

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 9010)
June 2, 2017

To Shareholders with Voting Rights:

Koichiro Horiuchi
President and Representative Director
FUJI KYUKO CO., LTD.
2-1, Shin-nishihara 5-chome,
Fujiyoshida-shi, Yamanashi

**NOTICE OF
THE 116TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 116th Annual General Meeting of Shareholders of FUJI KYUKO CO., LTD. (the “Company”). The meeting will be held for the purposes described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or by electromagnetic means, such as the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders, and indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it to us or cast your vote on the voting website designated by the Company after reading “Guidance for the Exercise of Voting Rights via the Internet” on pages 3–4. Either way, your vote must be received by 6 p.m. on Wednesday, June 21, 2017, Japan time.

- 1. Date and Time:** Thursday, June 22, 2017, at 10 a.m. Japan time
- 2. Place:** Highland Resort Hotel & Spa “Grand Banquet Fuji”
6-1, Shin-nishihara 5-chome, Fujiyoshida-shi, Yamanashi
(By train, get off at the Fuji-Q Highland Station on the Fujikyuko Line)
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 116th Fiscal Year (April 1, 2016–March 31, 2017) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 116th Fiscal Year (April 1, 2016–March 31, 2017)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Reverse Stock Split
 - Proposal 3:** Partial Amendments to the Articles of Incorporation
 - Proposal 4:** Election of Five (5) Directors
 - Proposal 5:** Election of One (1) Corporate Auditor
- 4. Matters concerning the exercise of voting rights:**
 - (1) If you have exercised your voting rights both by sending the Voting Rights Exercise Form and via the Internet, the vote cast through the Internet shall be deemed valid.
 - (2) If you have exercised your voting rights via the Internet more than once, the latest vote shall be deemed valid.
 - (3) In accordance with laws and regulations and Article 18 of the Company’s Articles of Incorporation,

the Notes to the Consolidated Financial Statements and the Notes to the Non-consolidated Financial Statements are not attached to this notice of annual general meeting of shareholders and instead are provided on the Company's website (<http://www.fujikyu.co.jp/soumu/investors/meeting.html>). As part of the Consolidated Financial Statements and the Non-consolidated Financial Statements, said notes have been audited by the Accounting Auditor and the Corporate Auditors of the Company.

- (4) 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 posted on the Company's website shown in (3) above.
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - There is no lunch service beginning with this shareholders' meeting. Your understanding is appreciated. After the shareholders' meeting, we will have an informal gathering for shareholders as usual.

Guidance for the Exercise of Voting Rights via the Internet

Exercise of voting rights via the Internet should be done by accessing the voting website designated by the Company and casting your vote upon understanding of the following matters.

Any inquiries about the use of the voting website should be directed to the Help Desk shown below.

If you attend the shareholders' meeting in person, voting via the Voting Rights Exercise Form or the Internet is unnecessary.

1. Voting website

The voting website on the Internet: http://www.evotep.jp/

- (1) Exercise of voting rights via the Internet is only possible by accessing the above voting website through a computer, a smartphone or a mobile phone (i-mode, EZweb or Yahoo! Keitai).^{*} (However, this voting service is not available from 2 a.m. to 5 a.m. each day.)
- (2) The exercise of voting rights through a computer or a smartphone might not be possible, depending on your system environment for using the Internet, in such cases that an antivirus software is in operation, the proxy server is in use and/or TLS-encrypted communication is not available.
- (3) For the exercise of voting rights via a mobile phone, please use any of the services of i-mode, EZweb or Yahoo! Keitai. For security reasons, the voting system is available only through models that allow TLS-encrypted communication and transmission of information on mobile phones.
- (4) You will be able to exercise your voting rights via the Internet up to 6 p.m. on Wednesday, June 21, 2017. However, we would be grateful if you would exercise your voting rights as early as possible.

Note: "i-mode," "EZweb" and "Yahoo!" are trademarks or registered trademarks of NTT DOCOMO INC., KDDI CORPORATION and Yahoo! Inc., respectively.

2. Exercise of voting rights via the Internet

- (1) Please enter the "Login ID" and "Temporary Password," which are shown on the enclosed Voting Rights Exercise Form, and vote for or against each proposal in accordance with the on-screen instructions.
- (2) To prevent unauthorized access by third parties other than the Company's shareholders and the alteration of votes, the voting site will request a user to change his/her "Temporary Password."
- (3) Shareholders will be notified of a new "Login ID" and "Temporary Password" each time a shareholders' meeting is convened.

