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(Securities Code 6287)  
June 7, 2018

**To Shareholders with Voting Rights:**

Ryutaro Kotaki  
Representative Director  
SATO HOLDINGS CORPORATION  
7-1 Shimomeguro 1-chome,  
Meguro-ku, Tokyo, Japan  
(Point of contact: General Affairs &  
Legal Department)

## **NOTICE OF THE 68TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

You are cordially invited to attend the 68th Annual General Meeting of Shareholders of SATO HOLDINGS CORPORATION (the “Company”). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting rights by either of the methods indicated below. Please review the following “Reference Documents for the General Meeting of Shareholders (page 3 to 16)” and exercise your voting rights by no later than 5:45 p.m. on Friday, June 22, 2018.**

- **Exercising your voting rights by postal mail**
- **Exercising your voting rights via the Internet**

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**1. Date and Time:** Monday, June 25, 2018 at 10:00 a.m., Japan time

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**2. Place:** Tokyo Midtown Hall B, B1 floor, Midtown East, Tokyo Midtown,  
7-2 Akasaka 9-chome, Minato-ku, Tokyo, Japan

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**3. Agenda:**

<b>Matters to be reported:</b>	<ol style="list-style-type: none"><li>1. The Business Report, Consolidated Financial Statements for the Company’s 68th Fiscal Year (April 1, 2017 - March 31, 2018) and results of the audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors</li><li>2. Non-Consolidated Financial Statements for the Company’s 68th Fiscal Year (April 1, 2017 - March 31, 2018)</li></ol>
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**Proposals to be resolved:**

<b>Proposal No. 1:</b>	Distribution of Surplus
<b>Proposal No. 2:</b>	Election of Eleven Directors
<b>Proposal No. 3:</b>	Election of One Auditor

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. We also request that you bring this Notice of the Annual General Meeting of Shareholders with you as materials for the meeting.
- The Company plans to set up exhibits at the entrance of the meeting venue to foster greater understanding of its business.
- You may exercise your voting rights by proxy by having another shareholder who holds voting rights attend the General Meeting on your behalf, provided that a document certifying him or her as your proxy is submitted.

**Regarding Disclosure on the Internet**

- Of the items required to be provided at the time of this Notice of Convocation, the “Notes to Consolidated Financial Statements” and “Notes to Non-Consolidated Financial Statements” have been posted on the Company’s website, and are therefore not included in the documents attached to this Notice, based on requirements by law and Article 16 of the Articles of Incorporation. Accordingly, the documents attached to this Notice are part of the documents audited by the Auditors and the Accounting Auditor when preparing the Audit Report.
- Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements will be posted on the Company’s website.

Investor Relations (<http://www.sato.co.jp/ir/>)

