latest business year ending within <u>one (1) year</u> after his or her election. 2. The term of office of a Director who has been elected to increase the number of Directors or to fill a vacancy shall expire when the terms of office of the incumbent Directors expire.
(Newly established)	<u>Chapter VII Supplementary Provision</u> <u>(Transitional Measures for Terms of Office of Directors)</u> <u>Article 44.</u> <u>Amendment to Article 19 (Term of Office)</u> <u>Paragraph 1 of these Articles of Incorporation shall take effect at the closing of the Ordinary Shareholders Meeting held with respect to the fiscal year ending March 31, 2018 and this chapter shall be deleted after the amendment takes effect.</u>

[Shareholder Proposals (Proposals 2 to 4)]

Proposal 2: Partial Amendment of the Articles of Incorporation

1. Outline of Reasons for the Proposal Made by the Demander

One reason is that many of the listed companies in Japan set the terms of office of their directors to be one (1) year and allow termination by ordinary resolution. Another reason is in order to realize appropriate corporate governance.

2. Outline of the Proposal

It is proposed that the following amendment be made to the Articles of Incorporation.

1. In Article 19 (Term of Office) Paragraph 1, “within two (2) years after his or her election” should be amended as “within one (1) year after his or her election.”
2. Article 28 (Method of Terminating Directors) should be deleted.

<<Opinion of the Company’s Board of Directors about Proposal 2>>

The Company’s Board of Directors is “**in opposition**” to this proposal. If this proposal is approved, terms of office of all the incumbent Directors who have been in office one (1) year or more will expire. Thus, this proposal **effectively intends the immediate termination of the appointment of all the Directors**. If such proposal is approved, the number of Directors of the Company would fall short of the minimum number of Directors (three (3)) specified by laws and regulations and all the incumbent Directors would retain only the rights and obligations of a Director pursuant to the Companies Act. It is clear that such situation is unsuitable for the management structure of a listed company and we believe that it would cause confusion for various stakeholders of the Company.

According to the statement of changes to the statement of large-volume holdings submitted by the Demander Group on October 13, 2017, the Demander Group’s **total ownership ratio of share certificates, etc. is 35.16%**. Taking such situation into consideration and the actual rate of attendance at the Company’s Shareholders Meetings, if this proposal is approved and the requirements for terminating the appointment of a Director is to become a majority of voting rights, **the Demander Group would effectively be able to terminate** the appointment of **Directors, disregarding the intentions of other shareholders at its sole discretion**. Thus, the proposal to amend the Articles of Incorporation such that the provisions concerning the requirements for termination of the appointment of Directors will be deleted is **for the purpose of the Demander Group to acquire the right to terminate the appointment of Directors single-handedly**. It is clear that such proposal is inappropriate for corporate governance of a listed company in which opinions of various shareholders should be reflected.

If this proposal is by any chance approved, the amendments would take effect immediately and the requirement for approval of Proposal 3 (Termination of Director Naoto Nishii) would become a majority of voting rights of shareholders present. Therefore, considering the fact that the Demander Group’s total ownership ratio of share certificates, etc. is 35.16%, as described above, **if Proposal 2 is approved, it would become highly likely that Proposal 3 will effectively be approved by the affirmative votes of the Demander Group alone**. **Please take into consideration that Proposal 2 has a direct bearing on approval/disapproval of Proposal 3 (Termination of Director Naoto Nishii)**.

Proposal 3: Termination of Director Naoto Nishii

1. Outline of Reasons for the Proposal Made by the Demander

It is difficult to instantly realize appropriate corporate governance solely by amending the Articles of Incorporation and it is necessary to increase the number of Outside Directors. However, the number of Directors of the Company has already reached the maximum number of Directors specified in the Articles of Incorporation and it is necessary to terminate one (1) internal Director.

2. Outline of the Proposal

It is proposed that Director Naoto Nishii be terminated.

