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Securities Code: 6412

June 8, 2016

To Those Shareholders with Voting Rights

Katsuya Minei
Representative Director/President
Heiwa Corporation
1-16-1, Higashiueno, Taito-ku,
Tokyo, Japan

NOTICE OF THE 48th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to the 48th Ordinary General Meeting of Shareholders of Heiwa Corporation (the “Company”). The meeting will be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders as described hereinafter, and exercise your voting rights no later than 6:00 p.m. on Tuesday, June 28, 2016.

1. Date and Time: Wednesday, June 29, 2016 at 10:00 a.m.

2. Place: Grand Ballroom “TENKU” (B1F), Tokyo Dome Hotel
1-3-61 Koraku, Bunkyo-ku, Tokyo

3. Agenda of the Meeting:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the 48th Fiscal Year (from April 1, 2015 to March 31, 2016) and results of audits by the Accounting Auditor and the Audit and Supervisory Board of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the 48th Fiscal Year (from April 1, 2015 to March 31, 2016)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Eleven (11) Directors
Proposal No. 3: Election of One (1) Audit and Supervisory Board Member

4. Notice on Exercising Voting Rights:

(1) Exercising Voting Rights in Writing

Please indicate “for” or “against” for each of the proposals in the enclosed Voting Right Exercise Form, and return the form to us no later than 6:00 p.m. on Tuesday, June 28, 2016.

(2) Exercising Voting Rights via the Internet

To exercise your voting rights via the Internet, please refer to the attached “Instructions for Exercising Voting Rights” (abbreviated in this translation) and exercise your voting rights no later than 6:00 p.m. on Tuesday, June 28, 2016.

Shareholders attending the meeting in person are requested to submit the Voting Right Exercise Form enclosed with this notice at the reception desk on the day of the meeting.

A shareholder may exercise his/her voting rights by designating one proxy who is another shareholder of the Company with voting rights. In such cases, please submit a document authorizing the proxy with the Voting Right Exercise Form enclosed with this notice to the Company at the reception desk.

If the Reference Materials for Ordinary General Meeting of Shareholders, Business Report, and Consolidated and Non-consolidated Financial Statements are subsequently revised, the revisions shall be posted on the Company’s website (http://www.heiwanet.co.jp/en/ir/ir_top.php).

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company places top priority on returning profits to shareholders while increasing corporate value. To be more specific, the Company's basic policy is to pay stable dividends in comprehensive consideration of its business plan, financial position, business performance, payout ratio, and dividend on equity ratio, etc.

In accordance with the policy mentioned above, we would like to propose the year-end dividends for the 48th fiscal year as follows:

(1) Type of dividend property

Dividends will be paid in cash.

(2) Appropriation of dividend property to shareholders and total amount

¥40 per share of the Company's common stock, for a total amount of ¥3,938,321,960

(As a result, the annual dividend, including interim dividend of ¥40 per share, would be ¥80 per share at total.)

(3) Effective date of dividends from surplus

June 30, 2016

Proposal No. 2: Election of Eleven (11) Directors

The terms of office of all twelve (12) Directors of the Company will expire at the conclusion of this Meeting. Therefore, the Company proposes to elect eleven (11) Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company, and significant concurrent positions	Number of shares of the Company held
1	Katsuya Minei (Jun. 8, 1956)	<p>Feb. 1988 Joined OLYMPIA BUSSAN CO., LTD. (currently OLYMPIA CO., LTD.)</p> <p>Mar. 1991 Director of OLYMPIA CO., LTD.</p> <p>Jul. 1993 Managing Director of OLYMPIA CO., LTD.</p> <p>Jul. 1994 Senior Managing Director of OLYMPIA CO., LTD.</p> <p>Jun. 2003 Representative Director and Vice President of OLYMPIA CO., LTD.</p> <p>May 2005 Representative Director and President of OLYMPIA CO., LTD.</p> <p>Jun. 2007 Representative Director and Vice President, Chief of Development Production Division of the Company Director of OLYMPIA CO., LTD. (current position)</p> <p>Feb. 2008 Representative Director and Vice President, Chief of Development Division of the Company</p> <p>Dec. 2009 Representative Director and Vice President, Chief of Development Division, in charge of Planning Group of the Company</p> <p>Jan. 2012 Outside Director of PGM Holdings K.K.</p> <p>Jun. 2012 Representative Director and President, Chief of Development Division and Manufacturing Division of the Company</p> <p>Jul. 2012 Representative Director and President, Chief of Development Production Division of the Company</p> <p>Apr. 2014 Representative Director and President, Chief of Development Division of the Company (current position)</p> <p>Jun. 2015 Director of PGM Holdings K.K.(current position)</p>	608,600 (64)