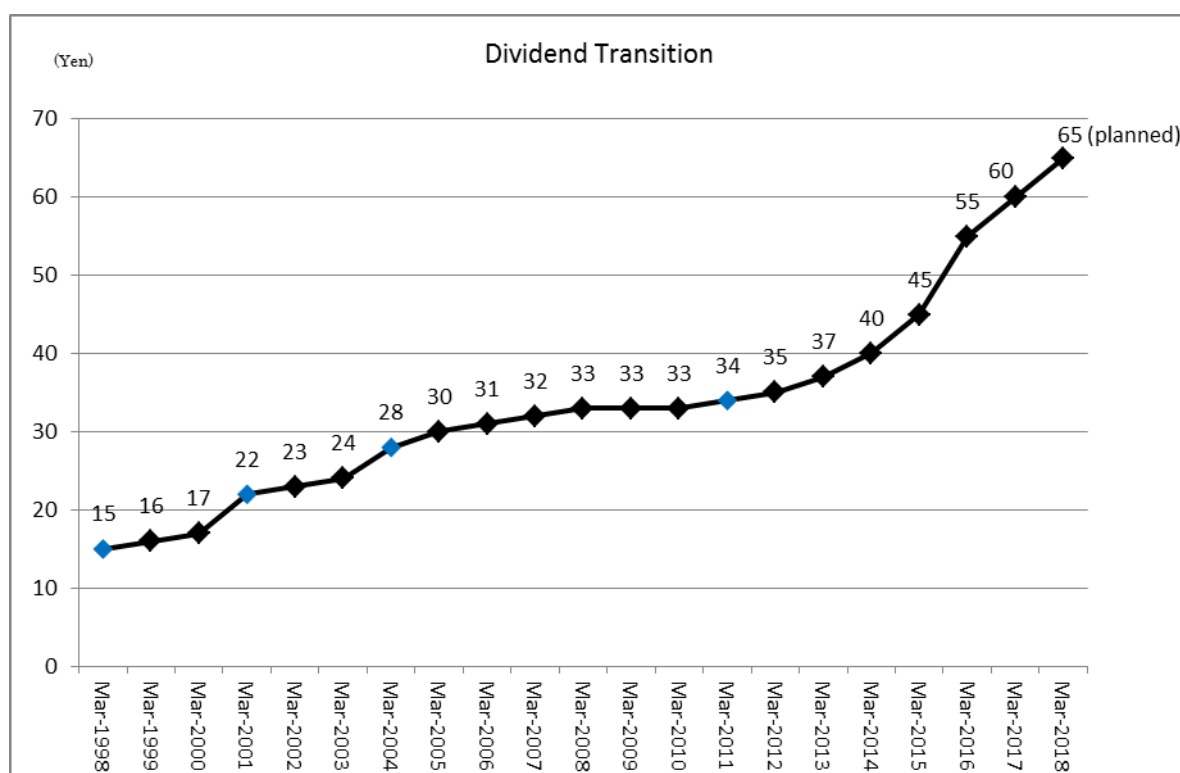
## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Distribution of Surplus

After taking into account the performance of the fiscal year under review and the business environment, the Company hereby proposes the following as the year-end dividend for the 68th fiscal year:

Type of dividend assets	Cash
Allocation of dividend assets and the total amount of dividends	Allocation of dividend: 33 yen per share of common stock of the Company Total amount of dividends: 1,113,461,184 yen
Effective date of distribution of surplus	June 26, 2018

Combined with the interim dividend (32 yen per share), the total amount of the annual dividends will be 65 yen per share, an increase of 5 yen compared with the previous fiscal year.



### Policy regarding the distribution of surplus in the form of dividends, etc.

The Company's fundamental policy regarding distribution of profits is to provide four-way returns to our stakeholders: shareholders, employees, society, and the Company. The Company decides the distribution of profits based on the basic principles of increasing enterprise value per share and ensuring stable, continuous dividends while retaining internal reserves for future business expansion, comprehensively considering business performance and climate.

**Proposal No. 2: Election of Eleven Directors**

The terms of office of all eleven Directors elected last year will expire at the conclusion of this year's Annual General Meeting of Shareholders. Following the retirement of Mr. Kazuo Matsuyama as Director, the Company hereby proposes the election of eleven Directors to include a new nominee, Mr. Yoichi Abe, with the objective of further enhancing corporate governance. These director elections have been reviewed by the Company's discretionary Nominating Advisory Committee and decided by the Board of Directors.

The candidates are as follows:

No.		Name	Positions at the Company
1	Reelected	Ryutaro Kotaki	Representative Director, President and CEO
2	Reelected	Koichi Nishida	Director
3	Reelected	Ikuo Dobashi	Director
4	Reelected	Tatsuo Narumi	Director
5	Newly elected	Yoichi Abe	Vice President and CFO
6	Reelected Independent Officer Candidate for External Director	Ken Suzuki	Director
7	Reelected Independent Officer Candidate for External Director	Yuko Tanaka	Director
8	Reelected Independent Officer Candidate for External Director	Ryoji Itoh	Director
9	Reelected Independent Officer Candidate for External Director	Mitsuaki Shimaguchi	Director
10	Reelected Independent Officer Candidate for External Director	Hideo Yamada	Director
11	Reelected Independent Officer Candidate for External Director	Chieko Matsuda	Director

