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Securities Code 9007
June 7, 2017

To Shareholders with Voting Rights:

Koji Hoshino
President & CEO
Odakyu Electric Railway Co., Ltd.
2-28-12, Yoyogi, Shibuya-ku, Tokyo

**NOTICE OF
THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

You are cordially invited to attend the 96th Annual General Meeting of Shareholders of Odakyu Electric Railway Co., Ltd. (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 in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights following the “Guidance on the exercise of voting rights” on page 2 (Japanese version only) by 5:45 p.m., the end of the Company’s business hours, on Wednesday, June 28, 2017, Japan time.

1. Date and Time: Thursday, June 29, 2017, at 10:00 a.m. Japan time (reception opens at 9:00 a.m.)
* To avoid last-minute congestion, we suggest you arrive early.

2. Place: “Century Room” on the basement level 1 of Hyatt Regency Tokyo located at 2-7-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors
 2. Non-consolidated Financial Statements for the Company’s 96th Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of 15 Directors
Proposal 3: Revisions to Director Compensation

- Pursuant to the laws and regulations as well as the provisions in Article 16 of the Articles of the Incorporation, the “Systems to ensure the execution of duties by Directors conform to laws and regulations and the Articles of Incorporation and other systems to ensure appropriateness of operations by the corporate group consisting of the Company and its subsidiaries (Basic policies on establishment of internal control systems),” “Basic policies on parties desirable to control determination of corporate finance and business policies,” “Consolidated statements of changes in net assets,” “Notes to the Consolidated Financial Statements,” “Statements of changes in net assets” and “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website (<http://www.odakyu.jp/ir/index.html>), therefore, they are not attached to this convocation notice. The Accounting Auditor and Auditors have audited documents including the above items posted on the Company’s website.
- Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements require revisions, the revised versions will be disclosed immediately by posting them on the above Company’s website, or on the documents to be sent to the shareholders.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company intends to use internal reserves for vigorous investment in priority fields and growth fields in an effort to improve financial performance. The Company's basic policy for returning profits to shareholders is to maintain stable dividend payment as a result of improved performance with a dividend payout ratio of approximately 30%.

Based on the above basic policy, the year-end dividend for the 96th fiscal year is proposed as follows.

- (1) Type of dividend property
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof
¥10 per share of common stock of the Company, for a total amount of ¥3,624,026,690
- (3) Effective date of distribution of surplus
June 30, 2017

Additionally, the Company implemented a reverse stock split at a ratio of two shares into one share of common stock on October 1, 2016. Subject to the approval and resolution of this proposal as originally proposed, and after adjustments made for the reverse stock split, the annual dividends will be ¥19 per share, an increase of ¥1 from the previous fiscal year (¥18 per share, ¥9 per share prior to the reverse stock split), including the interim dividend (¥9 per share, ¥4.50 per share prior to the reverse stock split) for the fiscal year under review.

Proposal 2: Election of 15 Directors

The terms of office of all Directors will expire at the conclusion of this meeting. Accordingly, the election of 15 Directors is proposed.

The candidates are as follows. Additionally, this proposal has received approval from the Nomination and Compensation Advisory Committee.

[Reference] List of candidates

No.	Name	Position at the Company	Attendance at Board of Directors' meetings
1	<u>Reappointment</u> Toshimitsu Yamaki	Chairman	13/13
2	<u>Reappointment</u> Koji Hoshino	President & CEO	13/13
3	<u>Reappointment</u> Mikio Ogawa	Vice President	13/13
4	<u>Reappointment</u> Ichiro Kaneko	Managing Director	13/13
5	<u>Reappointment</u> Yoshihiko Shimooka	Managing Director	13/13
6	<u>Reappointment</u> Toshiro Yamamoto	Managing Director	13/13
7	<u>Reappointment</u> Yorihiro Osuga	Director and Senior Advisor	12/13
8	<u>Reappointment</u> Isamu Arakawa	Director	11/11 *1
9	<u>Reappointment</u> Shu Igarashi	Director	11/11 *1
10	<u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Tomijiro Morita	Outside Director	12/13
11	<u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Tamotsu Nomakuchi	Outside Director	13/13
12	<u>Reappointment</u> <u>Outside Director</u> <u>Independent Director</u> Hiroko Nakayama	Outside Director	12/13
13	<u>Reappointment</u> Jun Koyanagi	Director	13/13
14	<u>Reappointment</u> Hiroyuki Dakiyama	Director	13/13
15	<u>New candidate</u> Takashi Hayama	*2	*2

*1 As for Directors Mr. Isamu Arakawa and Mr. Shu Igarashi, the attendance at Board of Directors' meetings held after their assumption of office on June 29, 2016 is stated.

