

To Our Shareholders:

3-31-1 Myoon-dori, Mizuho-ku, Nagoya
Sanyo Housing Nagoya Co., Ltd.
Souichi Miyazaki, Representative Director
and President

Notice of the 26th Annual Meeting of Shareholders

The Company would hereby like to request shareholders to attend the Company's 26th Annual Meeting of Shareholders as described below.

If you are unable to attend the meeting on the date, you may also exercise your voting rights in writing. We kindly request you to read the following Reference Document for the Annual Meeting of Shareholders, indicate "for" or "against" on each agenda item on the voting form enclosed herewith, and return it no later than 6:00 p.m., November 24, 2015 (Tuesday).

Sincerely yours,

- 1. Date:** 10:00 a.m., November 25 (Wednesday), 2015
(Reception starts at 9:00 a.m.)
- 2. Venue:** 2F, Zuiun, Hotel Mielparque NAGOYA
3-16-16 Aoi, Higashi-ku, Nagoya
- 3. Purposes:**
 - Items to be reported:**
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Audit & Supervisory Board for the 26th business period (September 1, 2014 to August 31, 2015)
 2. The non-consolidated financial statements for the 26th business period (September 1, 2014 to August 31, 2015)
 - Items to be resolved:**
 - Agenda No. 1:** Partial Amendment to the Articles of Incorporation
 - Agenda No. 2:** Election of Eight (8) Directors
 - Agenda No. 3:** Election of One (1) Audit & Supervisory Board Member

When you attend the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue.

If there are any revisions to the Reference Document for the Annual Meeting of Shareholders, and/or the business report, the consolidated and the non-consolidated financial statements, such revisions will be listed on the Company's website. (URL: <http://www.sanyo-hn.co.jp>)

Agenda No. 1: Partial Amendment to the Articles of Incorporation

1. Reasons for proposal

Following enforcement of the Act for Partial Revision of the Companies Act (Act No. 90 of 2014) effective May 1, 2015, the Company may enter into a liability limitation agreement with Directors who are not Executive Directors, etc. and Audit & Supervisory Board Members who are not Outside Audit & Supervisory Board Members. Accordingly, the Company proposes a partial amendment of Article 28, Paragraph 2 and Article 37, Paragraph 2 of the Articles of Incorporation to enable such Directors and Audit & Supervisory Board Members to fulfill their expected roles adequately.

With regard to the amendment of Article 28, Paragraph 2 of the Articles of Incorporation, the consent of each of the Audit & Supervisory Board Members has been obtained.

2. The details of revision

The details of revision of the Articles of Incorporation are as follows.

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed amendments
Article 1 to 27 (Omitted) (Exemption from Liability of Directors)	Article 1 to 27 (Unchanged) (Exemption from Liability of Directors)
Article 28 1. (Omitted) 2. The Company may enter into an agreement with <u>Outside Directors</u> that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations, provided that such <u>Outside Directors</u> act in good faith without gross negligence in the performance of their duties.	Article 28 1. (Unchanged) 2. The Company may enter into an agreement with <u>Directors (excluding Directors who are Executive Directors, etc.)</u> that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations, provided that such <u>Directors</u> act in good faith without gross negligence in the performance of their duties.
Article 29 to 36 (Omitted) (Exemption from Liability of Audit & Supervisory Board Members)	Article 29 to 36 (Unchanged) (Exemption from Liability of Audit & Supervisory Board Members)
Article 37 1. (Omitted) 2. The Company may enter into an agreement with <u>Outside Audit & Supervisory Board Members</u> that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations, provided that such <u>Outside Audit & Supervisory Board Members</u> act in good faith without gross negligence in the performance of their duties.	Article 37 1. (Unchanged) 2. The Company may enter into an agreement with <u>Audit & Supervisory Board Members</u> that limits the liability provided for in Article 423, Paragraph 1 of the Companies Act within the limits stipulated by laws and regulations, provided that such <u>Audit & Supervisory Board Members</u> act in good faith without gross negligence in the performance of their duties.
Article 38 to 44 (Omitted)	Article 38 to 44 (Unchanged)

Agenda No. 2: Election of Eight (8) Directors

The terms of the office of all seven (7) Directors expire at the conclusion of this Annual Meeting of Shareholders. We propose the addition of one (1) Outside Director to strengthen corporate governance. Accordingly, we propose the election of eight (8) Directors, including two (2) Outside Directors.

The candidates for Directors are as follows.

