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Code No: 9792
June 7, 2019

2-9 Kanda-Surugadai, Chiyoda-ku, Tokyo, Japan
Nichii Gakkan Co., Ltd.
President and COO
Nobusuke Mori

Notice of the 47th Annual Shareholders Meeting

Dear Shareholders:

You are cordially invited to attend the 47th Annual Shareholders Meeting of Nichii Gakkan Co., Ltd. (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights through either of the following methods. Please review the Reference Documents for the Shareholders Meeting and exercise your voting rights.

[Exercising Voting Rights by attending the Meeting]

Please present the enclosed voting form at the reception desk upon arrival at the meeting.

[Exercising Voting Rights in Writing]

Please indicate your vote of approval or disapproval of each proposal on the enclosed voting form, and return the form to us so that it arrives before 5:15 p.m., Monday, June 24, 2019 (JST).

[Exercising Voting Rights via the Internet]

Please access the website (<https://evote.tr.mufg.jp/>) designated by the Company, and enter your vote of approval or disapproval of each proposal by using the login ID and temporary password shown on the enclosed voting form and following on-screen instructions before 5:15 p.m., Monday, June 24, 2019 (JST).

1. Date and Time: Tuesday, June 25, 2019 at 10:00 a.m. (reception starts at 9:30 a.m.)

2. Location: Tokyo Dome Hotel, Tenku, the first basement level
1-3-61, Koraku, Bunkyo-ku, Tokyo, Japan

3. Agenda of the Meeting

Items to be reported:

1. Business Report, Consolidated Financial Statements, and the audit reports on Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors for the 47th business term (from April 1, 2018 to March 31, 2019)
2. Non-consolidated Financial Statements for the 47th business term (from April 1, 2018 to March 31, 2019)

Items to be resolved:

- Proposal 1.** Appropriation of Surplus
- Proposal 2.** Partial Amendments to the Articles of Incorporation
- Proposal 3.** Election of One (1) Director
- Proposal 4.** Election of Three (3) Auditors
- Proposal 5.** Payment of Directors’ Bonuses

For those attending on the day, please present the enclosed voting form at the reception desk upon arrival at the meeting. We also ask that you bring this Notice of the Annual Shareholders Meeting for reference during the meeting.

If any revision is made with regard to the Reference Documents for the Shareholders Meeting, the Business Report, the Non-consolidated Financial Statements and/or the Consolidated Financial Statements, the Company will post such revision on the Company's website.

As a part of our energy saving efforts we will adjust the air conditioning on the day of the meeting. Also, please be aware that attendees are free to not wear a jacket or necktie (a style dubbed "Cool Biz").

Of the documents provided by this Notice of the Annual Shareholders Meeting, pursuant to the relevant laws and regulations and Article 16 of the Articles of Incorporation, the following items are posted on the Company's website and are not attached to this notice. Accordingly, the attached documents to this notice are part of the documents that were audited by the auditors and the accounting auditor in preparing the Audit Reports.

- (1) Notes to the Consolidated Financial Statements
- (2) Notes to the Non-consolidated Financial Statements

The Company's website (<https://www.nichiigakkan.co.jp/en/ir/stock/shareholders.html>)

Reference Documents for the Shareholders Meeting

Proposal 1. Appropriation of Surplus

The Company hereby proposes the appropriation of surplus as follows:

Matters concerning year-end dividends

The Company has given consideration to matters including the business performance of the fiscal year and future business development, and it proposes to pay year-end dividends for the 46th fiscal year as follows:

(1) Type of dividend property

Cash

(2) Matters regarding allocation of dividend property and total amount thereof

It is proposed that ordinary dividends be 20 yen per common share of the Company.
Accordingly, the total amount of dividends would be 1,286,934,100 yen.

(3) Effective date of the dividends from surplus

It is proposed to set the effective date to be June 26, 2019.

Proposal 2. Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

- (1) In order to prepare for the Company’s future business development, business purposes are to be added and changed in Article 2 (Purpose) of the current Articles of Incorporation.
- (2) In line with the above-mentioned amendments, the item numbers of the Article shall be appropriately adjusted.

2. Contents of the amendments

Contents of the amendments are as follows:

(Underlining denotes amendment.)

