

[Translation]

Securities Code: 9042

May 27, 2020

To our shareholders

Kazuo Sumi, Chairman and Representative Director
Hankyu Hanshin Holdings, Inc.
1-1, Sakaemachi, Ikeda-shi, Osaka
(Head Office: 1-16-1, Shibata, Kita-ku, Osaka-shi)

Notice of Convocation of the 182nd Ordinary General Meeting of Shareholders

Hankyu Hanshin Holdings, Inc. (the “Company”) hereby notifies you as follows that the 182nd Ordinary General Meeting of Shareholders of the Company will be held as described below.

In order to avoid the risk of novel coronavirus infections at the meeting, we strongly recommend that shareholders exercise their voting rights by mail or via the Internet instead of attending the meeting in person. Please exercise your voting rights by mail or via the Internet after studying the Reference Materials for the General Meeting of Shareholders attached below and confirming the Information on the Exercise of Voting Rights on pages 3 through 4.

Details

- 1. Date and Time** 10:00 a.m., Wednesday, June 17, 2020
- 2. Location of Meeting** Main Hall, Umeda Arts Theater
19-1, Chayamachi, Kita-ku, Osaka-shi
- 3. Purpose of Meeting**

Matters for Reporting:

1. Report on the business report, consolidated financial statements and financial statements for the 182nd fiscal year (April 1, 2019 to March 31, 2020)
2. Report on the audit results of the consolidated financial statements for the 182nd fiscal year by the Accounting Auditors and the Audit & Supervisory Board

Matters for Resolution:

- | | |
|---------------------------------|---|
| First Item of Business: | Appropriation of Retained Earnings |
| Second Item of Business: | Partial Amendment to the Articles of Incorporation |
| Third Item of Business: | Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Fourth Item of Business: | Election of Three (3) Directors Who Are Audit & Supervisory Committee Members |

Fifth Item of Business:	Election of One (1) Substitute Director Who IS an Audit & Supervisory Committee Member
Sixth Item of Business:	Setting of the Amount of Compensation for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
Seventh Item of Business:	Setting of the Amount of Compensation for Directors Who Are Audit & Supervisory Committee Members
Eighth Item of Business:	Adoption of a Stock Compensation Plan for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

4. Matters Determined upon Convocation

Please refer to “Information on the Exercise of Voting Rights” on pages 3 through 4.

- * Please understand that if any revisions are required to be made to the matters to be indicated in the business report, consolidated financial statements, financial statements and reference materials for the General Meeting of Shareholders, the revisions will be posted on our website (<https://www.hankyu-hanshin.co.jp/ir/>) in Japanese.
- * If you exercise your voting rights at the meeting by proxy (only one other shareholder who is able to exercise his/her voting rights at the General Meeting of Shareholders is entitled to become a proxy), we will request that the proxy provide documents to prove his/her proxy (letter of proxy), your voting form, and the proxy’s voting form at the reception desk of the venue.
- * Necessary measures will be taken to prevent the spread of infection in accordance with the status of the novel coronavirus situation on the day of the meeting. We ask that you check our website mentioned above, as any major changes relating to the holding of the meeting will be posted there.

Information on the Exercise of Voting Rights

There are three methods for exercising your voting rights:

- **Voting at the General Meeting of Shareholders**

Please present the enclosed voting form to the reception desk of the venue. You are also requested to bring this Notice of Convocation of the General Meeting of Shareholders with you to the meeting.

- **Voting by mail**

Please indicate your approval or disapproval of the Items of Business on the enclosed voting form and return the completed form to the Company to arrive by the designated deadline noted below.

Deadline for exercising voting rights: to arrive by 5:50 p.m. on June 16, 2020 (Tuesday)

- **Voting via the Internet**

Please input your approval or disapproval in accordance with the instructions on the voting website.

Deadline for exercising voting rights: to be completed by 5:50 p.m. on June 16, 2020 (Tuesday)

* Please note that, in order to prevent unauthorized access to the designated website by third parties other than shareholders (persons impersonating shareholders) and to prevent the alteration of votes, if you wish to vote via the Internet, we request that you change your “temporary password” to a permanent password on the designated voting website.

* We will provide a new “login ID” and “temporary password” each time a General Meeting of Shareholders is convened.

* All costs associated with accessing the voting website via PC, smartphone or mobile phone (costs of internet connections, and data fees, etc.) are to be borne by the shareholder.

* Voting via the Internet is available only by gaining access to the voting website designated by the Company (<https://evote.tr.mufig.jp/>). However, please note that you cannot vote via the Internet on the voting website between the hours of 2:00 a.m. and 5:00 a.m.

* Please note that you may not be able to vote via PC or smartphone on the designated voting website depending on your Internet settings or models. You are advised to vote early, and please contact the Help Desk described on page 4 if you have any questions.

If you will be attending the General Meeting of Shareholders, you are not required to follow the procedures for voting by mail or via the Internet.

If you vote by both mail and via the Internet, the Company will treat the vote cast via the Internet as effective.

If you vote via the Internet multiple times, the final vote cast will be deemed as effective. If you vote via a PC, a smartphone or a mobile phone multiple times, the final vote cast will be deemed as effective.

Information on electronic voting platform

Nominal shareholders (including standing proxies) such as management trust banks may use the electronic voting platform operated by ICJ, Inc. (which was established by Tokyo Stock Exchange, Inc. and another company) by applying in advance.