**Notes:**

1. No material conflicts of interest exist between the Company and any of the above candidates for Directors.
2. Mr. Ken Suzuki, Ms. Yuko Tanaka, Mr. Ryoji Itoh, Mr. Mitsuaki Shimaguchi, Mr. Hideo Yamada and Ms. Chieko Matsuda are candidates to become External Directors. The Company has appointed them as independent officers under the provisions of the Tokyo Stock Exchange and has filed a notification to that effect with the Exchange.
3. The Company's current Articles of Incorporation set forth that the Company may enter into agreements with External Directors in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum extent permitted by law. If the election of the above candidates for External Director is approved, the Company plans to continue limited liability agreements of the content described above with each of them.
4. The years of service of each candidate (indicated on the following pages) is as of the conclusion of this General Meeting.

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
1	Ryutaro Kotaki (July 16, 1964)	February 1988    Joined the Company	13,441
	Reelected	July 2007        Executive Officer and Senior Manager of Printer Sales Promotion Dept., Sales Division	
		October 2011    Executive Officer; Director and General Manager of Domestic Sales Dept., SATO Corporation	
	Years of service: 2	April 2012        Executive Officer; President of SATO Techno Lab Co., Ltd.	
		April 2013        Senior Executive Officer; President of SATO Technology Co., Ltd.	
	Attendance at the Board of Directors' meetings: 12/13 (92%)	July 2014        Vice President; President of SATO Technology Co., Ltd.	
		April 2016        Executive Vice President and COO; President of SATO Corporation (to present)	
		June 2016        Representative Director, Executive Vice President and COO	
		April 2018        Representative Director, President and CEO (to present)	
	(Current positions and responsibilities at the Company) Representative Director, President and CEO		
(Reasons for recommendation as Director) Mr. Kotaki has held key positions in the Company's Japanese sales company and the president role of its R&D business company, during which period he also served as Executive Officer for nine years expanding sales in Japan and improving product development processes. In April 2016, he took office as the Company's Vice President and Chief Operating Officer, and serving concurrently as the president of SATO Corporation, its Japanese sales company, he has led the SATO Group with strong leadership, driving domestic businesses to also support the global expansion of customers. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.			
(Message from the candidate to shareholders) I would first like to sincerely thank you for your continued support of our businesses. The SATO Group is committed to creating new customer value with our Auto-ID total solutions through the collaboration of our global teams and a relentless focus on customer centricity. I will dedicate myself to improving the business value of SATO and growing it into a customers' most trusted company with unique strengths amid an ever-changing world.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
	Koichi Nishida (December 10, 1958)  Reelected  Years of service: 17  Attendance at the Board of Directors' meetings: 13/13 (100%)	March 1981    Joined the Company February 1998    Senior Manager of System Service Dept., CS Division April 1999    General Manager of CS Division June 2001    Director and General Manager of CS Division June 2002    Director, responsible for Production in Malaysia June 2003    Director and Senior Executive Officer, responsible for Production in Malaysia June 2005    Director and Vice President, responsible for Overseas Production April 2006    Director and Vice President, responsible for Overseas Production and Purchase June 2007    Representative Director, President and CEO October 2011    Representative Director and Chairman June 2012    Director (to present)	40,413
	(Current positions and responsibilities at the Company) Director		
2	(Reasons for recommendation as Director) Mr. Nishida has headed the Company's customer service division and served as the president of its Malaysian and Vietnamese manufacturing subsidiaries, and subsequently Representative Director and President as well as Chairman of the Company for five years from 2007. Since 2012, he has been making efforts in spreading global governance across the company and managing the creation and protection of intellectual property to improve the company value in his role as executive for intellectual property. The Company has determined that he is qualified to monitor corporate governance from within and oversee the proper conduct of business activities as Director amid the increasing globalization of business management, and therefore renominates him as a candidate for Director.		
	(Message from the candidate to shareholders) SATO Group seeks to be a value-creating company that is useful to society and trusted by its customers. As such, I have been handling and driving intellectual production activities for improving our technical competitiveness, the promotion of environment-friendly management for increasing our company value, and activities aimed at the development of the Auto-ID system industry. I also have been putting in efforts for the sustainable development of our group businesses by adding new value to the company. I will monitor governance of the Company from within, and work to ensure that the sharing of returns with shareholders, employees, society and the company is taken into account under proper business management.		

