

Independent Directors/Auditors Notification

1. Basic Information

Company name	Tosei Corporation			Securities code	8923
Submission date	02-Feb-17	Date (plan) of change to independent directors/auditors	24-Feb-17		
Reason for submission of the Notification	Submission, to Ordinary General Meeting of Shareholders, of an agenda item proposing election of Outside Audit & Supervisory Board Member				
<input checked="" type="checkbox"/> The Company appoints all persons who qualify as independent director/auditor as such (*1).					

2. Matters Regarding Independence of Independent Directors/Auditors and Outside Officers

No.	Name	Outside Director or Outside Audit & Supervisory Board Member	Independent director/auditor	Director/auditor of attributes												Detail of change	Consent of the principal	
				a	b	c	d	e	f	g	h	i	j	k	l			Not applicable
1	Goro Kamino	Outside Director	Yes															Obtained
2	Kenichi Shotoku	Outside Director	Yes															Obtained
3	Yutaka Kitamura	Outside Audit & Supervisory Board Member	Yes															Obtained
4	Hiroshi Nishinakama	Outside Audit & Supervisory Board Member	Yes															Obtained
5	Tatsuki Nagano	Outside Audit & Supervisory Board Member	Yes															Obtained
6	Osamu Doi	Outside Audit & Supervisory Board Member	Yes															Obtained

3. Attributes of Independent Directors/Auditors and Reasons for Appointment Thereof

No.	Description of independence (*4)	Reasons for appointment (*5)
1		Director Kamino secures independence as he has no such interest that may cause any conflict of interest with general shareholders. He has extensive experience and a high level of insights as a management executive at listed companies, including gas companies of a highly public nature, and the Company believes that he can adequately supervise other directors and also provide advice and recommendations to ensure the adequacy and appropriateness of the directors' decision-making from his objective standpoint.
2	Director Shotoku served as Representative Director of SCS Global Consulting (S) Pte Ltd., which had a consignment contract with the Company for consulting on overseas business deployment, etc. However, since the amount of consignment was not material and the economic dependence of the said company on Tosei Corporation was low, the Company believes that it is unlikely that he will have any conflict of interest with general shareholders.	Director Shotoku has extensive experience and expertise as a certified public accountant, including overseas service, and the Company believes that he can provide appropriate supervision of the Company's management from his objective standpoint as an accounting expert.
3		Audit & Supervisory Board Member Kitamura secures independence as he has no such interest that may cause any conflict of interest with general shareholders. He has extensive experience and expert knowledge, accumulated mainly at major financial institutions including work overseas. Consequently, the Company believes that he can perform a role in ensuring the adequacy and appropriateness of the Company's management, particularly from a financial and global viewpoint.

4	<p>Audit & Supervisory Board Nishinakama was an executive at The Bank of Tokyo-Mitsubishi UFJ, Ltd., with which the Company has a business relationship, until 2007. In addition, he was an executive at ORIX Corporation, with which the Company also has a business relationship, until February 2015. However, since the Company has a low level of economic dependence on each of these companies in light of the scale of these business relationships, the Company believes that this does not have an impact on the independence of Mr. Nishinakama as an Outside Audit & Supervisory Board Member.</p>	<p>Audit & Supervisory Board Nishinakama has extensive experience and expert knowledge, accumulated mainly at major financial institutions including work overseas. Consequently, the Company believes that he can perform a role in ensuring the adequacy and appropriateness of the Company's management, particularly from a financial and global viewpoint.</p>
5		<p>Audit & Supervisory Board Member Nagano secures independence as he has no such interest that may cause any conflict of interest with general shareholders. He has experience at major financial institutions and continues to be involved in corporate management as a company representative, and the Company believes that he can utilize his extensive experience and high level of expert insights to perform a role in ensuring the adequacy and appropriateness of the Company's management.</p>
6		<p>Audit & Supervisory Board Member Doi secures independence as he has no such interest that may cause any conflict of interest with general shareholders. The Company believes that he can utilize his extensive experience and expert knowledge he has accumulated at a major securities firm and at a company engaged in investment banking to perform a role in ensuring the adequacy and appropriateness of the Company's management.</p>

4. Supplementary Information

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- *1 Check the check box if the Company notifies all persons who qualify as independent director/auditor as such.
- *2 The check items about the Director/auditor of attributes
- a: Person who executes business of the listed company or its subsidiary
 - b: Director or accounting advisor (where the person is an outside auditor) who is not executive personnel of the listed company or its subsidiary
 - c: Person who executes business of non-executive of a parent company of the listed company
 - d: Person who Audit & Supervisory Board Member of a parent company of the listed company
 - e: Person who executes business of a fellow subsidiary of the listed company
 - f: Party for which the listed company is a major client or a person who executes its business
 - g: Listed company's major client or a person who executes its business
 - h: Consultant, accounting professional, or legal professional who receives a large amount of money or other financial asset other than remuneration for directorship/auditorship from the listed company
 - i: Listed company's major shareholder (in case of a corporate shareholder, person who executes its business)
 - j: Person who executes business of a client (who does not fall under the following f nor g) of the listed company (only for principals)
 - k: Person who executes business of an entity in which the outside officer has concurrent positions to serve (only for principals)
 - l: Person who executes business of an entity to which the listed company make donations (only for principals)
- Note that the description of a to l above is a brief writing of provisions of the regulations of the Exchange.
- *3 Fill in the applicable box with ○ if the person himself is applicable currently or recently, and with △ if applicable in the past.
Fill in the applicable box with ● if relatives are applicable currently or recently, and with ▲ if applicable in the past.
- *4 If any of items a to l is applicable, describe the outline.
- *5 Reason for appointing the person as an independent director/auditor.