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company, and significant concurrent positions	Number of shares of the Company held
2	Toshinobu Moromizato (Dec. 1, 1958)	<p>Jul. 1984 Joined OLYMPIA BUSSAN CO., LTD. (currently OLYMPIA CO., LTD.)</p> <p>Jun. 2000 Director of OLYMPIA CO., LTD.</p> <p>Oct. 2003 Managing Director of OLYMPIA CO., LTD.</p> <p>May 2005 Senior Managing Director of OLYMPIA CO., LTD.</p> <p>Jun. 2007 Senior Managing Director, Chief of Administrative Division of the Company Director of OLYMPIA CO., LTD. (current position)</p> <p>Jan. 2012 Outside Director of PGM Holdings K.K.</p> <p>Jun. 2012 Representative Director and Vice President, Chief of Administrative Division of the Company (current position)</p> <p>Jun. 2015 Director of PGM Holdings K.K. (current position)</p>	120,300 (58)
3	Yutaka Ohta (Dec. 25, 1958)	<p>Dec. 2000 Joined OLYMPIA CO., LTD.</p> <p>Apr. 2006 General Manager of Management Planning Group of OLYMPIA CO., LTD.</p> <p>Oct. 2007 Executive Officer, in charge of Management Planning Group of Corporate Division of the Company</p> <p>Apr. 2012 Executive Officer, in charge of Management Planning Group of the Company</p> <p>Jun. 2012 Director, in charge of Management Planning Group of the Company</p> <p>Oct. 2012 Director, in charge of Administrative Division of the Company (current position)</p> <p>Aug. 2013 Director of Pacific Golf Management K.K. (current position)</p> <p>Jul. 2014 Director of Pacific Golf Properties K.K. (current position) Director of Pacific Golf Service K.K. (current position)</p>	5,200 (106)
4	Mikio Miyara (Dec. 22, 1961)	<p>May 1987 Joined OLYMPIA BUSSAN CO., LTD. (currently OLYMPIA CO., LTD.)</p> <p>May 2001 Director of JAPAN SETUP SERVICE CORPORATION (current position)</p> <p>Jun. 2007 Director of OLYMPIA CO., LTD.</p> <p>Dec. 2009 Executive Officer, Deputy Chief of Sales Division of the Company</p> <p>Apr. 2014 Executive Officer, Deputy Chief of Sales Division, in charge of Sales Headquarters of the Company</p> <p>Jun. 2014 Director, Chief of Sales Division of the Company (current position) Director of OLYMPIA CO., LTD. (current position)</p>	60,476 (101)