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
3	<p data-bbox="178 421 413 488">Ikuo Dobashi (September 21, 1955)</p> <p data-bbox="236 544 355 577">Reelected</p> <p data-bbox="197 633 394 701">Years of service: 13</p> <p data-bbox="188 734 403 857">Attendance at the Board of Directors' meetings: 12/13 (92%)</p>	<p data-bbox="432 320 1257 409">October 1980    Joined the Company April 1999    Senior Manager of Printer Sales Promotion Dept., Sales Division</p> <p data-bbox="432 409 1257 454">June 2002    General Manager of CS Division</p> <p data-bbox="432 454 1257 499">June 2003    Senior Executive Officer and General Manager of Sales Division</p> <p data-bbox="432 499 1257 544">June 2005    Director, Vice President, and General Manager of Sales Division</p> <p data-bbox="432 544 1299 656">June 2007    Representative Director, Executive Vice President, COO (responsible for Domestic Business), and General Manager of Sales Division</p> <p data-bbox="432 656 1299 701">October 2007   Representative Director, Executive Vice President, and COO</p> <p data-bbox="432 701 898 745">June 2011    Director and Chairman</p> <p data-bbox="432 745 962 779">October 2011   Director and Vice Chairman</p> <p data-bbox="432 779 1249 835">April 2012    Director and Vice Chairman, responsible for Europe Business</p> <p data-bbox="432 835 1281 902">June 2012    Director, responsible for Europe Business; Director and Chairman of SATO Corporation</p> <p data-bbox="432 902 1121 936">October 2013   Director, responsible for Europe Business</p> <p data-bbox="432 936 866 958">April 2014    Director (to present)</p>	26,269
(Current positions and responsibilities at the Company) Director			
(Reasons for recommendation as Director) Mr. Dobashi has headed the Company's domestic sales division where he succeeded in building a strong sales structure, and served as Representative Director and Executive Vice President of the Company for four years from 2007. Following which, he served as Director and Chairman of the Company's sales regional headquarters in Europe for two years, making such achievements as enhancing the sales structure in Europe and reaching profitability. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.			
(Message from the candidate to shareholders) Our vision is to become the most trusted company in the Auto-ID solutions industry worldwide by ensuring accuracy and sustainability, saving labor and resources, offering reassurance, and building emotional connections for/with our customers. With this vision in mind, I will strive to strengthen corporate governance and create company value in my role as Director. In fiscal year 2018, the SATO Group will commit to our duty as manufacturer and provider in our main Auto-ID solutions business and produce results both inside and outside Japan to establish stable profits.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
4	<p>Tatsuo Narumi (February 24, 1952)</p> <p>Reelected</p> <p>Years of service: 10</p> <p>Attendance at the Board of Directors' meetings: 13/13 (100%)</p>	<p>August 2000    Joined the Company Senior Manager of Secretary's Office</p> <p>April 2001    Senior Manager of Human Resources Dept., Administration Division</p> <p>May 2003      Senior Manager of Planning Dept., Corporate Planning Division</p> <p>June 2003     Executive Officer and Senior Manager of Planning Dept., Corporate Planning Division</p> <p>October 2005   Executive Officer, General Manager of Corporate Planning Division, and Senior Manager of Planning Dept.</p> <p>January 2006   Senior Executive Officer and General Manager of Corporate Planning Division</p> <p>July 2007      Vice President and General Manager of Corporate Planning Division</p> <p>June 2008     Director, Vice President, and General Manager of Corporate Planning Division</p> <p>July 2009      Director (to present)</p> <p>December 2016 Representative Director of Specialase Ltd.</p>	22,732
(Current positions and responsibilities at the Company) Director			
(Reasons for recommendation as Director) Mr. Narumi has headed the Corporate Planning Division of the Company, during which period he also served as Executive Officer for six years. Since he became Director in 2008, he has worked to enhance our global business base from the corporate planning aspect, and to enhance our governance structure in sales group companies starting 2015. The Company has determined that he is qualified to oversee business activities as Director to accelerate globalization and pursue maximization of customer value, and therefore renominates him as a candidate for Director.			
(Message from the candidate to shareholders) To live up to my responsibility of achieving sustainable growth and greater medium- to long-term value for the company, I work to deepen collaboration with the executive team and introduce agenda items for deliberation at the Board of Directors' meetings as necessary to enable constructive discussion, from my role as Internal Director. At the same time, I also provide oversight to the management team, watching out for the optimal balance in business management. Additionally, I will act on my responsibility to help the SATO Group identify and polish its strengths to unmatched perfection so as to gain the trust of customers and become their indispensable partner of choice.			