Current Articles of Incorporation	Proposed Amendments
CHAPTER I. GENERAL PROVISIONS (Purpose) Article 2. The purpose of the Company shall be to engage in the following businesses:	CHAPTER I. GENERAL PROVISIONS (Purpose) Article 2. (Unchanged)
(1) Education business for human resource development for medical treatment, care, childcare, etc.	(1) (Unchanged)
(2) Management of language schools and education business related to language learning	(2) (Unchanged)
(3) Publication, planning, production and sale of books and educational materials	(3) (Unchanged)
(4) Planning, production, publication and sale of books, educational materials and software related to language learning	(4) (Unchanged)
(5) Marketing research and development of goods, training courses, and educational systems	(5) (Unchanged)
(6) Contract clerical services such as reception, management of medical records, and medical fee claims at medical institutions, etc.	(6) (Unchanged)
(7) Business related to information processing and provision through computer, and its operation training	(7) (Unchanged)
(8) Operation, maintenance, development and sale of computer systems and software	(8) (Unchanged)
(9) Consulting services pertaining to management of medical institutions	(9) (Unchanged)
(10) Worker dispatch services	(10) (Unchanged)
(11) Contract services for clinical clerk and works at medical institutions, etc.	(11) (Unchanged)
(12) Contract services for inspection, maintenance, repair, and storage of specially controlled medical devices, as well as management, disinfection, and sterilization of medical equipment at medical institutions, etc.	(12) (Unchanged)
(13) Prenatal/postnatal care business	(13) (Unchanged)
(14) Consulting services related to operation and training for prenatal/postnatal care business	(14) (Unchanged)
(15) Business related to provisions and operation of public facilities, etc. based on Act on Promotion of Private Finance Initiative (PFI Act)	(15) (Unchanged)
(16) Sale and home delivery of foods, beverages, clothing, everyday sundries, drugs and medicines, quasi drugs, nursery items, childcare items, housing equipment, kitchen equipment, as well as sale, home delivery, rental and import/export of medical aids and equipment, welfare equipment, nursing care items, medical goods, sanitary goods, rehabilitation equipment, exercise equipment and goods	(16) Sale and home delivery of foods, beverages, clothing, everyday sundries, drugs and medicines, quasi drugs, nursery items, childcare items, housing equipment, kitchen equipment, as well as sale, home delivery, rental and import/export of medical aids and equipment, welfare equipment, nursing care items, medical goods, sanitary goods, rehabilitation equipment, exercise equipment and goods, <u>books and educational materials</u>
(17) Management of pharmacies, and consulting services pertaining to such management	(17) (Unchanged)

Current Articles of Incorporation	Proposed Amendments
(18) Research and development, cultivation, and sale of flowers, ornamental plants and seedlings	(18) (Unchanged)
(19) Meal providing services and catering services	(19) (Unchanged)
(20) Home-visit nursing based on the Health Insurance Act	(20) (Unchanged)
(21) (i) Designated in-home long-term care supports based on the Long-Term Care Insurance Act	(21) (i) (Unchanged)
(ii) The following in-home long-term care services based on the Long-Term Care Insurance Act	(ii) (Unchanged)
(a) Home-visit service	
(b) Home-visit bathing service	
(c) Home-visit nursing	
(d) Outpatient day long-term care	
(e) Short-term admission for daily life long-term care	
(f) Daily life long-term care admitted to specified facilities	
(g) Rental of equipment for long-term care covered by public aid	
(h) Sale of specified equipment covered by public aid	
(i) Management and guidance of in-home medical service	
(iii) Community-based services based on the Long-Term Care Insurance Act	(iii) (Unchanged)
(a) Home-visit at night for long-term care	
(b) Outpatient long-term care for dementia patients	
(c) Multifunctional long-term care in small size group homes	
(d) Communal daily long-term care for dementia patients	
(e) Daily life long-term care for persons admitted to community-based specified facilities	
(f) Multifunctional long-term care in a small group home with nursing care service	
(g) Regular and as-needed home-visit for long-term care and nursing care	
(h) Community-based outpatient day long-term care	
(iv) Preventive long-term care services based on the Long-Term Care Insurance Act	(iv) (Unchanged)
(a) Home-visit bathing service for preventive long-term care	
(b) Home-visit nursing service for preventive long-term care	
(c) Short-term stay for daily preventive long-term care	
(d) Daily preventive long-term care admitted to specified facilities	
(e) Rental of equipment for preventive long-term care covered by public aid	
(f) Sale of specified equipment for preventive long-term care covered by public aid	
(g) Management and guidance of in-home medical service for preventive long-term care	
(v) Preventive long-term care supports based on the Long-Term Care Insurance Act	(v) (Unchanged)