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company, and significant concurrent positions	Number of shares of the Company held
5	Toshio Yoshino (Aug. 20, 1963)	<p>Mar. 1983 Joined the Company</p> <p>Apr. 2006 Deputy Chief of Sales Division, in charge of East Japan and Tokyo Branch Manager of the Company</p> <p>Jun. 2007 Director, Deputy Chief of Sales Division, in charge of East Japan and Tokyo Branch Manager of the Company</p> <p>Oct. 2007 Director, Deputy Chief of Sales Division, in supervision of East Japan of the Company</p> <p>Feb. 2008 Director, Chief of Sales Division and in supervision of East Japan of the Company</p> <p>Dec. 2009 Director, Chief of Sales Division of the Company</p> <p>Apr. 2014 Director, Chief of Sales Division, in charge of East Japan of the Company</p> <p>Jun. 2014 Director, Deputy Chief of Sales Division, in charge of East Japan of the Company (current position)</p>	10,900 (71)
6	Katsumasa Nakada (Feb. 15, 1959)	<p>Sep. 1993 Joined OLYMPIA CO., LTD.</p> <p>Jun. 2004 Director of OLYMPIA CO., LTD.</p> <p>May 2005 Managing Director of OLYMPIA CO., LTD.</p> <p>Dec. 2009 Executive Officer, Deputy Chief of Development Division of the Company Director of OLYMPIA CO., LTD. (current position)</p> <p>Apr. 2014 Executive Officer, Deputy Chief of Development Division, in charge of Engineering Group of the Company</p> <p>Jun. 2014 Director, in charge of Engineering Group of Development Division of the Company (current position)</p>	97,908 (259)
7	Takashi Sagehashi (Oct. 18, 1965)	<p>Jan. 1988 Joined the Company</p> <p>Sep. 2000 Joined OLYMPIA CO., LTD.</p> <p>Apr. 2006 Executive Officer of OLYMPIA CO., LTD.</p> <p>Dec. 2009 Executive Officer, in charge of Planning Team I of Planning Group of Development Division of the Company</p> <p>Apr. 2014 Executive Officer, Deputy Chief of Development Division, in charge of Pachinko Planning Group of the Company</p> <p>Jun. 2014 Director, in charge of Pachinko Planning Group of Development Division of the Company</p> <p>Feb. 2016 Director, in charge of Pachinko Planning Group and Product Design Team of Development Division of the Company</p> <p>Apr. 2016 Director, in charge of Pachinko Planning Group of Development Division of the Company (current position)</p>	17,600 (101)

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company, and significant concurrent positions	Number of shares of the Company held
8	Nobuki Katsumata (Feb. 3, 1972)	Oct. 1997 Joined OLYMPIA CO., LTD. Jun. 2007 Director of OLYMPIA CO., LTD. Apr. 2014 Executive Officer, Deputy Chief of Development Division, in charge of Pachislot Planning Group of the Company Jun. 2014 Director, in charge of Pachislot Planning Group of Development Division of the Company (current position) Director of OLYMPIA CO., LTD. (current position)	4,256 (101)
9	Hisao Arai (Aug. 23, 1960)	Aug. 1982 Joined the Company Jan. 2005 Executive Officer, Deputy Chief of Sales Division of Sales Business Unit, in charge of West Japan of the Company Apr. 2014 Executive Officer, Deputy Chief of Sales Division, in charge of West Japan of the Company Jun. 2014 Director, in charge of West Japan of Sales Division of the Company (current position)	700 (103)
10	Tamiki Kaneshi (Sep. 1, 1953)	Aug. 1984 Joined OLYMPIA BUSSAN CO., LTD. (currently OLYMPIA CO., LTD.) Sep. 1990 Director of OLYMPIA CO., LTD. Jul. 1994 Managing Director of OLYMPIA CO., LTD. Oct. 2003 Senior Managing Director of OLYMPIA CO., LTD. May 2005 Representative Director and Vice President of OLYMPIA CO., LTD. Jun. 2007 Representative Director and President of OLYMPIA CO., LTD. (current position) Sep. 2009 Representative Director and President of OLYMPIA ESTATE CO., LTD. (current position) Jan. 2012 Outside Director of PGM Holdings K.K. Jun. 2012 Director of the Company (current position) Jun. 2015 Director of PGM Holdings K.K. (current position)	360,000 (4,993)