No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
5	Yoichi Abe (September 13, 1957)	April 1980      Joined Mitsubishi Corporation December 2013      Joined the Company Head of President's Office	1,634
	Newly elected	April 2015      Executive Officer and CFO April 2018      Vice President and CFO (to present)	
	(Current positions and responsibilities at the Company) Vice President and CFO		
	(Reasons for recommendation as Director) After joining the Company as Head of the President's Office in December 2013, Mr. Abe was appointed Executive Officer and CFO in April 2015, and has been in charge of finance/accounting, IT, risk management, and other important functions. With his deep insights and strong oversight capabilities, he has led business management at the group level, driving financial/capital policies and measures for strengthening corporate governance. The Company has determined that he is qualified to oversee business activities as Director to potentially improve company value and further promote/strengthen corporate governance by tapping into his extensive experience and in-depth knowledge of the group's overall businesses, and therefore nominates him as a candidate for Director.		
(Message from the candidate to shareholders) It is a great honor for me to be selected as candidate for Director this time, and I am prepared to serve my duties diligently to the best of my abilities if I am allowed to take on this role. I believe that the SATO Group is a company with high growth potential, given its unique business model and close relevance to many different industries/markets. Under the new medium-term management plan launched this fiscal year by our new president, Mr. Kotaki, we will work steadily to improve our company value on a sustainable basis to meet the expectations of our stakeholders.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held		
6	Ken Suzuki (June 11, 1948)	February 1974 April 1994	Joined Suzuhiko Co., Ltd. (now Vital-Net, Inc.) Representative Director and President of Sun-S Inc. (now Vital-Net, Inc.)	6,555	
	Reelected	November 1998 June 2002	Outside Director of Sendai City FM Co., Ltd. (to present) Director of the Company (to present)		
	Years of service: 16	September 2006	Outside Director of Hokuyaku Takeyama Holdings, Inc. (to present)		
	Attendance at the Board of Directors' meetings: 9/13 (69%)	October 2008 April 2009	Outside Director of Forest Holdings, Inc. (to present) Representative Director and President of Vital KSK Holdings, Inc.		
		May 2013	Chairman of The Federation of Japan Pharmaceutical Wholesalers Association (to present)		
		January 2015	Representative Director and President of Omotezao International Golf Club Co., Ltd. (to present)		
		June 2015	Chairman of Vital-Net, Inc. (to present)		
		June 2015	Chairman of Vital KSK Holdings, Inc. (to present)		
	(Current positions and responsibilities at the Company)				
	Director				
(Reasons for recommendation as Director)					
Mr. Suzuki possesses extensive experience and broad insights in managing business operations, tapping into them actively to offer wide-ranging opinions and recommendations during deliberations of business-critical matters at the Board of Directors' meetings. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.					
(Message from the candidate to shareholders)					
Be it in the past or in the current networked society, what businesses do in common is to address needs and challenges originating from their customers. I will utilize my experience and viewpoints gained to this point from business management to support the SATO Group's creative business activities on an increasingly global scale for future growth. I will also contribute to further improving the SATO Group's company value for its stakeholders.					