*2 Not applicable as he is a new candidate.

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
1	<p>Toshimitsu Yamaki (May 3, 1947)</p> <p>69,323 shares</p>	<p>Apr. 1970 Joined the Company</p> <p>Jun. 1999 Director of the Company</p> <p>Jun. 2001 Managing Director of the Company</p> <p>Jun. 2001 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2003 Executive Director (Representative Director) of the Company</p> <p>Jun. 2005 Vice President (Representative Director) of the Company</p> <p>Jun. 2005 Division Director of Group Corporate Strategy & Planning Division of the Company</p> <p>Jun. 2006 Division Director of Corporate Strategy & Planning Division of the Company</p> <p>Jun. 2007 Division Director of Corporate Strategy Division of the Company</p> <p>Jun. 2011 President & CEO (Representative Director) of the Company</p> <p>Apr. 2017 Assumed the office of Chairman (Representative Director) of the Company (to present)</p> <p>Significant concurrent positions: Outside Director of Kanagawa Chuo Kotsu Co., Ltd.</p>
	<p>Reason for nomination as a candidate for Director</p>	<p>Since joining the Company, he has engaged mainly in corporate communications and general affairs divisions and has served as Division Director of Corporate Strategy Division. He has a wealth of experience in the Company's business and during his time in office as Vice President and President & CEO, he implemented a revision of the Group management plan system in response to changes in the business environment, in addition to demonstrating strong leadership toward achievement of the medium-term management plan. The Company renominates him as a candidate for Director as he can be expected in the future to contribute to improving value along Odakyu line by strengthening the coordination among the Group companies.</p>
2	<p>Koji Hoshino (April 26, 1955)</p> <p>24,580 shares</p>	<p>Apr. 1978 Joined the Company</p> <p>Jun. 2003 Executive Officer of the Company</p> <p>Jun. 2008 Director of the Company</p> <p>Jun. 2010 President & CEO (Representative Director) of Odakyu Bus Co., Ltd.</p> <p>Jun. 2013 Managing Director of the Company</p> <p>Jun. 2013 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2013 Division Director of Transportation Services Division of the Company</p> <p>Jun. 2015 Executive Director of the Company</p> <p>Apr. 2017 Assumed the office of President & CEO (Representative Director) of the Company (to present)</p>
	<p>Reason for nomination as a candidate for Director</p>	<p>Since joining the Company, he has engaged mainly in railway and corporate planning divisions and currently serves as Division Director of Transportation Services Division. He has a wealth of experience in the Company's business and during his time in office as Division Director of said Division, he worked for early completion of multiple double tracks and time table initiatives that contribute to maximized use of multiple double track effects, demonstrating strong leadership. The Company renominates him as a candidate for Director as he can be expected in the future to contribute to realization of making neighborhoods along Odakyu line the most comfortable area in Japan through agile response to customer needs that are changing with the times.</p>