For further assistance regarding IT matters, please contact:
Corporate Agency Division (Help Desk)
Mitsubishi UFJ Trust and Banking Corporation
Phone: 0120-173-027 (9:00 to 21:00; toll free only within Japan)

Reference Materials for General Meeting of Shareholders

Items of Business and Reference Matters

First Item of Business: Appropriation of Retained Earnings

Our group intends to improve the competitiveness of each core business led under the initiative of key companies that fall under the Company's responsibility to perform group management, and endeavors to demonstrate the comprehensive strength of the group through collaboration between core businesses.

With further strengthen its operating foundations, the Company has set the target total return ratio of 30% for conducting share buyback, which is the basic policy to continue distributing constant dividends.

- * Total return ratio: the aggregate of the total annual dividend and purchases of treasury stock as a percentage of consolidated net income

For the current fiscal year, the Company wishes to pay final dividends as follows:

- (1) Matters relating to, and total amount of, dividend property to be allotted to the shareholders:

25 yen per share of common stock, totaling 6,094,288,475 yen

* As interim dividends of 25 yen per share of common stock were distributed, annual dividends for the current fiscal year amount to 50 yen per share.

- (2) Date that the distribution of retained earnings becomes effective:

June 18, 2020

Reference Matters for the Second Item of Business through the Eighth Item of Business

The Company plans transition to a company with an Audit & Supervisory Committee to further reinforce its corporate governance. The Second Item of Business through the Eighth Item of Business to be submitted to the General Meeting of Shareholders all relate to this planned transition. In proposing these items, we would like to provide an explanation, as follows, on the characteristics of a company with an audit & supervisory committee, the reasons for the transition, and the company structure after the transition.

Characteristics of a Company with an Audit & Supervisory Committee

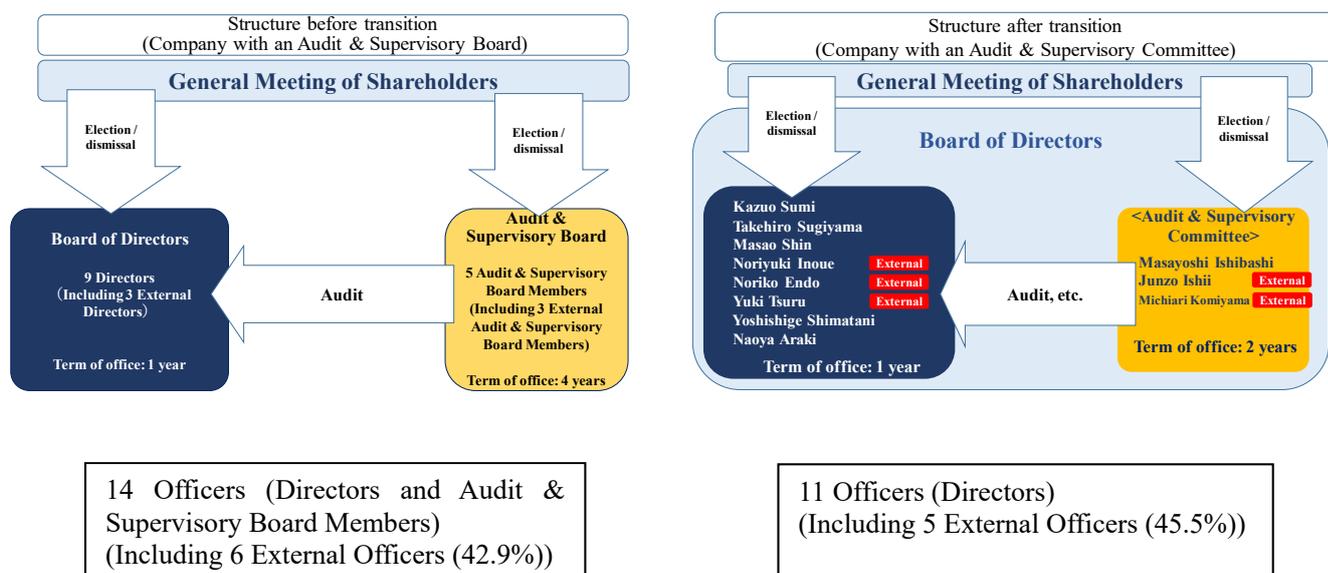
○ Directors who are audit & supervisory committee members have voting rights as directors on the board of directors and are involved in the determination of proposals to elect and dismiss directors as well as the decision-making on the appointment and removal of representative directors and other business execution matters. Additionally, audit & supervisory committee members elected by the audit & supervisory committee have the authority to state their opinion at the general meetings of shareholders on the election, dismissal and remuneration of directors who are not serving as audit & supervisory committee members. In this way, audit & supervisory committee members and audit & supervisory committees have stronger supervisory functions compared with that of audit & supervisory board members and audit & supervisory boards.

○ In a company with an audit & supervisory committee, if there are provisions to such effect set forth in the Articles of Incorporation, etc., the board of directors may by its resolution delegate all or part of the decision-making for the execution of important business to the directors. As a result, directors who have been delegated this authority are able to expedite business decision-making and engage in flexible business execution.

Reasons for the transition

The Company has consistently striven to strengthen and enhance its corporate governance, with the goals of sustainable growth and raising corporate value in the medium and long term.

By making the transition to a company with an audit & supervisory committee, the Company will grant voting rights to Directors Who Are Audit & Supervisory Committee Members (including several External Directors) as Directors on the Board of Directors to strengthen the supervisory function of the Board of Directors as well as enhance the transparency of management, and delegate a portion of the authority to determine business execution to the Directors to enhance the agility of business execution and thereby seek to achieve further improvement of corporate value.