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
7	<p>Yuko Tanaka (January 30, 1952)</p> <p>Reelected</p> <p>Years of service: 14</p> <p>Attendance at the Board of Directors' meetings: 11/13 (84%)</p>	<p>April 1980 Full-time Lecturer at 1st Faculty of Liberal Arts, Hosei University</p> <p>April 1983 Assistant Professor at 1st Faculty of Liberal Arts, Hosei University</p> <p>April 1986 Exchange fellow at Beijing University</p> <p>April 1991 Professor at 1st Faculty of Liberal Arts, Hosei University</p> <p>April 1993 Overseas fellow of the University of Oxford</p> <p>April 2003 Professor at the Department of Media and Communication Studies, Faculty of Social Sciences, Hosei University (to present)</p> <p>June 2004 Director of the Company (to present)</p> <p>April 2007 Professor at International Japanese Studies Institute (graduate school), Hosei University (to present)</p> <p>June 2009 Director of Suntory Foundation for Arts (to present)</p> <p>April 2010 Chairman of International Japanese Studies Institute (graduate school) management committee, Hosei University</p> <p>April 2012 Dean of Faculty of Social Sciences, Hosei University</p> <p>April 2014 President and Chief Trustee of Hosei University (to present)</p> <p>April 2014 Trustee of Japan University Accreditation Association (to present)</p> <p>June 2014 Executive Director of the Japan Association of Private Universities and Colleges (to present)</p> <p>October 2017 Trustee of the Open University of Japan (to present)</p>	3,033
(Current positions and responsibilities at the Company) Director			
(Reasons for recommendation as Director) Ms. Tanaka possesses extensive experience and broad insights as university professor and president, tapping into them actively to make statements during deliberations at the Board of Directors' meetings and offer opinions and suggestions on diversity management. The Company has determined that she is qualified to drive sustainable business management globally as Director, and therefore renominates her as a candidate for External Director.			
(Message from the candidate to shareholders) SATO Holdings is an international company. For international Japanese companies to expand their global businesses more steadily, they need to fortify their employer reputation both inside and outside Japan to attract outstanding, diverse personnel. Developing the capabilities of aspiring female employees and placing them in decision-making positions will be an important growth strategy for companies going forward. Also equally important will be the recruiting of outstanding talents from overseas. I will further promote diversity beyond gender, cultural and ethnic divides, and strive to improve the enterprise quality of SATO.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
8	Ryoji Itoh (January 14, 1952)	July 1979      Joined McKinsey & Company January 1984    Partner of McKinsey & Company June 1988      Director, responsible for Product Development of UCC Ueshima Coffee Co., Ltd.	1,535
	Reelected	September 1990 Representative Director of Schroder Ventures K.K. May 2000      Project Professor at the Graduate School of Media and Governance, Keio University (to present)	
	Years of service: 4	January 2001    President of Bain & Company Japan, Inc. April 2006      Representative Director of Planet Plan. Co., Ltd. (to present)	
	Attendance at the Board of Directors' meetings: 13/13 (100%)	June 2008      Director of the Company May 2012      Outside Director of Renown Incorporated January 2013    Representative Director of El Sol Business Advisor Corporation June 2014      Director of the Company (to present) June 2014      Outside Director of Miraca Holdings Inc. (to present)	
	(Current positions and responsibilities at the Company)		
	Director		
	(Reasons for recommendation as Director)		
	Mr. Itoh possesses extensive experience and broad insights as corporate executive and graduate school professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings with the awareness of enhancing SATO's governance structure. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.		
	(Message from the candidate to shareholders)		
	As IoT trends progress steadily and become mainstream in the business world, I believe the SATO Group's social mission to bridge the last inch of the last mile will grow increasingly important. I will work to spread this corporate identity worldwide to contribute to the development of a global society, ensuring that it will translate to increased shareholder value by maintaining and strengthening corporate governance from an independent standpoint to achieve further growth for SATO Group in a strategic manner.		