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
1	Souichi Miyazaki (October 19, 1948) [Reappointment]	<p>November 1989 Establishment of the Company, Representative Director and President (incumbent)</p> <p>[Significant concurrent positions]</p> <p>Representative Director, Sanyo Engineering-works Survey Co., Ltd.</p> <p>Representative Director, Sanyo Best Home Co., Ltd.</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 14/14 (100%)</p> <p>*Term of office as the Company Director: 26 years (at the conclusion of this Annual Meeting of Shareholders)</p>	4,067,700
2	Yasunari Sawada (May 4, 1971) [Reappointment]	<p>February 1990 Joined the Company</p> <p>October 2003 Executive Officer, Department Head of Sales</p> <p>August 2004 Executive Officer, Department Manager of Sales</p> <p>November 2006 Director and Executive Officer, Department Manager of Sales</p> <p>November 2011 Managing Director and Department Manager of Sales (incumbent)</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 13/14 (93%)</p> <p>*Term of office as Company Director: 9 years (at the conclusion of this Annual Meeting of Shareholders)</p>	54,400

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
3	Eiji Sugiura (December 22, 1953) [Reappointment]	<p>April 1976 Joined the Tokai Bank, Ltd. (currently, the Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>November 1999 Manager of the Kasadera Branch of the bank</p> <p>April 2001 Seconded to the Toyo Trust and Banking Company, Ltd. (currently, the Mitsubishi UFJ Trust and Banking Corporation)</p> <p>April 2003 Joined Nadex Co., Ltd.</p> <p>April 2005 Department Head of General Affairs</p> <p>August 2007 Joined the Company, Department Head of Finance</p> <p>October 2008 Executive Officer, Department Head of Finance</p> <p>November 2009 Director and Executive Officer, Department Head of Finance</p> <p>November 2011 Managing Director, Department Manager of Administration (incumbent)</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 14/14 (100%)</p> <p>*Term of office as Company Director: 6 years (at the conclusion of this Annual Meeting of Shareholders)</p>	24,300
4	Naoki Mito (December 27, 1961) [Reappointment]	<p>April 1980 Joined National House Industrial Co., Ltd. (currently, PanaHome Corporation)</p> <p>April 2006 Joined Sanyo Best Home Co., Ltd.</p> <p>October 2006 Joined the Company</p> <p>April 2007 Department Head of Construction</p> <p>November 2007 Executive Officer, Department Head of Construction</p> <p>November 2009 Director and Executive Officer, Department Head of Construction</p> <p>November 2011 Director and Executive Officer, Department Manager of Construction</p> <p>March 2015 Director and Executive Officer, Department Manager of Construction and Department Head of Design (incumbent)</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 13/14 (93%)</p> <p>*Term of office as Company Director: 6 years (at the conclusion of this Annual Meeting of Shareholders)</p>	5,300

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
5	Noboru Kohara (January 12, 1957) [Reappointment]	<p>April 1979 Joined Sasaki Glass Co., Ltd. (currently, Toyo-Sasaki Glass Co., Ltd.)</p> <p>September 1990 Joined Kokusai Securities Co., Ltd. (currently, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>October 1999 General Manager of Osaka IPO Underwriting Department</p> <p>January 2008 Seconded to the Company, Section Chief of Internal Audit</p> <p>July 2008 Section Chief of Corporate Planning</p> <p>October 2008 Executive Officer, Section Chief of Corporate Planning</p> <p>November 2009 Joined the Company, Executive Officer, Section Chief of Corporate Planning</p> <p>November 2009 Director and Executive Officer, Section Chief of Corporate Planning</p> <p>November 2011 Director and Executive Officer, Department Manager of Corporate Management and Section Chief of Corporate Planning (incumbent)</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 14/14 (100%)</p> <p>*Term of office as the Company's Director: 6 years (at the conclusion of this Annual Meeting of Shareholders)</p>	14,500
6	Takaharu Omori (October 6, 1962) [Reappointment]	<p>April 1985 Joined Chuo Sogo Bank, Ltd. (currently, the Aichi Bank, Ltd.)</p> <p>June 2011 Manager of Shinmichi Branch</p> <p>July 2013 Seconded to the Company, Department Head of General Affairs</p> <p>November 2013 Executive Officer, Department Head of Personnel</p> <p>September 2014 Joined the Company, Executive Officer, Department Head of Personnel</p> <p>November 2014 Director and Executive Officer, Department Head of Personnel (incumbent)</p> <p>*Status of attending Board of Directors' Meetings during the 26th business period: 10/10 (100%) (since appointment in November 2014)</p> <p>*Term of office as the Company's Director: 1 year (at the conclusion of this Annual Meeting of Shareholders)</p>	300

