

Notice: This is a translation of the Notice of Convocation of the 179th Ordinary General Meeting of Shareholders of Hankyu Hanshin Holdings, Inc. and is made solely for the convenience of foreign shareholders. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

[Translation]

Securities Code: 9042

May 23, 2017

To our shareholders

Kazuo Sumi, President 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 179th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 179th Ordinary General Meeting of Shareholders of the Company to be held as described below.

If you are unable to attend the meeting, please exercise your voting rights by mail or via the Internet after studying the following reference materials for the General Meeting of Shareholders and confirming the information on the Exercise of Voting Rights on pages 3 through 4.

Details

- Date and Time** 10:00 a.m., **Tuesday, June 13, 2017**
- Location of Meeting** **Main Hall, Umeda Arts Theater**
19-1, Chayamachi, Kita-ku, Osaka-shi
- Purpose of Meeting**

Matters for Reporting:

- Report on the business report, consolidated financial statements and financial statements for the 179th fiscal year (April 1, 2016 to March 31, 2017)
- Report on the audit results of the consolidated financial statements for the 179th 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 nine (9) Directors |
| Fourth Item of Business: | Election of two (2) Audit & Supervisory Board 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 (<http://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.

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 12, 2017 (Monday)
- **Voting via the Internet**
Please access the voting website designated by the Company (<http://www.evotep.jp/>) and input your approval or disapproval of the Items of Business and complete by the designated deadline noted below.
Deadline for exercising voting rights: to be completed by 5:50 p.m. on June 12, 2017 (Monday)

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.

Information on voting via the Internet

When voting via the Internet, please be aware of the following matters before voting.

- (1) Voting website
 - (i) Voting via the Internet is available only by gaining access to the Company's designated voting website (<http://www.evotep.jp/>) from a PC, a smartphone, or a mobile phone (i-mode, EZweb or Yahoo! Mobile). However, please note that you cannot vote via the Internet on the designated website between the hours of 2:00 a.m. and 5:00 a.m.
 - (ii) Please note that you may not be able to vote via PC or smartphone on the designated voting website depending on your Internet settings, such as firewalls, etc., that are in place to regulate your Internet connection, anti-virus software that has been installed, use of a proxy server or no designation of TLS encrypted communication.
 - (iii) When voting via mobile phone, you must use one of the following services: i-mode, EZweb or Yahoo! Mobile. For security reasons, you cannot vote using mobile devices that cannot send encrypted information (TLS communications) or that cannot send information on the mobile phone used.
 - (iv) The Company will accept votes via the Internet received by the end of business hours (5:50 p.m.) on June 12, 2017 (Monday), which is the day immediately prior to the date of the General Meeting of Shareholders. However, you are advised to vote early, and please contact the Help Desk described below if you have any questions.
- (2) Method for voting
 - (i) On the voting website (<http://www.evotep.jp/>), please use the "login ID" and the "temporary password" stated in the voting form, and input your approval or disapproval in accordance with the instructions on the screen.
 - (ii) 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.

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

(3) Costs associated with accessing the voting website

All costs associated with accessing the voting website (cost of internet connections, telephone tolls, etc.) are to be borne by the shareholder. In addition, when voting via smartphone or mobile phone, all data fees and other mobile phone costs incurred in the use of a smartphone or a mobile phone are also to be borne by the shareholder.

Handling of duplicate voting via the Internet

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.

Handling of duplicate voting by mail and 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.

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.

The Company has the basic policy to continue distributing constant dividends, while having set the target total return ratio of 25% for conducting share buyback.

- * 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:

17.50 yen per share of common stock, totaling 4,389,164,430 yen

- * As interim dividends of 17.50 yen per share of common stock were distributed, annual dividends for the current fiscal year amount to 35 yen per share.

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

June 14, 2017

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

1. Reason for the Proposal

- (1) The Company proposes to change the convenor and the chairperson of the General Meeting of Shareholders from the President and Director to the Chairman and Director. (Please see Article 15 of the Proposed Amendments below.)
- (2) In order to enhance management transparency for the purpose of strengthening the corporate governance structure and in view of the fact that the Company does not currently elect any Senior Advisor, the Company proposes to delete the provision concerning the election of Senior Advisors. (Please see Article 24 of the Current Articles of Incorporation below.)
- (3) The Company also makes necessary changes in Article numbers in connection with the above changes.