Current Articles of Incorporation	Proposed Amendments
(viii) Operation of children’s clubs for after-school activities	(viii)(Unchanged)
(ix) Child development services	(ix) (Unchanged)
(x) Temporary keeping business	(x) (Unchanged)
(xi) Operation of child-raising support bases related to other than those stated above	(xi) (Unchanged)
(37) Operation and development/management of facilities for businesses stated above	(37) (Unchanged)
(38) Baby-sitter dispatch services	(38) (Unchanged)
(39) Consulting services related to operation and training for childcare business	(39) (Unchanged)
(40) Sale of goods related to child-raising for the childcare business	(40) (Unchanged)
(41) General construction work	(41) (Unchanged)
(42) Antique trade	(42) (Unchanged)
(43) Advertising agency	(43) (Unchanged)
(44) Office administration services including reception and information service	(44) (Unchanged)
(45) Agent and mediation of clerical work for medical checkup visit	(45) (Unchanged)
(46) Mail-order business	(46) (Unchanged)
(47) Research and development, and manufacturing of welfare equipment and nursing items	(47) (Unchanged)
(48) Hotel	(48) (Unchanged)
(49) Eating and drinking place	(49) (Unchanged)
(50) Travel agency	(50) (Unchanged)
(51) Consulting services for overseas study, provision/introduction of international destination and agency for procedures of overseas study	(51) (Unchanged)
(52) Operation and management of tourist facilities	(52) (Unchanged)
(53) Non-life insurance agent	(53) (Unchanged)
(54) Business and activities to promote the use of service dogs and therapy dogs	(54) (Unchanged)
(55) Operation and development/management of facilities for businesses stated above	(55) (Unchanged)
(56) Breeding and sales of pet dogs	(56) (Unchanged)
(57) Planning, production and sales of pet supplies	(57) (Unchanged)
(58) Franchise business	(58) (Unchanged)
(59) Solicitation of membership stores under franchise system and managerial instruction for membership companies	(59) (Unchanged)
(60) Production of websites	(60) (Unchanged)
(61) Various notification services	(61) (Unchanged)
(62) Call center services	(62) (Unchanged)
(63) The following service businesses using telecommunications:	(63) (Unchanged)
(i) Monitoring and supporting services for the elderly	(i) (Unchanged)
(ii) Life-supporting services for the elderly	(ii) (Unchanged)
(64) Consulting services for the sale of welfare equipment, nursery-care items, and other goods	(64) (Unchanged)
(65) Export and import of therapy dogs	(65) (Unchanged)
(66) Consulting services for the housekeeping business	(66) (Unchanged)
(67) Development and operation of prenatal/postnatal care training courses and prenatal/postnatal care service business	(67) (Unchanged)
(68) Service business to handle foreigners at medical institutions	(68) (Unchanged)
(69) Operation of online language learning school	(69) (Unchanged)
(70) Consulting services for long-term care facilities and childcare facilities design and construction	(70) (Unchanged)

(TRANSLATION FOR REFERENCE PURPOSE ONLY)

Current Articles of Incorporation	Proposed Amendments
(71) Care business related to pets, and pet daycare business	(71) (Unchanged)
(72) Education business for skill development	(72) (Unchanged)
(73) Suitable implementation of technical intern training for foreigners, and intern training implementation business for foreign technical intern trainees in accordance with laws related to the care of technical intern trainees	(73) (Unchanged)
(74) Project for accepting foreigners for domestic support based on the Act on National Strategic Special Zones	(74) (Unchanged)
(75) Selective care business based on the Act on National Strategic Special Zones	(75) (Unchanged)
(76) Contract services of medical care expenditure regulation plan for health insurers	(76) (Unchanged)
(New)	<u>(77) Life support services for housekeeping</u>
(New)	<u>(78) Contract clerical services such as reception and various office works at municipalities</u>
<u>(77)</u> All services incidental and related to each item above	<u>(79)</u> (Unchanged)

Proposal 3. Election of One (1) Director

To further strengthen the management structure, the election of one (1) new Director is proposed. The term of office of the newly elected Director shall continue until the expiration of the terms of office of the other Directors currently in office, in accordance with the Articles of Incorporation of the Company.