<<Opinion of the Company's Board of Directors about Proposal 3>>

The Company's Board of Directors is "**in opposition**" to this proposal. Mr. Naoto Nishii, whose appointment is proposed to be terminated by the Shareholder Proposal, joined the Group's subsidiary in 2008 and was engaged in development of new nursery schools and negotiation about nursery services with municipalities. Since 2013, he has been serving as a Director of the Company in charge of business execution and, in a position responsible for the childcare support business, he has been contributing to appropriate decision-making through vigorous discussions at meetings of the Board of Directors. Therefore, **the termination of his appointment in order to make a vacancy** as proposed by the Demander **is expected to have an adverse impact on business operation** and pose a risk of impairment of the common interests of shareholders. Moreover, the Company's Outside Directors are already contributing to the securing of the effectiveness of the Board of Directors' supervisory functions, taking advantage of their respective expertise, and we do not recognize any necessity for electing Mr. Yasumine Satake as another Outside Director. Rather, we believe **the adverse impact of the termination of the appointment of Mr. Naoto Nishii to enable the election of Mr. Yasumine Satake as Director would be greater.**

Proposal 4: Election of One (1) Director

1. Outline of Reasons for the Proposal Made by the Demander

It is proposed that one (1) Outside Director be elected because it is necessary to further strengthen the Company's Board of Directors' supervisory functions in order to realize appropriate corporate governance.

2. Outline of the proposal

It is proposed that one (1) Director be elected, provided that Proposal 3 is approved.

The name, etc. of the candidate for Director notified by the Demander to the Company is as follows.

(1) Name and date of birth

Yasumine Satake December 1, 1953

(2) Past experience, positions and responsibilities (significant concurrent positions)

April 1976	Joined The Mitsubishi Bank, Ltd. (presently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
March 1993	Deputy General Manager of Singapore Branch, The Bank of Tokyo-Mitsubishi, Ltd.
July 1997	General Manager, Planning Division, Tokyo Mitsubishi Asset Management Co., Ltd. (presently, Mitsubishi UFJ Kokusai Asset Management Co., Ltd.)
July 2003	General Manager, Investment Banking and Asset Management Planning Division and General Manager, Investment Banking and Asset Management Human Resources Division, The Bank of Tokyo-Mitsubishi, Ltd. (presently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
July 2004	Chairman and Representative Director, Mitsubishi Tokyo Wealth Management Bank (Switzerland), Ltd. and President and Representative Director, Mitsubishi Tokyo Wealth Management Securities, Ltd.
April 2006	President and Representative Director, Mitsubishi UFJ Wealth Management Securities, Ltd.
August 2008	Director, The Tokyo Star Bank, Limited
June 2011	Chairman, The Tokyo Star Bank, Limited
June 2014	Advisor, The Tokyo Star Bank, Limited
June 2015	Outside Director, SBI Holdings, Inc.
September 2015	Outside Director, Legend Partners Ltd. (to present)
June 2017	Outside Statutory Auditor, SBI Sumishin Net Bank, Ltd. (to present)

(3) Number of shares of the Company held

Nil

(4) Other

- No special interest exists between the candidate and the Company.
- Mr. Yasumine Satake is a candidate for Outside Director.
- Reasons for nomination as a candidate for Outside Director

Mr. Yasumine Satake served in important positions concerning asset management at The Bank of Tokyo-Mitsubishi, Ltd. (presently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.), President and Representative Director of Mitsubishi Tokyo Wealth Management Securities, Ltd., Chairman of The Tokyo Star Bank, Limited, etc., he has a wealth of experience and extensive knowledge of corporate management over many years. He is nominated as a candidate for Outside Director in order to achieve sustainable enhancement of corporate value of the Company, including realization of appropriate corporate governance.

<<Opinion of the Company's Board of Directors about Proposal 4>>

The Company's Board of Directors is "**in opposition**" to this proposal. As stated in the opinion of the Company's Board of Directors about Proposal 3, the Company's Outside Directors are already contributing to the securing of the effectiveness of the Board of Directors' supervisory functions, taking advantage of their respective expertise, and we do not recognize any necessity for electing Mr. Yasumine Satake as another Outside Director. Rather, we believe **the adverse impact of the termination of the appointment of Mr. Naoto Nishii to enable the election of Mr. Yasumine Satake as Director would be greater.**