2. Details of the Proposed Amendments

Current Articles of Incorporation	Proposed Amendments
<p>Article 15. (Convenor and Chairperson)</p> <p>The General Meeting of Shareholders shall be convened and chaired by the <u>President and Director</u> of the Company.</p> <p>In the event that the President and Director is prevented from so acting, the General Meeting of Shareholders shall be convened and chaired by one of the other Directors in the order determined in advance by the Board of Directors.</p>	<p>Article 15. (Convenor and Chairperson)</p> <p>The General Meeting of Shareholders shall be convened and chaired by the <u>Chairman and Director</u> of the Company.</p> <p><u>In the event that the Chairman and Director’s position is vacant or the Chairman and Director is prevented from so acting, the General Meeting of Shareholders shall be convened and chaired by the President and Director.</u> In the event that the President and Director is prevented from so acting, the General Meeting of Shareholders shall be convened and chaired by one of the Directors in the order determined in advance by the Board of Directors.</p>
<p><u>Article 24. (Senior Advisor)</u></p> <p><u>The Board of Directors may elect one or more Senior Advisors by its resolution.</u></p>	<p>(Deleted)</p>
<p>Article <u>25</u> through Article <u>40</u></p> <p>(Texts are omitted)</p>	<p>Article <u>24</u> through Article <u>39</u></p> <p>(The subsequent Articles are renumbered with the provisions unchanged)</p>

(Note) Amended parts are underlined.

Third Item of Business: Election of nine (9) Directors

The terms of office of all fourteen (14) Directors expire at the close of this General Meeting of Shareholders. The Company proposes a reduction in the number of Directors and requests the election of nine (9) Directors in order to strengthen the supervisory function of the Board of Directors and to secure management transparency.

The candidates for the positions of Director are as follows:

No.	Name (Date of Birth)	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)	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 (to present) Apr. 2008 Director of Hankyu Hanshin Hotels Co., Ltd. (to present) Mar. 2014 Chairman and Representative Director of Hankyu Corporation (to present)	35,340 shares
2	Reelection Takehiro Sugiyama (Nov. 20, 1958)	Apr. 1982 Joined Hankyu Corporation Jun. 2005 Director of Hankyu Corporation Jun. 2006 Director of Hankyu Holdings, Inc. Oct. 2006 Director of the Company Apr. 2007 Managing Director of Hankyu Corporation Jun. 2016 Executive Vice President and Representative Director of Hankyu Corporation Jun. 2016 Executive Vice President and Representative Director of the Company (to present) Jun. 2016 Director of HANSHIN ELECTRIC RAILWAY CO., LTD. (to present) Oct. 2016 Director of HANKYU TRAVEL INTERNATIONAL CO., LTD. (to present) Oct. 2016 Director of HANKYU HANSHIN EXPRESS Co., Ltd. (to present) Apr. 2017 President and Representative Director of Hankyu Corporation (to present)	20,850 shares

No.	Name (Date of Birth)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
3	Reelection Candidate for the position of External Director Noriyuki Inoue (Mar. 17, 1935)	Mar. 1957 Joined DAIKIN INDUSTRIES, LTD. Jun. 1994 President and Representative Director of DAIKIN INDUSTRIES, LTD. Jun. 2002 Chairman and Representative Director and CEO of DAIKIN INDUSTRIES, LTD. Jun. 2003 Director of Hankyu Corporation Apr. 2005 Director of Hankyu Holdings, Inc. Oct. 2006 Director of the Company (to present) Jun. 2014 Chairman of the Board and Chief Global Group Officer of DAIKIN INDUSTRIES, LTD. (to present)	7,100 shares
4	Reelection Candidate for the position of External Director Shosuke Mori (Aug. 6, 1940)	Apr. 1963 Joined The Kansai Electric Power Company, Incorporated Jun. 2005 President and Representative Director of The Kansai Electric Power Company, Incorporated Jun. 2010 Director of the Company (to present) Jun. 2010 Chairman and Representative Director of The Kansai Electric Power Company, Incorporated Jun. 2016 Senior Adviser of The Kansai Electric Power Company, Incorporated (to present)	9,300 shares
5	Reelection Yoshishige Shimatani (Mar. 5, 1952)	Apr. 1975 Joined TOHO CO., LTD. May 2011 President and Representative Director of TOHO CO., LTD. (to present) Jun. 2015 Director of the Company (to present)	1,000 shares
6	Reelection Takaoki Fujiwara (Feb. 23, 1952)	Apr. 1975 Joined HANSHIN ELECTRIC RAILWAY CO., LTD. Jun. 2005 Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Jun. 2007 Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Apr. 2011 President and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Jun. 2011 Director of the Company (to present) Apr. 2015 Chairman and Representative Director of Hanshin Hotel Systems Co., Ltd. (to present) Apr. 2017 Chairman and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. (to present)	11,320 shares