Second Item of Business: Partial Amendment to the Articles of Incorporation

1. Reason for the Proposal

In order to a transition to a company with an audit & supervisory committee, as stated above, the Company proposes to establish new provisions with respect to Directors Who Are Audit & Supervisory Committee Members and the Audit & Supervisory Committee, delete provisions with respect to Audit & Supervisory Board Members and the Audit & Supervisory Board, and make other necessary amendments to the current Articles of Incorporation.

These amendments to the Articles of Incorporation shall take effect at the conclusion of this General Meeting of Shareholders.

2. Details of the Proposed Amendments

Current Articles of Incorporation	Proposed Amendments
<p>(Corporate Organs) Article 4 The Company shall have the following in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) <u>Accounting Auditors</u></p>	<p>(Corporate Organs) Article 4 The Company shall have the following in addition to the General Meeting of Shareholders and Directors: (1) Board of Directors (2) <u>Audit & Supervisory Committee</u> (Deleted) (3) <u>Accounting Auditors</u></p>
<p>(Number of Directors) Article 19 The number of Directors of the Company shall be <u>three (3)</u> or more.</p>	<p>(Number of Directors) Article 19 The number of Directors of the Company shall be <u>four (4)</u> or more. <u>Among the Directors of the Company, the number of Directors Who Are Audit & Supervisory Committee Members shall be three (3) or more.</u></p>
<p>(Election Method) Article 20 Directors shall be elected at a General Meeting of Shareholders. The resolution for the election of Directors shall be made by a majority of the votes of shareholders present at a General Meeting of Shareholders, at which one-third or more of all shareholders holding voting rights are present. No cumulative voting shall apply to the resolution for the election of Directors.</p>	<p>(Election Method) Article 20 Directors shall be elected at a General Meeting of Shareholders, <u>while making a distinction between the Directors Who Are Audit & Supervisory Committee Members and other Directors.</u> The resolution for the election of Directors shall be made by a majority of the votes of shareholders present at a General Meeting of Shareholders, at which one-third or more of all shareholders holding voting rights are present. No cumulative voting shall apply to the resolution for the election of Directors.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Term of Office)</p> <p>Article 21 The term of office of Directors shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one (1) year after their election.</p>	<p>(Term of Office)</p> <p>Article 21 The term of office of Directors <u>(excluding Directors Who Are Audit & Supervisory Committee Members)</u> shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one (1) year after their election.</p> <p><u>The term of office of Directors Who Are Audit & Supervisory Committee Members shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within two (2) years after their election.</u></p> <p><u>The term of office of any Director Who Are an Audit and Supervisory Committee Member elected as a substitute of any Director Who Are an Audit and Supervisory Committee Member who resigned before the expiration of the term of office shall expire when the term of office of his or her predecessor Director Who Are an Audit and Supervisory Committee Member would expire.</u></p>
<p>(Convocation Notice of the Meetings of the Board of Directors)</p> <p>Article 24 A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director <u>and each Audit & Supervisor Board Member</u> at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</p>	<p>(Convocation Notice of the Meetings of the Board of Directors)</p> <p>Article 24 A notice of convocation of a meeting of the Board of Directors shall be dispatched to each Director at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</p>
<p>(New)</p>	<p><u>(Delegation of Decisions on Important Business Execution)</u></p> <p><u>Article 26 In accordance with the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may, by a resolution of the Board of Directors, delegate decisions on important business execution (excluding matters listed in each item of Paragraph 5 of the same Article) to Directors in whole or in part.</u></p>
<p>Article <u>26</u> and Article <u>27</u></p> <p>(Text is omitted)</p>	<p>Article <u>27</u> and Article <u>28</u></p> <p>(The article numbers are adjusted; the text is unchanged)</p>
<p>CHAPTER V <u>AUDIT & SUPERVISORY BOARD MEMBERS AND AUDIT & SUPERVISORY BOARD</u></p>	<p>CHAPTER V <u>AUDIT & SUPERVISORY COMMITTEE</u></p>
<p><u>(Number of Audit & Supervisory Board Members)</u></p> <p><u>Article 28</u></p> <p><u>The number of Audit & Supervisory Board Members of the Company shall be three (3) or more.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Election Method)</u> <u>Article 29 Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u> <u>The resolution for the election of Directors shall be made by a majority of the votes of shareholders present at a General Meeting of Shareholders, at which one-third or more of all shareholders holding voting rights are present.</u></p>	(Deleted)
<p><u>(Term of Office)</u> <u>Article 30 The term of office of Audit & Supervisory Board Members shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within four (4) years after their election.</u> <u>The term of office of any Audit & Supervisory Board Member elected as a substitute of any Audit and Supervisory Board Member who resigned before the expiration of the term of office shall expire when the term of office of his or her predecessor Audit and Supervisory Board Member would expire.</u></p>	(Deleted)
<p><u>(Full-time Audit & Supervisory Board Members and Standing Audit & Supervisory Board Members)</u> <u>Article 31 The Audit & Supervisory Board shall by its resolution elect full-time Audit & Supervisory Board Members.</u> <u>The Audit & Supervisory Board may by its resolution appoint a certain number of Standing Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>(Convocation Notice of the Meetings of the Audit & Supervisory Board)</u> <u>Article 32 A notice of convocation of a meeting of the Audit & Supervisory Board shall be dispatched to each Audit & Supervisor Board Member at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</u></p>	(Deleted)
<p><u>(Limitation of Liability Agreements with Audit & Supervisory Board Members)</u> <u>Article 33 The Company may enter into agreements with Audit & Supervisory Board Members to limit their liabilities, stipulated in Article 423, Paragraph 1 of the Companies Act, to the extent stipulated in laws and regulations, provided that the Audit & Supervisory Board Members have performed their duties in good faith and without gross negligence.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Regulations of the Audit & Supervisory Board)</u> <u>Article 34 Matters related to the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board, as determined by the Audit & Supervisory Board, in addition to laws, regulations and the Articles of Incorporation.</u></p>	<p>(Deleted)</p>
<p>(New)</p>	<p><u>(Full-time Audit & Supervisory Committee Members)</u> <u>Article 29 The Audit & Supervisory Committee may by its resolution appoint Full-time Audit & Supervisory Committee Members.</u></p>
<p>(New)</p>	<p><u>(Convocation Notice of the Meetings of the Audit & Supervisory Committee)</u> <u>Article 30 A notice of convocation of a meeting of the Audit & Supervisory Committee shall be dispatched to each Audit & Supervisor Board Committee at least three (3) days before the date of such meeting, provided, however, that such period may be shortened in case of an emergency.</u></p>
<p>(New)</p>	<p><u>(Regulations of the Audit & Supervisory Committee)</u> <u>Article 31 Matters related to the Audit & Supervisory Committee shall be governed by the Regulations of the Audit & Supervisory Committee, as determined by the Audit & Supervisory Committee, in addition to laws, regulations and the Articles of Incorporation.</u></p>
<p>Article <u>35</u> through Article <u>38</u> (Text is omitted)</p>	<p>Article <u>32</u> through Article <u>35</u> (The article numbers are adjusted; the text is unchanged)</p>
<p>(New)</p>	<p><u>Supplementary Provisions</u> <u>(Transitional Measure concerning Limitation of Liability Agreements with Audit & Supervisory Board Members)</u> <u>Article 1 Agreements to limit the liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, arising from the acts of the Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) conducted prior to the conclusion of the 182nd Ordinary General Meeting of Shareholders to be held with respect to the business year ended March 31, 2020 shall remain in effect in accordance with the provisions of Article 33 of the Articles of Incorporation prior to the partial amendments by resolution of the same General Meeting of Shareholders.</u></p>