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
3	<p>Mikio Ogawa (July 5, 1952)</p> <p>24,765 shares</p>	<p>Apr. 1975 Joined the Company</p> <p>Jun. 2001 Executive Officer of the Company</p> <p>Jun. 2004 Director of the Company</p> <p>Jun. 2005 Executive Director of Odakyu Hakone Holdings, Inc.</p> <p>May 2007 Vice President (Representative Director) of Odakyu Department Store Company Limited</p> <p>May 2008 President & CEO (Representative Director) of Odakyu Department Store Company Limited</p> <p>Jun. 2011 Director of the Company</p> <p>Jun. 2013 Executive Director of the Company</p> <p>Jun. 2013 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2013 Division Director of Development Business Division of the Company</p> <p>Jun. 2013 Chairman of Odakyu Department Store Company Limited</p> <p>Jun. 2014 Division Director of Corporate Strategy Division of the Company</p> <p>Apr. 2017 Assumed the office of Vice President (Representative Director) of the Company (to present)</p> <p>Apr. 2017 Assumed the office of Division Director of Project Promotion Division of the Company (to present)</p> <p>Responsibilities at the Company: Division Director of Project Promotion Division</p>
	Reason for nomination as a candidate for Director	<p>Since joining the Company, he has engaged mainly in personnel and corporate planning divisions and has served as Division Director of Corporate Strategy Division. He has a wealth of experience in the Company's business and during his time in office as Division Director of said Division, he created new business fields through M&A, etc. The Company renominates him as a candidate for Director as he can be expected in the future to contribute to establishing a growth cycle via promoting strategic projects toward capturing new revenue sources.</p>
4	<p>Ichiro Kaneko (May 18, 1955)</p> <p>18,840 shares</p>	<p>Apr. 1979 Joined the Company</p> <p>Jun. 2005 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2011 Director of the Company</p> <p>Jun. 2013 Assumed the office of Managing Director of the Company (to present)</p> <p>Jun. 2013 Division Director of Lifestyle Services Division of the Company</p> <p>Jun. 2014 Assumed the office of Division Director of Lifestyle Creation Division of the Company (to present)</p> <p>Responsibilities at the Company: Division Director of Lifestyle Creation Division</p>
	Reason for nomination as a candidate for Director	<p>Since joining the Company, he has engaged mainly in corporate communications and general affairs divisions and currently serves as Division Director of Lifestyle Creation Division. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding real estate business.</p>

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
5	<p>Yoshihiko Shimooka (January 1, 1956)</p> <p>16,066 shares</p>	<p>Apr. 1979 Joined the Company</p> <p>Jun. 2005 Executive Officer of the Company</p> <p>Jun. 2010 President & CEO (Representative Director) of Tachikawa Bus Co., Ltd.</p> <p>Jun. 2013 Director of the Company</p> <p>Jun. 2013 President & CEO (Representative Director) of Odakyu Bus Co., Ltd.</p> <p>Jun. 2016 Assumed the office of Managing Director of the Company (to present)</p> <p>Jun. 2016 Assumed the office of Executive Officer of the Company (to present)</p> <p>Apr. 2017 Assumed the office of Division Director of Corporate Strategy & Planning Division of the Company (to present)</p> <p>Responsibilities at the Company: Responsible for Personnel Department Division Director of Corporate Strategy & Planning Division</p>
	Reason for nomination as a candidate for Director	Since joining the Company, he has engaged mainly in personnel and general affairs divisions and currently serves as Division Director of Corporate Strategy & Planning Division. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding urban transportation business.
6	<p>Toshiro Yamamoto (February 26, 1959)</p> <p>21,373 shares</p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2005 Executive Officer of the Company</p> <p>May 2012 President & CEO (Representative Director) of HOKUO TOKYO Co., LTD.</p> <p>Jun. 2015 Assumed the office of Managing Director of the Company (to present)</p> <p>Jun. 2015 Assumed the office of Executive Officer of the Company (to present)</p> <p>Responsibilities at the Company: Responsible for IT Promotion Department, Card Promotion Department, Sales Promotion Department, Investor Relations Office, Finance & Accounting Department and Property Administration Department</p>
	Reason for nomination as a candidate for Director	Since joining the Company, he has engaged mainly in finance & accounting and corporate planning divisions and currently serves as an officer responsible for finance & accounting. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding finance and accounting.