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
9	Mitsuaki Shimaguchi (March 31, 1942)  Reelected  Years of service: 4  Attendance at the Board of Directors' meetings: 13/13 (100%)	<p>April 1987 Professor at Graduate School of Business Administration, Keio University</p> <p>June 1998 Outside Corporate Auditor of Ishii Food Corporation</p> <p>June 2002 Outside Director of Eisai Co., Ltd.</p> <p>March 2006 Outside Director of Lion Corporation</p> <p>May 2006 Outside Director of BellSystem24, Inc.</p> <p>April 2007 Professor Emeritus of Keio University (to present)</p> <p>April 2007 Professor at Hosei Business School of Innovation Management, Hosei University</p> <p>September 2007 President of Japan Marketing Association (to present)</p> <p>February 2009 Outside Corporate Auditor of Suntory Holdings Limited</p> <p>April 2012 Professor at Graduate School of Business Innovation, Kaetsu University</p> <p>June 2014 Director of the Company (to present)</p> <p>June 2014 Outside Director of Sanrio Company, Ltd. (to present)</p>	2,485
(Current positions and responsibilities at the Company)			
Director			
(Reasons for recommendation as Director)			
Mr. Shimaguchi possesses extensive knowledge and experience in the marketing field and deep insights as a university professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings from the perspective of improving the company value of SATO Group as a whole. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.			
(Message from the candidate to shareholders)			
In a world where globalization and information technology advance at multiple levels, I feel that SATO Holdings now has an extremely high potential for business growth. To realize this potential on a larger scale, the company would need to exercise more boldness and prudence than ever before. As one of its External Directors, I will watch over and back up its business developments to the best of my ability, in a rigorous but supportive manner.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held	
10	Hideo Yamada (January 23, 1952)	March 1984 Graduated from the Legal Training and Research Institute April 1984 Registered as an attorney (Daini Tokyo Bar Association) October 1992 President of Yamada Hideo Law Office (now Yamada & Ozaki Law Office) (to present)	1,051	
	Reelected	May 1998 Outside Corporate Auditor of Taiyo Chemical Industry Co., Ltd. (to present) June 2004 Director of the Company		
	Years of service: 3	March 2006 Outside Director of Lion Corporation (to present) June 2007 Outside Corporate Auditor of Ishii Food Co., Ltd. June 2007 Outside Corporate Auditor of Mikuni Corporation		
	Attendance at the Board of Directors' meetings: 12/13 (92%)	March 2009 Outside Director of Hulic Co., Ltd. (to present) April 2010 Executive Governor of Japan Federation of Bar Associations April 2014 Vice President of Japan Federation of Bar Associations April 2014 Chairman of Daini Tokyo Bar Association June 2015 Chairman of Akiko Tachibana Memorial Foundation (to present) June 2015 Director of the Company (to present) June 2016 Outside Director of Mikuni Corporation (to present)		
	(Current positions and responsibilities at the Company)			
	Director			
	(Reasons for recommendation as Director)			
	Mr. Yamada possesses extensive experience and broad insights as an attorney at law, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings from the perspective of meeting stakeholders' expectations. The Company has determined that he is qualified to drive sustainable business management globally as Director, and therefore renominates him as a candidate for External Director.			
	(Message from the candidate to shareholders)			
	For the past ten years, SATO Holdings has been working to make the leap from a top domestic manufacturer to a global company that can lead the world market in Auto-ID, and these efforts are gradually coming to fruition today. As SATO continues to expand overseas, I think it should focus on corporate management both inside and outside of Japan by returning to its basics to revisit the "Spirit of SATO" its founder set out with. As External Director, I will actively ask questions, raise opinions, and offer suggestions accordingly.			