3. Handling of multiple votes

- (1) If you have exercised your voting rights both by sending the Form for Exercising Voting Rights and via the Internet, those exercised via the Internet will be taken as valid.
- (2) If you have exercised your voting rights multiple times on the Internet, the final vote will be deemed valid. If you have cast multiple votes by using two or more of a computer, a smartphone or a mobile phone, the final vote will be deemed valid.

4. Charges for accessing the voting site

Please be aware that you shall incur the fees and charges for accessing the voting site (Internet access fees, phone charges and others). If you access said website by mobile phone, you shall also incur the packet communication fees and other charges related to the use of the mobile phone.

For any inquiries about the use of the voting website, contact:

Toll-free number: 0120-173-027 (9 a.m.–9 p.m.) Stock Transfer Agency Department (Help Desk) Mitsubishi UFJ Trust and Banking Corporation
--

To Institutional Investors:

The Company subscribes to the “ICJ Platform,” an electronic voting platform operated by ICJ, Inc.

End

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company proposes to pay a year-end dividend of ¥7.50 per share for the fiscal year ended March 31, 2017, while conforming to the basic policy of maintaining stable dividends and taking into account the business results for the fiscal year under review and other factors. (The previous year-end dividend was ¥7 per share, including a commemorative dividend of ¥1 per share.)

- 1) Type of property for dividends
Cash
- 2) Allotment of property for dividends and total amount thereof
¥7.50 per share of the Company's common stock
Total amount: ¥800,591,250
- 3) Effective date of distribution of surplus
June 23, 2017

Proposal 2: Reverse Stock Split

1. Reason for the reverse stock split

In line with the “Action Plan for Consolidating Trading Units,” all Japanese stock exchanges seek to unify the minimum trading units of common shares of all listed domestic companies at 100 shares.

Respecting this intent as a company listed on the Tokyo Stock Exchange, the Company proposes to change the number of shares constituting one trading unit of the Company’s shares from 1,000 shares at present to 100 shares and conduct a reverse stock split to adjust the investment unit of the Company’s shares to an appropriate standard while taking into account share price fluctuations over the medium to long term.

2. Type of shares to be consolidated and the ratio of consolidation

Subject to the approval of Proposal 3 “Partial Amendments to the Articles of Incorporation” as originally proposed, it is proposed to consolidate two shares of the Company’s common stock into one share.

Fractional shares less than one share, which would result from the consolidation, will be disposed of collectively as prescribed in the Companies Act, and the amount of money in exchange for such disposal will be distributed to the respective stockholders according to the ratio of the fractional shares they hold.

3. Effective date of the reverse stock split

October 1, 2017

4. Total number of authorized shares as of the effective date

165,847,500 shares

5. Other matters

It is proposed that other procedural requirements be left to the discretion of the Board of Directors.

Proposal 3: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

(1) Changing the method of public notice

To enhance the function and convenience in and reduce the costs of giving public notice, it is proposed to adopt the method of electronic public notice in place of the conventional public notice method and to prescribe measures to be taken whenever an electronic public notice method is impossible for unavoidable reasons.

(2) Changing the total number of authorized shares and the number of shares constituting one unit

Subject to the approval of Proposal 2 “Reverse Stock Split” as originally proposed, it is proposed to reduce the total number of authorized shares in proportion to the ratio of consolidation of shares and to change the number of shares constituting one unit of its shares from 1,000 shares to 100 shares in order to change the trading unit of the Company’s shares to 100 shares.

Regarding the above amendments, it is proposed to add a supplementary provision that these amendments shall take effect as of October 1, 2017, or the effective date of said reverse stock split, and to delete said provision as of the same date.

2. Details of the amendments

Details of the amendments are as follows.

(Amended portions are underlined.)