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
7	<p>Yorihiko Osuga (November 12, 1943)</p> <p>78,404 shares</p>	<p>Mar. 1968 Joined the Company</p> <p>Jun. 1997 Director of the Company</p> <p>Jun. 2001 Managing Director of the Company</p> <p>Jun. 2001 Executive Officer of the Company</p> <p>Jun. 2001 Division Director of Transportation Division of the Company</p> <p>Jun. 2003 Executive Director (Representative Director) of the Company</p> <p>Jun. 2005 President & CEO (Representative Director) of the Company</p> <p>Jun. 2011 Chairman (Representative Director) of the Company</p> <p>Apr. 2017 Assumed the office of Director and Senior Advisor of the Company (to present)</p> <p>Significant concurrent positions: Outside Director of Kanagawa Chuo Kotsu Co., Ltd. Outside Director of Sotetsu Holdings, Inc.</p>
	Reason for nomination as a candidate for Director	<p>Since joining the Company, he has engaged mainly in personnel and railway divisions and has served as Division Director of Transportation Division. He has a wealth of experience in the Company's business and during his time in office as Chairman, demonstrated strong leadership to enhance the Company's corporate value by strengthening the coordination among the Group companies. The Company renominates him as a candidate for Director as he can be expected in the future to provide effective advice on overall management.</p>
8	<p>Isamu Arakawa (April 30, 1960)</p> <p>18,566 shares</p>	<p>Apr. 1983 Joined the Company</p> <p>Jun. 2005 Assistant Manager of Corporate Strategy & Planning Department of the Company</p> <p>Jun. 2009 Manager of Hotel Administration Department of the Company</p> <p>Jun. 2013 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2013 Assumed the office of Manager of General Affairs Department of the Company (to present)</p> <p>Jun. 2016 Assumed the office of Director of the Company (to present)</p> <p>Responsibilities at the Company: Responsible for General Affairs Department and CSR/Corporate Communications Department Manager of General Affairs Department</p>
	Reason for nomination as a candidate for Director	<p>Since joining the Company, he has engaged mainly in general affairs and hotel administrative divisions and currently serves as Manager of General Affairs Department. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding hotel business.</p>
9	<p>Shu Igarashi (October 6, 1961)</p> <p>7,615 shares</p>	<p>Apr. 1984 Joined the Company</p> <p>Jun. 2007 Manager of Electricity Department of the Company</p> <p>Jun. 2011 Manager of Rolling Stock Operations Department of the Company</p> <p>Jun. 2012 Assumed the office of Executive Officer of the Company (to present)</p> <p>Jun. 2016 Assumed the office of Director of the Company (to present)</p> <p>Apr. 2017 Assumed the office of Division Director of Transportation Services Division of the Company (to present)</p> <p>Responsibilities at the Company: Division Director of Transportation Services Division</p>
	Reason for nomination as a candidate for Director	<p>Since joining the Company, he has engaged mainly in railway and corporate planning divisions and currently serves as Division Director of Transportation Services Division. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding railway technology.</p>

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
10	<p style="text-align: center;"> Outside Director Independent Director Tomijiro Morita (August 16, 1940) 0 shares </p>	<p>Apr. 1964 Joined the Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>Apr. 1997 President (Representative Director) of the Dai-ichi Mutual Life Insurance Company</p> <p>Jun. 1999 Assumed the office of Director of the Company (to present)</p> <p>Jul. 2004 Chairman of the Board (Representative Director) of the Dai-ichi Mutual Life Insurance Company</p> <p>Jun. 2011 Assumed the office of Senior Advisor of The Dai-ichi Life Insurance Company, Limited (to present)</p> <p>Significant concurrent positions: Senior Advisor of The Dai-ichi Life Insurance Company, Limited</p>
	Reason for nomination as a candidate for Outside Director	He has management experience at The Dai-ichi Life Insurance Company, Limited over the years and broad insight based on such experience. The Company renominates him as a candidate for Outside Director as he is fulfilling his role to enhance the Company's management supervising function from an independent and objective perspective by drawing on these experiences.
11	<p style="text-align: center;"> Outside Director Independent Director Tamotsu Nomakuchi (November 18, 1940) 0 shares </p>	<p>Apr. 1965 Joined Mitsubishi Electric Corporation</p> <p>Apr. 2001 Executive vice president (Representative Director) of Mitsubishi Electric Corporation</p> <p>Apr. 2002 Representative Director, President and CEO of Mitsubishi Electric Corporation</p> <p>Jun. 2003 Representative Executive Officer, President and CEO, and Director of Mitsubishi Electric Corporation</p> <p>Apr. 2006 Chairman of Mitsubishi Electric Corporation</p> <p>Apr. 2009 Director of Mitsubishi Electric Corporation</p> <p>Apr. 2009 President, National Institute of Advanced Industrial Science and Technology</p> <p>Jun. 2010 Honorary Corporate Advisor of Mitsubishi Electric Corporation</p> <p>Apr. 2013 Executive Corporate Advisor of Mitsubishi Electric Corporation</p> <p>Apr. 2013 Assumed the office of Grand Emeritus Advisor, National Institute of Advanced Industrial Science and Technology (to present)</p> <p>Jun. 2015 Assumed the office of Director of the Company (to present)</p> <p>Jul. 2016 Assumed the office of Special Corporate Adviser of Mitsubishi Electric Corporation (to present)</p> <p>Significant concurrent positions: Special Corporate Adviser of Mitsubishi Electric Corporation Grand Emeritus Advisor, National Institute of Advanced Industrial Science and Technology</p>
	Reason for nomination as a candidate for Outside Director	He has management experience at Mitsubishi Electric Corporation over the years and broad insight into the engineering field. The Company renominates him as a candidate for Outside Director as he is fulfilling his role to enhance the Company's management supervising function from an independent and objective perspective by drawing on these experiences.