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
7	Takashi Ori (November 11, 1948) [New appointment] [Outside Director Candidate]	<p>April 1971 Joined the Juroku Bank, Ltd.</p> <p>June 1995 Director, General Manager of Marketing at Head Office</p> <p>June 1997 Managing Director, General Manager of Marketing at Head Office</p> <p>June 2000 Senior Managing Director</p> <p>June 2004 President and Representative Director, Juroku Lease Co., Ltd.</p> <p>June 2010 President and Representative Director, Juroku DC Card Co., Ltd. (currently, Juroku Card Co., Ltd.)</p> <p> President and Representative Director, Juroku JCB Co., Ltd. (currently, Juroku Card Co., Ltd.)</p> <p>June 2013 President and Representative Director, Juroku Research Institute Co., Ltd.</p> <p>June 2015 Advisor to the company (incumbent)</p> <p>[Significant concurrent positions] Advisor to Juroku Research Institute Co., Ltd.</p>	0
8	Akikazu Endo (March 16, 1971) [Reappointment] [Outside Director Candidate]	<p>October 1998 Joined Tohmatsu & Co. Nagoya Office (currently, Deloitte Touche Tohmatsu LLC Nagoya Office)</p> <p>April 2002 Registered as certified public accountant</p> <p>June 2003 Left Tohmatsu & Co. Nagoya Office</p> <p>July 2003 Joined Tohmatsu Consulting Co., Ltd. (currently, Deloitte Tohmatsu Consulting LLC)</p> <p>November 2005 Establishment of Endo Accounting Office, Director (incumbent)</p> <p>November 2014 Outside Director of the Company (incumbent)</p> <p>[Significant concurrent positions] Director, Endo Accounting Office *Status of attending Board of Directors' Meetings during the 26th business period: 10/10 (100%) (since the appointment in November 2014) *Term of office as the Company's Director: 1 year (at the conclusion of this Annual Meeting of Shareholders)</p>	200

Notes:

1. There are no special relationships of interest between the Company and Director candidates.
2. Mr. Takashi Ori and Mr. Akikazu Endo are candidates for Outside Director.
3. The Company proposes the election of Mr. Takashi Ori based on the judgment that he will be able to perform the duties of Outside Director due to his considerable expertise in finance and accounting obtained from many years of banking experience and extensive experience of corporate management.
4. Although Mr. Akikazu Endo has no direct experience of corporate management, he has a high level of professional knowledge obtained as a certified public accountant. The Company has concluded that he

will be able to perform the duties of Outside Director and proposes his election.

5. If the election of Mr. Takashi Ori is approved, the Company will enter into an agreement with Mr. Ori to limit his liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act, provided, however, that the amount of the liability limitation under the said agreement is the minimum liability amount provided for by Article 425, Paragraph 1 of the said Act if he acts in good faith without gross negligence in the performance of his duties. Meanwhile, the Company has concluded the said agreement with Mr. Akikazu Endo, and will continue the said agreement if his reappointment is approved.
6. Mr. Takashi Ori and Mr. Akikazu Endo meet the requirements of Independent Officer specified by the Tokyo Stock Exchange, Inc. and Nagoya Securities Exchange, Inc. The Company will register them with those stock exchanges as Independent Officers.

Agenda No. 3: Election of One (1) Audit & Supervisory Board Member

The term of Audit & Supervisory Board Member Norio Senju expires at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Audit & Supervisory Board Member.

With regard to this agenda item, the consent of the Audit & Supervisory Board has been obtained.

The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Brief profile, position at the Company, and significant concurrent positions	Number of the Company's shares owned
Norio Senju (May 3, 1948) [Reappointment]	<p>April 1971 Joined Chuo Sogo Bank, Ltd. (currently, the Aichi Bank, Ltd.)</p> <p>June 2001 Manager of Tokodori Branch</p> <p>June 2003 Standing Corporate Auditor</p> <p>April 2011 Outside Director of Sagami Chain Co., Ltd. (incumbent)</p> <p>June 2011 Retired as Standing Corporate Auditor of Aichi Bank, Ltd.</p> <p>September 2011 Joined the Company, Advisor to the Audit & Supervisory Board</p> <p>November 2011 Standing Audit & Supervisory Board Member (incumbent)</p> <p>[Significant concurrent positions] Outside Director of Sagami Chain Co., Ltd. *Status of attending Board of Directors' Meetings during the 26th business period: 14/14 (100%) *Status of attending Audit & Supervisory Board Meetings during the 26th business period: 13/13 (100%) *Term of office of the Company's Audit & Supervisory Board Member: 4 years (at the conclusion of this Annual Meeting of Shareholders)</p>	5,000

Notes:

1. There are no special relationships of interest between the Company and Mr. Norio Senju.
2. If Mr. Norio Senju is elected Audit & Supervisory Board Member and subject to the condition that the Agenda No. 1 "Partial Amendment to the Articles of Incorporation" is approved, the Company will enter into an agreement with Mr. Senju to limit his liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act, provided, however, that the amount of the liability limitation under the said agreement is the minimum liability amount provided for by Article 425, Paragraph 1 of the said Act if such Audit & Supervisory Board Member acts in good faith without gross negligence in the performance of his duties.