Current Articles CHAPTER I GENERAL PROVISIONS	Amended Articles CHAPTER I GENERAL PROVISIONS
Article 1 through Article 3 (Text Omitted)	Article 1 through Article 3 (Unchanged)
(Method of Public Notice) Article 4 The Company’s public notice shall be given in <i>Nihon Keizai Shimbun</i> , or Nikkei Inc.’s flagship daily business newspaper in paper form, <u>to be published in Tokyo.</u>	(Method of Public Notice) Article 4 The Company’s public notice shall be given <u>in electronic form. Provided, however, that said notice shall be given in <i>Nihon Keizai Shimbun</i>, or Nikkei Inc.’s flagship daily business newspaper in paper form, whenever the electronic public notice is impossible due to an accident or any other unavoidable reason.</u>
CHAPTER II SHARES	CHAPTER II SHARES
(Total Number of Authorized Shares) Article 5 The total number of authorized shares to be issued by the Company shall be <u>331,695,000</u> shares.	(Total Number of Authorized Shares) Article 5 The total number of authorized shares to be issued by the Company shall be <u>165,847,500</u> shares.
Article 6 (Text Omitted)	Article 6 (Unchanged)
(Number of Shares Constituting One Unit) Article 7 The number of shares constituting one unit of the Company shall be <u>one thousand (1,000).</u>	(Number of Shares Constituting One Unit) Article 7 The number of shares constituting one unit of the Company shall be <u>one hundred (100).</u>
Article 8 through Article 44 (Text Omitted)	Article 8 through Article 44 (Unchanged)
(New Provision)	<u>Supplementary Provision</u> <u>Article 1</u> <u>The amendments to Article 5 and Article 7 shall take effect as of October 1, 2017. This supplementary provision shall be deleted when said amendments become effective.</u>