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
12	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Outside Director</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Independent Director</div> <p>Hiroko Nakayama (February 6, 1945)</p> <p>900 shares</p>	<p>Apr. 1967 Joined Tokyo Metropolitan Government</p> <p>Jun. 1999 Director General, Secretariat of Personnel Commission, Tokyo Metropolitan Government</p> <p>Jul. 2001 Director General, Secretariat to Audit and Inspection Commissioners, Tokyo Metropolitan Government</p> <p>Nov. 2002 Mayor of Shinjuku</p> <p>Jun. 2007 President (Representative Director) of Tokyo Eco Service Co., Ltd.</p> <p>Jun. 2015 Assumed the office of Director of the Company (to present)</p> <p>Apr. 2016 Assumed the office of Chairperson of Personal Commission, Metropolitan Area Cities (to present)</p> <p>Significant concurrent positions: Chairperson of Personal Commission, Metropolitan Area Cities Outside Director of NAKAMURAYA CO., LTD.</p>
	Reason for nomination as a candidate for Outside Director	She has experience in promoting the revitalization of local community among others as Mayor of Shinjuku, and extensive knowledge based on such experience. The Company renominates her as a candidate for Outside Director as she is fulfilling her role to enhance the Company's management supervising function from an independent and objective perspective by drawing on these experiences.
13	<p>Jun Koyanagi (July 11, 1958)</p> <p>13,800 shares</p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2008 Executive Officer of the Company</p> <p>Jun. 2012 Assumed the office of President & CEO (Representative Director) of Odakyu Travel Co., Ltd. (to present)</p> <p>Jun. 2013 Assumed the office of Director of the Company (to present)</p> <p>Significant concurrent positions: President & CEO (Representative Director) of Odakyu Travel Co., Ltd.</p>
	Reason for nomination as a candidate for Director	Since joining the Company, he has engaged mainly in railway and corporate communications divisions and currently serves as President & CEO of Odakyu Travel Co., Ltd. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding travel business.
14	<p>Hiroyuki Dakiyama (August 26, 1958)</p> <p>13,455 shares</p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2008 Executive Officer of the Company</p> <p>Jun. 2013 Assumed the office of Director of the Company (to present)</p> <p>Jun. 2015 President & CEO (Representative Director) of Odakyu Koutsu Co., Ltd.</p> <p>Jun. 2016 Assumed the office of President & CEO (Representative Director) of Odakyu Bus Co., Ltd. (to present)</p> <p>Significant concurrent positions: President & CEO (Representative Director) of Odakyu Bus Co., Ltd.</p>
	Reason for nomination as a candidate for Director	Since joining the Company, he has engaged mainly in railway and personnel divisions and currently serves as President & CEO of Odakyu Bus Co., Ltd. The Company renominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding transportation business, including railway technology.

No.	Name (Date of birth) Number of shares of the Company held	Career summary, positions and responsibilities at the Company, and significant concurrent positions
15	<div style="border: 1px solid black; display: inline-block; padding: 2px;">New candidate</div> Takashi Hayama (December 23, 1961) 11,600 shares	Apr. 1985 Joined the Company Jun. 2010 Manager of Finance & Accounting Department and Manager of Investor Relations Office of the Company Jun. 2013 Executive Officer of the Company Jun. 2015 Assumed the office of President & CEO (Representative Director) of Odakyu Housing Co., Ltd. (to present) Significant concurrent positions: President & CEO (Representative Director) of Odakyu Housing Co., Ltd.
	Reason for nomination as a candidate for Director	Since joining the Company, he has engaged mainly in finance & accounting and corporate planning divisions and currently serves as President & CEO of Odakyu Housing Co., Ltd. The Company nominates him as a candidate for Director as he is well-versed in the Company's business and has knowledge regarding finance and accounting.