(Note) Amended parts are underlined.

Third Item of Business: Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all nine (9) Directors shall expire at the close of this General Meeting of Shareholders. Meanwhile, the Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed. Accordingly, the Company proposes the election of eight (8) Directors (excluding Directors Who Are Audit & Supervisory Committee Members; hereinafter the same shall apply throughout this Item of Business).

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

The candidates for the position of Director are as follows.

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
1	Reelection Kazuo Sumi (Apr. 19, 1949) (Male)	<p>Apr. 1973 Joined Hankyu Corporation Jun. 2000 Director of Hankyu Corporation Jun. 2002 Managing Director of Hankyu Corporation Jun. 2003 President and Representative Director of Hankyu Corporation Apr. 2005 President and Representative Director of Hankyu Holdings, Inc. Oct. 2006 President and Representative Director of the Company Mar. 2014 Chairman and Representative Director of Hankyu Corporation (to present) Jun. 2017 Chairman and Representative Director, Group CEO of the Company (to present)</p> <p>Important Positions of Other Organizations Concurrently Held: Chairman and Representative Director of Hankyu Corporation Director of H₂O RETAILING CORPORATION External Director of ASICS Corporation Director of TOHO CO., LTD. Director of TOKYO RAKUTENCHI CO., LTD.</p>	35,340 shares

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
2	<p>Reelection</p> <p>Takehiro Sugiyama (Nov. 20, 1958) (Male)</p>	<p>Apr. 1982 Joined Hankyu Corporation</p> <p>Jun. 2005 Director of Hankyu Corporation</p> <p>Jun. 2006 Director of Hankyu Holdings, Inc.</p> <p>Oct. 2006 Director of the Company</p> <p>Apr. 2007 Managing Director of Hankyu Corporation</p> <p>Jun. 2016 Executive Vice President and Representative Director of the Company</p> <p>Jun. 2016 Executive Vice President and Representative Director of Hankyu Corporation</p> <p>Apr. 2017 President and Representative Director of Hankyu Corporation (to present)</p> <p>Jun. 2017 President and Representative Director of the Company (to present)</p> <p>Important Positions of Other Organizations Concurrently Held:</p> <p>President and Representative Director of Hankyu Corporation Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Director of Hankyu Hanshin Properties Corp. Director of HANKYU TRAVEL INTERNATIONAL CO., LTD. Director of HANKYU HANSHIN EXPRESS Co., Ltd. Director of Hankyu Hanshin Hotels Co., Ltd.</p>	23,850 shares
3	<p>Reelection</p> <p>Masao Shin (May 22, 1957) (Male)</p>	<p>Apr. 1981 Joined HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Jun. 2006 Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Oct. 2006 Director of the Company</p> <p>Apr. 2008 Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Apr. 2014 Senior Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD.</p> <p>Apr. 2017 President and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. (to present)</p> <p>Jun. 2017 Executive Vice President and Representative Director of the Company (to present)</p> <p>Important Positions of Other Organizations Concurrently Held:</p> <p>President and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Director of Hankyu Corporation Director of Hankyu Hanshin Properties Corp.</p>	16,860 shares