Proposal 4: Election of Five (5) Directors

The terms of office of five (5) Directors—Takaichi Fukushige, Tomofumi Akiyama, Mamoru Ozaki, Shinji Kushiro and Yoshiki Sato—will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of five (5) Directors is proposed.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions
1	<p>Takaichi Fukushige (December 1, 1953)</p> <p>To be reappointed</p> <p>Number of the Company's shares held: 11,000</p>	<p>April 1977 Joined The Industrial Bank of Japan, Limited ("IBJ") (currently Mizuho Financial Group, Inc.; hereinafter the same applies)</p> <p>June 1997 Associate Director-General, Group II of Marketing Department X, IBJ</p> <p>May 1988 Associate Director-General, Group I of Osaka Marketing Department I, IBJ</p> <p>June 2001 Deputy General Manager, Operations Department, IBJ</p> <p>April 2002 General Manager, Auditors Office, Mizuho Financial Group, Inc.</p> <p>August 2002 Deputy General Manager, Credit Department No. 1, Mizuho Bank, Ltd.</p> <p>April 2005 Advisor of the Company</p> <p>June 2005 Director of the Company</p> <p>June 2007 Manager, Group Business Div. of the Company</p> <p>June 2008 Managing Director of the Company</p> <p>June 2008 Manager, Group Business Div. of the Company and in charge of Real Estate Business Div.</p> <p>June 2010 Senior Managing Director of the Company (to present)</p> <p>June 2012 Senior Executive Officer of the Company (to present)</p> <p>December 2014 Manager, Group Business Div. of the Company and in charge of Marketing Div. and Real Estate Business Div.</p> <p>June 2015 Manager, Group Business Div. of the Company and in charge of Marketing Div. and Real Estate Business Div., and Chairman, IT Promotion Committee</p> <p>November 2016 Manager, Group Business Div. of the Company and in charge of Marketing Div. and Real Estate Business Div. (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • President and Representative Director, Fujikyu Marine Resort Co., Ltd. • Chairman and Representative Director, Sagamiko Resort Co., Ltd.
<p>Reasons for selecting the candidate for Director</p> <p>Takaichi Fukushige has engaged in the leisure and service and real estate businesses at the Company and spent many years at financial institutions, accumulating considerable experience. As Director of the Company, he has actively contributed to discussions at the Board of Directors' meetings. These achievements make him judged as qualified to be nominated again for Director.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions
2	Tomofumi Akiyama (August 13, 1935) To be reappointed Number of the Company's shares held: 0	July 1984 Director, Fukoku Mutual Life Insurance Company March 1989 Managing Director, Fukoku Mutual Life Insurance Company July 1998 President and Representative Director, Fukoku Mutual Life Insurance Company June 1999 Director of the Company (to present) July 2010 Chairman of the Board, Fukoku Mutual Life Insurance Company (to present) [Significant concurrent positions] •Chairman of the Board, Fukoku Mutual Life Insurance Company •Outside Director, Imperial Hotel, Ltd. •External Director, TOKYO DOME CORPORATION •Outside Director, Nisshinbo Holdings Inc. •Outside Director, Showa Denko K.K.
	Reasons for selecting the candidate for Outside Director Tomofumi Akiyama has considerable experience in corporate management as is seen by the fact that he is currently assigned as Chairman of the Board of Fukoku Mutual Life Insurance Company. We believe his highly professional experience in corporate management will enable him to provide appropriate advice on the overall matters of corporate management from an objective standpoint independent from the Company's officers responsible for business execution, thereby further reinforcing the Company's management structure. For these reasons, he is judged as qualified to be nominated for Outside Director.	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	
3	Mamoru Ozaki (May 20, 1935) To be reappointed Number of the Company's shares held: 0	<p>April 1958 Joined the Ministry of Finance (Research Division, Tax Bureau)</p> <p>April 1975 Councilor, Embassy of Japan in United States of America, Ministry of Foreign Affairs of Japan</p> <p>July 1980 Secretary to the Prime Minister</p> <p>June 1983 Director of Administration and Legal Division, Minister's Secretariat, Ministry of Finance</p> <p>June 1984 Director-General of Kinki Local Finance Bureau, Ministry of Finance</p> <p>December 1988 Director-General of Tax Bureau, Ministry of Finance</p> <p>June 1991 Commissioner, National Tax Agency</p> <p>June 1992 Administrative Vice Minister, Ministry of Finance</p> <p>May 1994 Governor & CEO, People's Finance Corporation (currently Japan Finance Corporation)</p> <p>October 1999 Governor & CEO, National Life Finance Corporation (currently Japan Finance Corporation)</p> <p>January 2003 Counselor, Research Institute, People's Finance Corporation</p> <p>February 2003 Executive Advisor, Yazaki Corporation (to present)</p> <p>June 2003 Director of the Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Executive Advisor, Yazaki Corporation • Outside Director, Wacoal Holdings Corp. • Outside Director, Kikkoman Corporation 	
		<p>Reasons for selecting the candidate for Outside Director</p> <p>Mamoru Ozaki once held important positions, including Administrative Vice Minister, at the Ministry of Finance. After leaving the ministry, he has been involved in corporate management, accumulating considerable experience in various fields. We believe such experience will enable him to provide appropriate advice on the overall matters of corporate management from an objective standpoint independent from the Company's officers responsible for business execution, thereby further reinforcing the Company's management structure. For these reasons, he is judged as qualified to be nominated for Outside Director.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions
4	Shinji Kushiro (March 1, 1941) To be reappointed Number of the Company's shares held: 0	April 1991 Director, TOKYO DOME CORPORATION April 1995 Managing Director, TOKYO DOME CORPORATION April 2002 Representative Director and Managing Executive Officer, TOKYO DOME CORPORATION April 2004 Representative Director and Senior Managing Executive Officer, TOKYO DOME CORPORATION April 2008 Representative Director, Vice President and Executive Officer, TOKYO DOME CORPORATION April 2009 Representative Director, President and Executive Officer, TOKYO DOME CORPORATION April 2010 Representative Director, President and COO, TOKYO DOME CORPORATION April 2012 Representative Director, President and COO and in charge of Safety Promotion Office, TOKYO DOME CORPORATION June 2013 Director of the Company (to present) April 2014 Representative Director, President and COO, TOKYO DOME CORPORATION April 2016 Representative Director, Chairman and CEO, TOKYO DOME CORPORATION April 2017 Chairperson and Director, TOKYO DOME CORPORATION (to present) [Significant concurrent positions] • Chairperson and Director, TOKYO DOME CORPORATION • External Director, TOKYOTOKEIBA Co., Ltd.
		Reasons for selecting the candidate for Outside Director Shinji Kushiro currently serves as Chairperson and Director of TOKYO DOME CORPORATION, with considerable experience in tourism. We believe his highly professional experience in business management will enable him to provide appropriate advice on the overall matters of corporate management from an objective standpoint independent from the Company's officers responsible for business execution, thereby further reinforcing the Company's management structure. For these reasons, he is judged as qualified to be nominated for Outside Director.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	
5	Yoshiki Sato (December 5, 1949) To be reappointed Number of the Company's shares held: 0	April 2003 April 2004 July 2004 July 2008 June 2015 April 2017	Executive Officer, Asahi Mutual Life Insurance Company Managing Executive Officer, Asahi Mutual Life Insurance Company Director and Managing Executive Officer, Asahi Mutual Life Insurance Company Representative Director and President, Asahi Mutual Life Insurance Company Director of the Company (to present) Representative Director and Chairman, Asahi Mutual Life Insurance Company (to present) [Significant concurrent positions] • Representative Director and Chairman, Asahi Mutual Life Insurance Company • Outside Audit & Supervisory Board Member, The Yokohama Rubber Co., Ltd. • Outside Corporate Auditor, ADEKA CORPORATION • Outside Auditor, FUJI ELECTRIC CO., LTD.
	Reasons for selecting the candidate for Outside Director Yoshiki Sato currently serves as Representative Director and Chairman of Asahi Mutual Life Insurance Company, with considerable experience in corporate management. We believe his highly professional experience in business management will enable him to provide appropriate advice on the overall matters of corporate management from an objective standpoint independent from the Company's officers responsible for business execution, thereby further reinforcing the Company's management structure. For these reasons, he is judged as qualified to be nominated for Outside Director.		