No.	Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held	
11	Chieko Matsuda (November 18, 1964)	April 1987      Joined Long-Term Credit Bank of Japan, Limited October 1998      Joined Moody's Japan K.K. September 2001      Partner of Corporate Directions, Inc. November 2002      Senior Researcher of Japan Association for Chief Financial Officers (to present)	0	
	Reelected	May 2006      Representative Director of Matrix, Inc. October 2006      Vice President (Partner) of Booz & Company, Inc. April 2011      Professor at Graduate School of Social Sciences, Tokyo Metropolitan University (to present)		
	Years of service: 2	April 2011      Professor at Faculty of Urban Liberal Arts, Tokyo Metropolitan University (to present)		
	Attendance at the Board of Directors' meetings: 11/13 (84%)	June 2012      Auditor of the Company June 2012      Outside Director of S.T. Corporation June 2013      Outside Director of Hitachi Chemical Company, Ltd. (to present)		
		June 2014      Outside Director of AEON Financial Service Co., Ltd. June 2015      Outside Director of Foster Electric Company, Limited (to present)		
		March 2016      Outside Corporate Auditor of Kirin Holdings Company, Limited (to present)		
		June 2016      Director of the Company (to present)		
	(Current positions and responsibilities at the Company) Director			
	(Reasons for recommendation as Director) Ms. Matsuda possesses global experience and achievements in foreign-affiliated companies, as well as expert knowledge and deep insights as a serving graduate school professor, tapping into them actively to offer opinions and recommendations on business-critical matters during deliberations at the Board of Directors' meetings with a focus on strengthening global governance. The Company has determined that she is qualified to drive sustainable business management globally as Director, and therefore renominates her as a candidate for External Director.			
	(Message from the candidate to shareholders) It is the wish of shareholders and other stakeholders that the SATO Group is able to grow its company base globally to realize its corporate motto of "Ceaseless Creativity" and improve its company value in a sustainable manner. From an external perspective, I will place importance on fairness and transparency to contribute toward achieving such a future for SATO.			

**Proposal No. 3: Election of One Auditor**

The term of office of Mr. Nobuhiro Yokoi, Auditor for the Company, will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company hereby proposes his reelection as Auditor. The Audit & Supervisory Board has given its approval in advance.

The candidate is as follows:

Name (Date of birth)	Career summaries, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
<p>Nobuhiro Yokoi (September 14, 1954)</p> <p>Reelected</p> <p>Years of service: 4</p> <p>Attendance at the Board of Directors' meetings: 13/13 (100%)</p> <p>Attendance at the Audit &amp; Supervisory Board meetings: 9/9 (100%)</p>	<p>November 1996 Joined the Company</p> <p>April 1999 Senior Manager of Planning Dept., Operation Planning Division</p> <p>June 2000 Senior Manager of Administration Dept., Domestic Sales Division</p> <p>July 2001 Senior Manager of Business Process Reform Promotion Dept.</p> <p>June 2002 Director, General Manager of Logistics Division, and Senior Manager of Planning Management Dept.</p> <p>June 2003 Director, Vice President, General Manager of Logistics Division, and Senior Manager of Planning Promotion Dept.</p> <p>April 2004 Director, Vice President, and Head of CSR Office</p> <p>July 2010 Advisor</p> <p>June 2014 Auditor (to present)</p>	<p>124,507</p>
(Current positions and responsibilities at the Company) Auditor		
(Reasons for recommendation as Auditor) Mr. Yokoi is familiar with the Company's internal affairs, having previously managed its logistics and planning functions. He also possesses insights for making appropriate decisions about the Company's business activities from an ethical and socially responsible point of view, given his experience as Head of CSR Office. The Company has determined that he is qualified as Internal Auditor, and therefore renominates him as a candidate for Auditor.		
(Message from the candidate to shareholders) The SATO Group is dedicated to contributing to society through its main business under its corporate motto of "Ceaseless Creativity", as seen in its continuous efforts in strengthening its competencies to propose and technically implement improvements/solutions for those problems it identifies from its customer sites. To ensure that the SATO Group continues to be trusted and needed by society with its agile ideas and resolute actions, I will utilize my knowledge of the company's operations to audit the execution of duties by its Directors, primarily in the areas of governance and compliance to meet shareholders' expectations. I will also strive to maintain a corporate environment that allows employees to work at their fullest potential with peace of mind.		