No.	Name (Date of Birth)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
7	Reelection Yoshihiro Nakagawa (May 6, 1953)	Apr. 1976 Joined Hankyu Corporation Jun. 2005 Director of Hankyu Corporation Apr. 2007 Managing Director of Hankyu Corporation Apr. 2013 Senior Managing Director and Representative Director of Hankyu Corporation Mar. 2014 President and Representative Director of Hankyu Corporation Jun. 2014 Director of the Company (to present) Apr. 2017 Chairman and Representative Director of Hankyu Hanshin Hotels Co., Ltd. (to present)	14,300 shares
8	Reelection Masao Shin (May 22, 1957)	Apr. 1981 Joined HANSHIN ELECTRIC RAILWAY CO., LTD. Jun. 2006 Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Oct. 2006 Director of the Company (to present) Apr. 2008 Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Apr. 2014 Senior Managing Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Apr. 2016 Director of Hankyu Corporation (to present) Apr. 2017 President and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. (to present)	15,260 shares
9	New Naoya Araki (May 14, 1957)	Apr. 1981 Joined Hankyu Department Stores, Inc. Mar. 2012 President and Representative Director of HANKYU HANSHIN DEPARTMENT STORES, INC. (to present) Jun. 2012 Representative Director of H ₂ O RETAILING CORPORATION (to present)	0 shares

(Notes)

1. The candidates for the positions of Director have no special interest in the Company.
2. Mr. Noriyuki Inoue and Mr. Shosuke Mori are candidates for the positions of External Director.
3. The Company has filed with the securities exchange on which its shares are listed a report on independent officers, detailing that Mr. Noriyuki Inoue and Mr. Shosuke Mori are independent officers. Mr. Noriyuki Inoue and Mr. Shosuke Mori have satisfied the independence criteria (posted on the Company's website: <http://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. Noriyuki Inoue and Mr. Shosuke Mori, 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 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 fourteen (14) years.

- (2) Mr. Shosuke Mori: Because he long held the position of representative director of The Kansai Electric Power Company, Incorporated, which carries out business expected to benefit the public as our group does, and of chairman of Kansai Economic Federation, he is expected to express opinions using his abundant managerial experience, and from the perspective of a business leader and with understanding of corporate social responsibility.

His term of office from election as an External Director of the Company to the close of this General Meeting of Shareholders is seven (7) years.

It is noted that in January 2014, the Japan Fair Trade Commission issued a cease and desist order and a surcharge payment order to Kanden Engineering Corporation, where Mr. Mori held the position of Audit & Supervisory Board Member, because the company had substantially limited competition by colluding with other operators in conducting order intake adjustments. With respect to this matter, Mr. Mori received reports on preventative measures and their implementation status, and took necessary measures and fulfilled his responsibility as an Audit & Supervisory Board Member.

5. The Company has entered into individual contracts with Messrs. Noriyuki Inoue, Shosuke Mori and Yoshishige Shimatani, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 28 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 ordinances.
6. On the condition that this Third Item of Business is approved as proposed, the Company will enter into a contract with Mr. Naoya Araki, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 28 of the Articles of Incorporation of the Company, to the effect that his liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and ordinances.
7. Hankyu Corporation carried out a corporate division 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.
8. 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.
9. Hankyu Department Stores, Inc. carried out a corporate division 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 two (2) Audit & Supervisory Board Members

The term of office of Mr. Masayoshi Ishibashi and Mr. Takaharu Dohi expires at the close of this General Meeting of Shareholders. The Company requests the election of two (2) Audit & Supervisory Board Members.

The Audit & Supervisory Board has previously given its approval on this proposal.

The candidates for the position of Audit & Supervisory Board Members are as follows:

No.	Name (Date of Birth)	Summary of Career and Important Positions of Other Organizations Concurrently Held	Number of Shares of the Company Owned
1	Reelection Masayoshi Ishibashi (Feb. 13, 1956)	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)	4,780 shares
2	New Candidate for the position of External Audit & Supervisory Board Member Michiari Komiyama (Sep. 23, 1944)	Apr. 1971 Appointed as a public 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)	0 shares

(Notes)

- The candidates for the position of Audit & Supervisory Board Members have no special interest in the Company.
- Mr. Michiari Komiyama is a candidate for the position of External Audit & Supervisory Board Member and the reasons to elect him is as follows:
Because he has long been a legal professional who held a series of important positions such as the Chief Public Prosecutor of the Kobe District Public Prosecutors Office and now actively works as an attorney-at-law, he is expected to provide opinions particularly from the perspective of ensuring compliance in the management of the Company.
- The Company has filed with the securities exchange on which its shares are listed a report on independent officer, detailing that Mr. Michiari Komiyama is an independent officer on the condition that this Fourth Item of Business is approved as proposed. Mr. Michiari Komiyama has satisfied the independence criteria (posted on the Company's website: <http://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.
- On the condition that this Fourth Item of Business is approved as proposed, the Company will enter into a contract with Mr. Michiari Komiyama, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 35 of the Articles of Incorporation of the Company to the effect that his liability for damages under Article 423, Paragraph 1 of the Companies Act shall be limited to the amount specified by laws and ordinances.
- Mr. Masayoshi Ishibashi has considerable knowledge of finance and accounting.

6. Mr. Michiari Komiyama is expected to assume office as an Audit & Supervisory Board Member of Hankyu Corporation as of June 13, 2017.

End of Document