Notes:

1. The Company has business relationships with Asahi Mutual Life Insurance Company, including the borrowing of funds.
2. Messrs. Tomofumi Akiyama, Mamoru Ozaki, Shinji Kushiro and Yoshiki Sato are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7, of the Ordinance for Enforcement of the Companies Act.
3. Matters concerning the candidates for Outside Director:
 Messrs. Tomofumi Akiyama, Mamoru Ozaki, Shinji Kushiro and Yoshiki Sato have been notified with the Tokyo Stock Exchange as independent directors as set forth by the regulations of said Exchange. If the reelection of these four candidates is approved, they will continue to be designated as independent directors.
 Messrs. Tomofumi Akiyama, Mamoru Ozaki, Shinji Kushiro and Yoshiki Sato will have served as Director of the Company for 18 years, 14 years, four years and two years, respectively, as of June 2017.
4. An agreement of limitation of liability with the candidates for Outside Director
 Pursuant to Article 427, Paragraph 1, of the Companies Act, the Company has an agreement with each of the four candidates Tomofumi Akiyama, Mamoru Ozaki, Shinji Kushiro and Yoshiki Sato to limit the liability for damages prescribed in Article 423, Paragraph 1, of said Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by law.
 If the reelection of these four candidates is approved, the Company will continue said agreement with them.

Proposal 5: Election of One (1) Corporate Auditor

The term of office of Corporate Auditor Kazuya Okamoto will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Corporate Auditor is proposed. The Board of Corporate Auditors has previously given its approval to this proposal. The candidate is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions	
Kazuya Okamoto (October 16, 1934) To be reappointed Number of the Company's shares held: 5,000	June 1986	Director, The Mitsubishi Bank, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.; hereinafter the same applies)
	June 1989	Representative Managing Director, The Mitsubishi Bank, Ltd.
	June 1994	Representative Senior Managing Director, The Mitsubishi Bank, Ltd.
	January 1998	Representative Director and Deputy President, The Bank of Tokyo-Mitsubishi, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
	June 1998	Representative Director and President, Tokyo Mitsubishi Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.; hereinafter the same applies)
	June 2001	Representative Director and Chairman, Tokyo Mitsubishi Securities Co., Ltd.
	April 2002	Senior Advisor, Matsuya Co., Ltd. (to present)
	June 2005	Corporate Auditor of the Company (to present)
		[Significant concurrent positions] • Executive Advisor, Matsuya Co., Ltd.
		Reasons for selecting the candidate for Outside Corporate Auditor From his professional viewpoint based on his considerable experience and expertise accumulated through his service at financial institutions, Kazuya Okamoto is expected to provide us with instructive comments as well as perform auditing jobs on the overall management of the Company. For these reasons, it is proposed to appoint him as Outside Corporate Auditor.

Notes:

1. Mr. Kazuya Okamoto is a candidate for Outside Corporate Auditor as stipulated in Article 2, Paragraph 3, Item 8, of the Ordinance for Enforcement of the Companies Act.
2. Matters concerning the candidate for Outside Corporate Auditor:
Mr. Kazuya Okamoto has been notified with the Tokyo Stock Exchange as an independent auditor as set forth by the regulations of said Exchange. If the reelection of Mr. Okamoto is approved, he will continue to be designated as an independent auditor. He will have served as Corporate Auditor of the Company for 12 years as of June 2017.
3. An agreement of limitation of liability with the candidate for Outside Corporate Auditor
Pursuant to Article 427, Paragraph 1, of the Companies Act, Mr. Kazuya Okamoto and the Company have an agreement to limit the liability for damages as prescribed in Article 423, Paragraph 1, of said Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by law.
If the reelection of Mr. Okamoto is approved, the Company will continue said agreement with him.

End