The candidate for Director is as follows:

Name (Date of birth)	Career summary, position and responsibility at the Company		Number of Company shares held	
Hakuo Yanagisawa (August 18, 1935) New election Outside Director: Independent Officer	April	1961	Joined Ministry of Finance	-
	June	1980	Elected to the House of Representatives	
	September	1995	Chair, Committee on Education of the House of Representatives	
	March	1998	Chair, Committee on Health and Welfare of the House of Representatives	
	January	2001	Minister of State for Financial Services	
	September	2006	Minister of Health, Labour and Welfare	
	April	2010	President, Josai International University	

[Reason for choosing as candidate for Outside Director]

Mr. Hakuo Yanagisawa has a career that includes eight terms as Member of the House of Representatives, Minister of Health, Labour and Welfare, Secretary of the National Land Agency, Chairperson of the Financial Reconstruction Committee, Minister of State for Financial Services, and Chairperson of the Liberal Democratic Party of Japan's Research Commission on the Tax System, and he has also served as President of Josai International University. Currently, he is the Chairman of WB Research Institute of Finance and Economy and he is actively involved in economic analysis in Japan and overseas and has access to a diverse network of people in Japan and overseas.

The Company's Board of Directors have chosen him as a candidate for the third Outside Director of the Company in the belief that by making use of Mr. Yanagisawa's abundant knowledge, experience, etc. the Company will be able to receive advice on the business strategy formulation of the social security system related business and business promotion, the major business areas of the Company, and also with the expectation that he will contribute to the supervision, etc. of the Company's management from an independent and objective viewpoint.

New Election: Newly elected candidate for Director

Outside Director: candidate for Outside Director

Independent Officer: Independent Officer based on the provisions of the relevant stock exchanges, etc.

Notes: 1. There are no special interests between the Company and Mr. Hakuo Yanagisawa.

2. Mr. Hakuo Yanagisawa is a candidate for Outside Director.

3. Reasons why it was judged that the candidate would appropriately execute his duties as Outside Director

Mr. Hakuo Yanagisawa has not been involved in corporate management other than through serving as an Outside Director or Outside Corporate Auditor, however, it is judged that he would appropriately execute his duties as Outside Director, as described in "Reason for choosing as candidate for Outside Director" for Mr. Yanagisawa.

4. In the case that Mr. Hakuo Yanagisawa is elected, in accordance with Article 427, Paragraph 1 of the Companies Act, the Company is planning to enter into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, up to the minimum liability amount specified under Article 425, Paragraph 1 of the Companies Act.

5. In the case that Mr. Hakuo Yanagisawa is elected, the Company plans to appoint him as Independent Director pursuant to the regulations of the Tokyo Stock Exchange and notify such to the Exchange.

Proposal 4. Election of Three (3) Auditors

The terms of office of three (3) Auditors will expire at the conclusion of this meeting. Accordingly, the election of three (3) Auditors is proposed.

The Board of Auditors has given its approval of this proposal.

The candidates for Auditors are as follows:

Candidate Number	Name	Current position and responsibilities	Attribute
1	Shuji Otomaru	Full time Auditor	Reelection Outside Corporate Auditor
2	Ippei Matsuno	Auditor Representative, Ippei Matsuno Tax and Accounting Office	Reelection Outside Corporate Auditor Independent Officer
3	Joji Uchida	Representative, Joji Uchida CERTIFIED PUBLIC ACCOUNTANT OFFICE Representative, Joji Uchida and Koichi Oshima Kyodo Jimsho, Certified Public Accountant Outside Audit & Supervisory Board Member, OCEAN TRADER CO., LTD.	New Election Outside Corporate Auditor Independent Officer

Reelection: Reelected candidate for Auditor

New Election: Newly elected candidate for Auditor

Outside Corporate Auditor: candidate for Outside Corporate Auditor

Independent Officer: Independent Officer based on the provisions of the relevant stock exchanges, etc.