(Notes)

1. Of the candidates for Director, Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama are candidates for Outside Director.
 - (1) Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama are incumbent Outside Directors, and Mr. Tomijiro Morita will have served for a period of 18 years, and Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama will have served for a period of 2 years, respectively, as of the conclusion of this General Meeting of Shareholders.
 - (2) The Company has designated Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama as Independent Director prescribed by the regulations of the Tokyo Stock Exchange and submitted a notification of the appointment to the same Exchange.
 - (3) Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama satisfy the Independence Standards for Outside Officers of the Company (stated on page 12).
2. The Company has entered into agreements with each of Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama to limit their liabilities under Article 423, Paragraph 1 of the Companies Act. The amount of liability for damages under the agreements shall be limited to ¥10 million or the minimum liability agreement set out in Article 425, Paragraph 1 of the Companies Act, whichever is higher. Subject to the approval of the reelection of each of Mr. Tomijiro Morita, Mr. Tamotsu Nomakuchi and Ms. Hiroko Nakayama, the Company plans to continue such agreements with each of them.

(Reference)

Independence Standards for Outside Officers

The Company has established the Independence Standards for Outside Officers. Candidates for Outside Directors and Outside Auditors are judged to be sufficiently independent so long as they do not fall under any of the following categories. The Company nominates candidates for outside officers with career history, experience and professional knowledge that differ from in-house candidates, and those who are capable of enhancing management supervision functions. The balance between enriching the supervision and auditing functions through the accumulation of knowledge in the Company's business and securing independence is also considered.

- 1) A business executive of the Company or its Group company (collectively, the "Group")
- 2) A major shareholder of the Company (who possesses 10% or more of voting rights either directly or indirectly) or a business executive thereof
- 3) A business executive of a principal lender (financial institution or other significant creditor indispensable for the Group's financing and on which the Group is irreplaceably dependent) of the Group
- 4) A business executive of a major business partner (an entity who pays the Group 2% or more of the Group's annual consolidated net sales) of the Group
- 5) A business executive of a company which holds the Group as a major business partner (an entity which receives from the Group 2% or more of its annual consolidated net sales)
- 6) An individual who receives a remuneration of ¥10 million or more per year from the Group other than remuneration as an officer
- 7) A business executive of an entity that receives donations of ¥10 million or more per year from the Group
- 8) A business executive of another company whose position would constitute the person as having an interlocking relationship
- 9) A spouse or relative within two degrees of kinship of an individual with an important position who falls under the above criteria 1) through 8)
- 10) An individual who has fallen under criteria 1) in the past 10 years, an individual who has fallen under criteria 2) in the past 5 years, and an individual who has fallen under criteria 3) through 9) in the past 3 years

Proposal 3: Revisions to Director Compensation

Compensation for Directors of the Company was approved to be “within ¥420 million per annum” at the 85th Annual General Meeting of Shareholders, held on June 29, 2006. Thereafter, the responsibilities of Directors have expanded in line with changes in economic trends and the management environment, and the number of Outside Directors has increased as part of the Company’s efforts to strengthen corporate governance. In light of such conditions and under the themes of “Maximize Group revenue along the Odakyu Line after completion of multiple double tracks” and “Sew and nurture seeds of growth by FY2020” that were set based on “Long-Term Vision 2020,” the Company proposes revising compensation for Directors to “within ¥550 million per annum (of which, ¥60 million for Outside Directors),” in consideration of various factors such as establishing a business execution structure to realize future growth strategies. This proposal has received approval from the Nomination and Compensation Advisory Committee.

Additionally, as was the case before, compensation for Directors shall not include the employee salary portion for Directors concurrently serving as employees.

Furthermore, if Proposal 2 is approved as originally proposed, the number of Directors will be 15 persons (of which, 3 Outside Directors), the same as the current number.