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
4	<p>Reelection</p> <p>Candidate for the position of External Director</p> <p>Noriyuki Inoue (Mar. 17, 1935) (Male)</p>	<p>Mar. 1957 Joined DAIKIN INDUSTRIES, LTD.</p> <p>Jun. 1994 President and Representative Director of DAIKIN INDUSTRIES, LTD.</p> <p>Jun. 2002 Chairman and Representative Director and CEO of DAIKIN INDUSTRIES, LTD.</p> <p>Jun. 2003 Director of Hankyu Corporation</p> <p>Apr. 2005 Director of Hankyu Holdings, Inc.</p> <p>Oct. 2006 Director of the Company (to present)</p> <p>Jun. 2014 Chairman of the Board and Chief Global Group Officer of DAIKIN INDUSTRIES, LTD. (to present)</p> <p>Important Positions of Other Organizations Concurrently Held:</p> <p>Chairman of the Board and Chief Global Group Officer of DAIKIN INDUSTRIES, LTD.</p>	7,900 shares
5	<p>Reelection</p> <p>Candidate for the position of External Director</p> <p>Noriko Endo (May 6, 1968) (Female)</p>	<p>Jun. 1994 Joined DAIAMOND, Inc.</p> <p>Sep. 2013 Visiting Researcher at Policy Alternatives Research Institute of The University of Tokyo</p> <p>Apr. 2015 Project Professor of Graduate School of Media and Governance of Keio University</p> <p>Jun. 2019 Director of the Company (to present)</p> <p>Apr. 2020 Project Professor of Global Research Institute of Keio University (to present)</p> <p>Important Positions of Other Organizations Concurrently Held:</p> <p>Project Professor of Global Research Institute of Keio University</p> <p>External Director of NTT DOCOMO, INC.</p> <p>External Director of AIN HOLDINGS INC.</p> <p>External Director of VLC HOLDINGS CO., LTD.</p>	100 shares
6	<p>Reelection</p> <p>Yoshishige Shimatani (Mar. 5, 1952) (Male)</p>	<p>Apr. 1975 Joined TOHO CO., LTD.</p> <p>May 2011 President and Representative Director of TOHO CO., LTD. (to present)</p> <p>Jun. 2015 Director of the Company (to present)</p> <p>Important Positions of Other Organizations Concurrently Held:</p> <p>President and Representative Director of TOHO CO., LTD.</p> <p>External Director of FUJI MEDIA HOLDINGS, INC.</p> <p>External Director of Tokyo Kaikan Co., Ltd.</p> <p>Director of TOKYO RAKUTENCHI CO., LTD.</p>	2,800 shares

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
7	Reelection Naoya Araki (May 14, 1957) (Male)	Apr. 1981 Joined Hankyu Department Stores, Inc. Mar. 2012 President and Representative Director of Hankyu Hanshin Department Stores, Inc. Jun. 2012 Representative Director of H ₂ O RETAILING CORPORATION Jun. 2017 Director of the Company (to present) Apr. 2020 Chairman and Representative Director of Hankyu Hanshin Department Stores, Inc. (to present) Apr. 2020 President and Representative Director of H ₂ O RETAILING CORPORATION (to present) Important Positions of Other Organizations Concurrently Held: Chairman and Representative Director of Hankyu Hanshin Department Stores, Inc. President and Representative Director of H ₂ O RETAILING CORPORATION	700 shares
8	New election Candidate for the position of External Director Yuki Tsuru (May 16, 1969) (Female)	Apr. 2000 Attorney at law (to present) Apr. 2016 Auditor of Hitotsubashi University Important Positions of Other Organizations Concurrently Held: Attorney at law	0 shares

(Notes)

1. The candidates for the position of Director have no special interests in the Company.
2. Ms. Noriko Endo's name on the family register is Ms. Noriko Tsujihiro.
3. Ms. Yuki Tsuru's name on the family register is Ms. Yuki Itami.
4. Mr. Noriyuki Inoue, Ms. Noriko Endo and Ms. Yuki Tsuru are candidates for the position of External Director.
5. The Company has filed with the securities exchange on which its shares are listed a report on independent officers, detailing that Mr. Noriyuki Inoue, Ms. Noriko Endo and Ms. Yuki Tsuru are independent officers. Mr. Noriyuki Inoue, Ms. Noriko Endo and Ms. Yuki Tsuru have satisfied the independence criteria (posted on the Company's website: <https://www.hankyu-hanshin.co.jp/corporate/data/officer.html>) stipulated by the Company which takes into account the requirements for independence prescribed by the securities exchange.
6. The reasons to elect Mr. Noriyuki Inoue, Ms. Noriko Endo and Ms. Yuki Tsuru, respectively, are as follows:
 - (1) Mr. Noriyuki Inoue: Because he has held the position of representative director of DAIKIN INDUSTRIES, LTD. for a long time and as vice-chairman of Kansai Economic

Federation, he is expected to express opinions using his abundant management experience and from the perspective of a business leader.

His term of office from election as an External Director of the Company to the close of this General Meeting of Shareholders is seventeen (17) years.

The Kansai Electric Power Co., Inc., at which Mr. Inoue serves as external director, was issued an order for business improvement by the Minister of Economy, Trade and Industry in March 2020, regarding the receipt of large amounts of cash and gifts by employees and executives of The Kansai Electric Power Co., Inc. from a former deputy mayor of Takahama in Fukui Prefecture.

Although Mr. Inoue was not aware of these problems including the receipt of cash and gifts before these incidents came to light, he had been leveraging his abundant experience and knowledge as a corporate manager to make recommendations from the standpoint of reinforcing governance and compliance at meetings of the board of directors and other meetings of that company on a routine basis; and after he became aware of these problems, he has been fulfilling his duties by making recommendations to thoroughly identify the causes and to formulate business improvement plans to prevent the recurrence of such incidents.

Mr. Inoue is scheduled to retire from the position of external director of The Kansai Electric Power Co., Inc., effective June 25, 2020.