(TRANSLATION FOR REFERENCE PURPOSE ONLY)

Candidate Number	Name (Date of birth)	Career summary, and position at the Company		Number of Company shares held
1	Shuji Otomaru (January 14, 1951)	March 1969	Joined Metropolitan Police Department as Police Officer	-
	Reelection	March 1999 August 2008 August 2010 June 2011	Superintendent, Metropolitan Police Department Senior Superintendent Chief superintendent Full time Auditor of the Company (to present)	
<p>[Reason for choosing as candidate for Outside Corporate Auditor] Mr. Shuji Otomaru has sufficient insight into corporate auditing based on sophisticated expertise and abundant experience accumulated in a consistent career at the Metropolitan Police Department. He has been chosen as a candidate for Outside Corporate Auditor in the belief he has demonstrated his capabilities as a Corporate Auditor of the Company thus far and in the expectation that he will appropriately perform his duties as an Outside Corporate Auditor in the future as well.</p>				
2	Ippei Matsuno (June 6, 1961)	April 1984	Joined the Tokai Bank, Ltd.	-
	Reelection	March 1993 June 2015	Registered as Certified Tax Accountant Representative, Ippei Matsuno Tax and Accounting Office (to present) Outside Corporate Auditor of the Company (to present)	
<p>[Reason for choosing as candidate for Outside Corporate Auditor] Mr. Ippei Matsuno is well informed about corporate financial matters and accounting as a certified tax accountant. He has been chosen as a candidate for Outside Corporate Auditor in the belief he has demonstrated his capabilities as a Corporate Auditor of the Company thus far and in the expectation that he will appropriately perform his duties as an Outside Corporate Auditor in the future as well.</p>				
3	Joji Uchida (September 18, 1965)	April 1988	Partner of Chuo Audit Corporation (audit corporation)	-
	New Election	March 1991 March 2003 April 2007 May 2010 August 2011	Registered as Certified Public Accountant Registered as Certified Tax Accountant Representative, Joji Uchida CERTIFIED PUBLIC ACCOUNTANT OFFICE (to present) Representative, Joji Uchida and Koichi Oshima Kyodo Jimsho, Certified Public Accountant (to present) Outside Audit & Supervisory Board Member, OCEAN TRADER CO., LTD. (to present)	
<p>[Reason for choosing as candidate for Outside Corporate Auditor] Mr. Joji Uchida has specialist knowledge about taxation and accounting and has abundant experience as certified public accountant and certified tax accountant. He has been chosen as a candidate for Outside Corporate Auditor in the belief he will appropriately perform his duties as an Outside Corporate Auditor.</p>				

- Notes: 1. There are no special interests between the Company and any of the candidates.
2. Mr. Shuji Otomaru, Mr. Ippei Matsuno and Mr. Joji Uchida are candidates for Outside Corporate Auditors.
3. Reasons why it was judged that the candidates would appropriately execute their duties as Outside Corporate Auditors
Mr. Shuji Otomaru, Mr. Ippei Matsuno and Mr. Joji Uchida have not been involved in corporate management other than through serving as an Outside Director or Outside Corporate Auditor, however, it is judged that they would appropriately execute their duties as Outside Corporate Auditor, as described in “Reason for choosing as candidate for Outside Corporate Auditor” for each candidate.
4. Agreements limiting liabilities of Outside Corporate Auditors
In the case that Mr. Shuji Otomaru, Mr. Ippei Matsuno are re-elected, in accordance with Article 427, Paragraph 1 of the Companies Act, the Company is planning to continue an agreement with them to limit their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, up to the minimum liability amount specified under Article 425, Paragraph 1 of the Companies Act.
5. In the case that Mr. Joji Uchida is elected, in accordance with Article 427, Paragraph 1 of the Companies Act, the Company is planning to enter into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, up to the minimum liability amount specified under Article 425, Paragraph 1 of the Companies Act.
6. Years served as Outside Corporate Auditor since appointment
- (1) Mr. Shuji Otomaru will have served as an Outside Corporate Auditor for eight (8) years as of the end of this Annual Shareholders Meeting.
- (2) Mr. Ippei Matsuno will have served as an Outside Corporate Auditor for four (4) years as of the end of this Annual Shareholders Meeting.
7. The Company reported Mr. Ippei Matsuno as an Independent Auditor pursuant to the regulations of the Tokyo Stock Exchange. If his reappointment is approved, he will continue to be an Independent Auditor of the Company.
8. In the case that Mr. Joji Uchida is elected, the Company plans to appoint him as Independent Auditor pursuant to the regulations of the Tokyo Stock Exchange and notify such to the Exchange.

Proposal 5. Payment of Directors' Bonuses

It is proposed that bonuses of 36,000 thousand yen in total be paid to eight (8) Directors (excluding Outside Directors) who have been in service during the year under review, in view of the amounts paid in the past, the operating results of this business year, and other circumstances.