- (2) Ms. Noriko Endo: Because she is expected to express opinions using her abundant experience and knowledge obtained through her public policy studies.

Her term of office from election as an External Director of the Company to the close of this General Meeting of Shareholders is one (1) year.

- (3) Ms. Yuki Tsuru: Because she is expected to express opinions particularly from the standpoint of ensuring compliance in the management of the Company, given that she is currently an actively practicing attorney at law.

7. The Company has entered into individual contracts with Mr. Noriyuki Inoue, Ms. Noriko Endo, Mr. Yoshishige Shimatani and Mr. Naoya Araki, respectively, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, to the effect that their respective liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and regulations.
8. On the condition that this Second Item of Business is approved as proposed, the Company will enter into a contract with Ms. Yuki Tsuru, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, to the effect that her liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and ordinances.
9. Hankyu Corporation carried out a demerger on April 1, 2005, whereby Hankyu Corporation transferred its railway business and all other businesses to Hankyu Railway Business Succession Co., Ltd. (its trade name was changed to Hankyu Corporation on April 1, 2005), and changed its trade name to Hankyu Holdings, Inc. at the same time.
10. Hankyu Holdings, Inc. changed its trade name to Hankyu Hanshin Holdings, Inc. on October 1, 2006 upon the business integration with HANSHIN ELECTRIC RAILWAY CO., LTD.
11. Hankyu Department Stores, Inc. carried out a demerger on October 1, 2007, whereby Hankyu Department Stores, Inc. transferred its department store business to the newly established

Hankyu Department Stores, Inc., and changed its trade name to H₂O RETAILING CORPORATION at the same time. In addition, the newly established Hankyu Department Stores, Inc. merged with Hanshin Department Stores, Inc., on October 1, 2008, and changed its trade name to Hankyu Hanshin Department Stores, Inc.

Fourth Item of Business: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

The Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed. Accordingly, the Company proposes the election of three (3) Directors Who Are Audit & Supervisory Committee Members.

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

Prior approval of the Audit & Supervisory Board has been obtained for proposing this Item of Business.

The candidates for the position of Director Who Are an Audit & Supervisory Committee Member are as follows.

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
1	New election Masayoshi Ishibashi (Feb. 13, 1956) (Male)	Apr. 1979 Joined HANSHIN ELECTRIC RAILWAY CO., LTD. Jun. 2013 Standing Audit & Supervisory Board Member of HANSHIN ELECTRIC RAILWAY CO., LTD (to present) Jun. 2013 Standing Audit & Supervisory Board Member of the Company (to present) Important Positions of Other Organizations Concurrently Held: Standing Audit & Supervisory Board Member of HANSHIN ELECTRIC RAILWAY CO., LTD	5,580 shares

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
2	New election Candidate for the position of External Director Junzo Ishii (Sep. 28, 1947) (Male)	Apr. 1986 Professor at Faculty of Commerce of Doshisha University Apr. 1989 Professor at Faculty of Business Administration of Kobe University Apr. 1999 Professor at Graduate School of Business Administration, Kobe University Apr. 2008 President of University of Marketing and Distribution Sciences Jun. 2010 Audit & Supervisory Board Member of the Company (to present) Apr. 2016 Director of Institute of Marketing and Distribution Sciences Important Positions of Other Organizations Concurrently Held: Audit & Supervisory Board Member of HANSHIN ELECTRIC RAILWAY CO., LTD. External Audit & Supervisory Board Member of Rengo Co., Ltd.	3,900 shares
3	New election Candidate for the position of External Director Michiari Komiya (Sep. 23, 1944) (Male)	Apr. 1971 Appointed as a prosecutor Jan. 1999 Public Prosecutor of the Supreme Public Prosecutors Office Jul. 1999 Chief Public Prosecutor of the Saga District Public Prosecutors Office Jan. 2002 Chief Public Prosecutor of the Kobe District Public Prosecutors Office Jul. 2003 Notary public belonging to the Osaka Legal Affairs Bureau Sep. 2013 Attorney at law (to present) Jun. 2017 Audit & Supervisory Board Member of the Company (to present) Important Positions of Other Organizations Concurrently Held: Attorney at law Audit & Supervisory Board Member of Hankyu Corporation	700 shares

(Notes)

1. The candidates for the position of Director Who Are Audit & Supervisory Board Member have no special interests in the Company.
2. Mr. Junzo Ishii and Mr. Michiari Komiya are candidates for the position of External Director Who Are Audit & Supervisory Committee Member.
3. The Company has filed with the securities exchange on which its shares are listed a report on independent officers, detailing that Mr. Junzo Ishii and Mr. Michiari Komiya are independent officers. Mr. Junzo Ishii and Mr. Michiari Komiya have satisfied the independence criteria (posted on the Company's website: <https://www.hankyu->

hanshin.co.jp/corporate/data/officer.html) stipulated by the Company which takes into account the requirements for independence prescribed by the securities exchange.

- 4 The reasons to elect Mr. Junzo Ishii and Mr. Michiari Komiyama, respectively, are as follows:
- (1) Mr. Junzo Ishii: Because he has held various academic positions, including professor at the Graduate School of Business Administration of Kobe University and president of the University of Marketing and Distribution Sciences, he is expected to express opinions based on his deep insight as an expert in business administration.
- Mr. Ishii is currently an External Audit & Supervisory Board Member of the Company and his term of office will be ten (10) years at the close of this General Meeting of Shareholders.
- (2) Mr. Michiari Komiyama: Because he is a legal professional who has held a series of important positions such as the Chief Public Prosecutor of the Kobe District Public Prosecutors Office and is currently an actively practicing attorney at law, he is expected to provide opinions particularly from the perspective of ensuring compliance in the management of the Company.
- Mr. Komiyama is currently an External Audit & Supervisory Board Member of the Company and his term of office will be three (3) years at the close of this General Meeting of Shareholders.
5. The Company has entered into individual contracts with Mr. Junzo Ishii and Mr. Michiari Komiyama, respectively, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, to the effect that their respective liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and regulations.
- If the elections of Mr. Ishii and Mr. Komiyama are approved, the Company will enter into individual contracts with each of them on the same terms and conditions as the above contracts.

Fifth Item of Business: Election of One (1) Substitute Director Who IS an Audit and Supervisory Committee Member

The Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed. Accordingly, the Company proposes the election of one (1) Substitute Director Who IS an Audit & Supervisory Committee Member, in preparation for instances in which the number of Audit & Supervisory Committee Members falls short of the statutory minimum.

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

Prior approval of the Audit & Supervisory Board has been obtained for proposing this Item of Business.

The candidate for the position of Substitute Director Who IS an Audit & Supervisory Committee Member is as follows.

No.	Name (Date of Birth) (Gender)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
1	New election Candidate for the position of External Director Yuki Tsuru (May 16, 1969) (Female)	Apr. 2000 Attorney at law (to present) Apr. 2016 Auditor of Hitotsubashi University Important Positions of Other Organizations Concurrently Held: Attorney at law	0 shares

(Notes)

1. The candidate for the position of Director Who IS a Substitute Audit & Supervisory Committee Member has no special interests in the Company.
2. Ms. Yuki Tsuru is a candidate for the position of External Director Who IS a Substitute Audit & Supervisory Committee Member.
3. The Company has filed with the securities exchange on which its shares are listed a report on independent officers, detailing that that Ms. Yuki Tsuru is an independent officer, and the Company will continue to report that she is an independent officer if she assumes office as a Director Who IS an Audit & Supervisory Board Member. Ms. Yuki Tsuru has satisfied the independence criteria (posted on the Company's website: <https://www.hankyu-hanshin.co.jp/corporate/data/officer.html>) stipulated by the Company which takes into account the requirements for independence prescribed by the securities exchange.
4. The reasons to elect Ms. Yuki Tsuru: Because she is expected to express opinions particularly from the standpoint of ensuring compliance in the management of the Company, given that she is currently an actively practicing attorney at law.
5. On the condition that the Third Item of Business (Election of Eight (8) Directors (Excluding Directors Who are Audit & Supervisory Committee Members)) is approved as proposed, the Company will enter into a contract with Ms. Yuki Tsuru to the effect that her liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and ordinances, and such contract will be continued if she assumes office as a Director Who IS an Audit & Supervisory Committee Member.

Sixth Item of Business: Setting of the Amount of Compensation for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

The amount of compensation for the Company's Directors approved at the 150th Ordinary General Meeting of Shareholders held on June 29, 1988 was set at 45 million yen or less per month, which has remained in force to date. In conjunction with its transition to a company with an audit & supervisory committee, the Company proposes to abolish this current limit and replace it with a new amount of compensation for Directors (excluding Directors Who Are Audit & Supervisory Committee Members; hereinafter the same shall apply throughout this Item of Business). The Company proposes to set such amount of compensation at 30 million yen or less per month (including 5 million yen or less per month for External Directors), taking into consideration various circumstances such as the amount of Directors' compensation to date and recent economic conditions.

The amount of Directors' compensation will not include the portion of the salary paid to Directors concurrently serving as employees, as before.

Currently, the number of Directors is nine (9) (including three (3) External Directors), and if the Second Item of Business (Partial Amendment to the Articles of Incorporation) and the Third Item of Business (Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)) are approved as proposed, the number of Directors with respect to this Item of Business will be eight (8) (including three (3) External Directors).

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

Seventh Item of Business: Setting of the Amount of Compensation for Directors Who Are Audit & Supervisory Committee Members

The Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

Accordingly, the Company proposes to set the amount of compensation for Directors Who Are Audit & Supervisory Committee Members at 2 million yen or less per month.

If the Second Item of Business (Partial Amendment to the Articles of Incorporation) and the Fourth Item of Business (Election of Three (3) Directors Who Are Audit & Supervisory Committee Members) are approved as proposed, the number of Directors Who Are Audit & Supervisory Committee Members will be three (3).

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

Eighth Item of Business: Adoption of a Stock Compensation Plan for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

In conjunction with the transition to a company with an audit & supervisory committee, the Company proposes to adopt a performance-based stock compensation plan for the Company’s Directors who hold a Chairman or President position among the Directors not Who Are Audit & Supervisory Committee Members (“Eligible Directors”). This plan is, in effect, the same as the performance-based stock compensation plan approved by the 181st Ordinary General Meeting of Shareholders held on June 13, 2019.

1. Reason for the Proposal

The Company plans transition to a company with an audit & supervisory committee subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed. In conjunction with this transition, the Company proposes to continue the current performance-based stock compensation plan for the Company’s Directors who hold a Chairman or President position as a newly adopted performance-based stock compensation plan (the “Plan”) for Eligible Directors. The plan is, in effect, the same as the current performance-based stock compensation and is considered appropriate.

The number of Eligible Directors to which the Plan will apply will be two (2), provided if the Third Item of Business (Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)) is approved as proposed.

Additionally, the Company proposes to set the amount of the stock compensation separately from the amount of compensation proposed in the Sixth Item of Business (Setting of the Amount of Compensation for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)).

The resolution of this Item of Business shall come into effect subject to the Second Item of Business (Partial Amendment to the Articles of Incorporation) being approved as proposed.

2. Amount of compensation and other details of the Plan

(1) Outline of the Plan

The Plan is a stock compensation plan under which the Company’s shares are acquired by a trust using the funds contributed by the Company as compensation for Eligible Directors (the “Trust”), and the Company’s shares and money equivalent to the liquidation value of such shares (“Company Shares, etc.”) are delivered and/or provided (“Delivery, etc.”) through the Trust to Eligible Directors in an amount calculated based on a performance indicator for each fiscal year of the Plan Period. The details of the Plan are described in (2) onward below.

(i) Persons entitled to the Delivery, etc. of Company Shares, etc. that pertains to this proposal	The Company’s Directors who hold a Chairman or President position excluding the Directors Who Are Audit & Supervisory Committee Members
(ii) Impact of the Company’s shares that pertain to this proposal on the total number of issued shares	
Maximum amount of money to be contributed by the Company for the acquisition of the Company’s shares subject to the Delivery, etc. to Eligible Directors (as described in (2) below)	480 million yen in total over the three fiscal years (160 million yen per fiscal year)
Method of acquisition of the Company’s shares and maximum number of Company Shares, etc.	- The maximum number of points that can be granted to Eligible Directors over the three fiscal years during the trust

subject to Delivery, etc. to Eligible Directors (as described in (3) below)	period is 120 thousand points (equivalent to 120 thousand shares). - The average number of points per fiscal year is 40 thousand points (equivalent to 40 thousand shares). * - As the Trust will acquire the Company's shares in stock market transactions, no dilution will occur.
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* Equivalent to approximately 0.02% of the total number of the Company's issued shares (excluding treasury stock) as of March 31, 2020

(iii) Performance indicator (as described in (3) below)	Net income attributable to owners of parent for the relevant fiscal year
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(iv) Timing of Delivery, etc. of Company Shares, etc. to Eligible Directors (as described in (3) below)	After retirement
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(2) Maximum amount of money to be contributed by the Company

The Plan covers a period of three consecutive fiscal years (the "Plan Period"). The Plan Period covering this fiscal year is set as three fiscal years from the one ending on March 31, 2021 to the one ending on March 31, 2023.

For each Plan Period, the Company will contribute trust money in an amount not exceeding 480 million yen as compensation for Eligible Directors, and establish (or extend, as prescribed below; the same hereinafter) a trust for a trust period of three years, the beneficiaries of which will be Eligible Directors who satisfy certain beneficiary requirements.

At the expiration of the trust period, the Company may choose to continue the Plan by amending the trust agreement and contributing additional money to the Trust. In this case, the trust period will be extended for three years and the applicable Plan Period will be the three fiscal years following the extension of the trust period.

For each extended Plan Period, the Company will contribute additional money to the Trust in an amount not exceeding 480 million yen and continue to grant points to Eligible Directors. In cases where such an additional contribution is made, if there are any shares of the Company (excluding Shares, etc. equivalent to the points granted to Eligible Directors and are not yet delivered) or money remaining in the trust property as at the last day of the trust period before the extension ("Residual Assets"), the Residual Assets will be succeeded to by the extended Trust, and the sum of the amount of Residual Assets and additional trust money to be contributed will not exceed 480 million yen. The Plan may subsequently be continued in the same manner by conducting such extension of the trust period multiple times.

If any Eligible Directors who may meet the beneficiary requirements continue to remain in office at the expiration of the trust period, although no further points will be granted thereafter to them, the trust period of the Trust may be extended for a period of up to ten years until such Eligible Directors retire and the Delivery, etc. of Company Shares, etc. to them is completed.

(3) Method of calculation and upper limit of the number of Company Shares, etc. to be delivered to Eligible Directors

In June each year during the trust period, the Company will grant points to Eligible Directors pursuant to the Share Delivery Rules established by the Board of Directors of the Company ("Granted Points"). The specific number of Granted Points to be granted will be determined based on the net income attributable to owners of parent for the most recent fiscal year.

Granted Points will be accumulated each year, and the number of cumulative Granted Points will be converted to ordinary shares of the Company at a conversion rate of one share per point upon the retirement of an Eligible Director. As a general rule, 70% (any shares less than one unit are discarded) of such shares of the Company will be delivered from the Trust, and the remaining number will be liquidated within the Trust and the money equivalent to the liquidation value of such shares will be provided to the Eligible Directors.

The maximum total number of Granted Points to be granted to Eligible Directors during the trust period of the Trust will be 120 thousand points (an average of 40 thousand points per fiscal year) for each Plan Period consisting of three fiscal years.

In the event of an increase or decrease in the number of the Company's ordinary shares held in the Trust due to a share split, gratis allotment of shares, or share consolidation, etc., the Company will make an adjustment to the number of Company Shares, etc. subject to Delivery, etc. per point in accordance with the ratio of such increase or decrease.

(4) Voting rights for the Company's shares held in the Trust

For the purpose of ensuring neutrality with regard to management, no voting rights will be exercised for the Company's shares held in the Trust during the trust period.

(5) Treatment of dividends of the Company's shares held in the Trust

Dividends from shares of the Company held in the Trust will be received by the Trust and used to pay trust fees and expenses of the Trust. Any remaining dividends at the eventual termination of the Trust after the payment of trust fees and expenses will belong to the Company within the limit of the trust expense reserve, which is the amount of trust money less the funds for share acquisition, and any excess over the trust expense reserve will be donated to an organization in which the Company does not have any interest.

(6) Other details of the Plan

Other details of the Plan will be determined by the Board of Directors as necessary.

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