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company, and significant concurrent positions	Number of shares of the Company held
11	Kota Yamaguchi (Jul. 14, 1974)	<p>Oct. 2000 Admitted to the bar in Japan Joined Nagashima Ohno & Tsunematsu</p> <p>Oct. 2003 Joined MIYAKE & YAMAZAKI</p> <p>Jan. 2005 Chief Financial Officer and Director of InfoDeliver Corporation</p> <p>Oct. 2005 Joined Nagashima Ohno & Tsunematsu</p> <p>Jul. 2009 Admitted to the bar in New York State</p> <p>Sep. 2011 Established Kimura Takushima & Yamaguchi Partner of Kimura Takushima & Yamaguchi (current position) Supervisory Director of GLP J-REIT (current position)</p> <p>Jun. 2013 Outside Director of the Company (current position)</p>	—

- Notes:
1. Figures in parentheses in the column showing the number of shares of the Company held by the candidates for Director indicate the number held through the officers' shareholding association. (Fractions of less than one (1) share have been rounded down)
 2. No conflict of interest exists between the candidates for Director and the Company.
 3. Mr. Kota Yamaguchi is a candidate for Outside Director.
 4. The reason for nominating Mr. Kota Yamaguchi as a candidate for Outside Director is as follows:
The Company judged that Mr. Kota Yamaguchi would carry out the duties of Outside Director utilizing his professional knowledge and experience as an attorney at law.
 5. The term of office of Mr. Kota Yamaguchi will be three (3) years at the conclusion of this Meeting.
 6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with Mr. Kota Yamaguchi which shall limit the liability for damages provided for in Article 423, paragraph (1) of the Companies Act, to the extent of the minimum amount of liability provided for in Article 425, paragraph (1) of the Companies Act. In the event that his re-election is approved, the Company plans to continue the said agreement.
 7. The Company has designated Mr. Kota Yamaguchi as an independent director stipulated by the Tokyo Stock Exchange, and has registered him as such at the Exchange. In addition, Mr. Kota Yamaguchi complies with the "Policy on Independence of Outside Directors and Outside Audit and Supervisory Board Members" (refer to Page 10) established by the Company.

Proposal No. 3: Election of One (1) Audit and Supervisory Board Member

Audit & Supervisory Board Members Messrs. Koji Kawano and Takeshi Sato will resign at the conclusion of this Meeting. Therefore, the Company proposes to elect one (1) Audit and Supervisory Board Member.

The Company proposes the election of Mr. Yasuaki Ikemoto, the candidate for Audit and Supervisory Board Member, to fill the vacancy created by Audit and Supervisory Board Member Mr. Koji Kawano. Mr. Yasuaki Ikemoto's term of office shall be until the expiration of the scheduled term of office of retiring Audit and Supervisory Board Member Mr. Koji Kawano, pursuant to Article 32, paragraph (2) of the Articles of Incorporation of the Company.

The Audit and Supervisory Board has already given its consent to this proposal.

The candidate for Audit and Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position and significant concurrent positions		Number of shares of the Company held
* Yasuaki Ikemoto (Jul. 11, 1951)	Jan.	2000	Joined OLYMPIA CO., LTD.
	Jul.	2004	Executive Officer of OLYMPIA CO., LTD.
	Jun.	2007	Director, Deputy Chief of Administrative Division and General Manager of General Affairs Group of the Company
	Oct.	2007	Director, Deputy Chief of Administrative Division of the Company (current position)
	May	2012	Director of Pacific Golf Management K.K. (scheduled to retire on June 27, 2016)
	Jul.	2014	Director of Pacific Golf Properties K.K. (scheduled to retire on June 27, 2016) Director of PGM Properties K.K. (scheduled to retire on June 27, 2016) Director of Chitose Shoji K.K. (scheduled to retire on June 27, 2016)
			20,996 (104)

- Notes:
- * indicates a new candidate for Audit and Supervisory Board Member.
 - The figure in parentheses in the column showing the number of shares of the Company held by the candidate for Audit and Supervisory Board Member indicates the number held through the officers' shareholding association. (Fractions of less than one (1) share have been rounded down)
 - No conflict of interest exists between the candidate for Audit and Supervisory Board Member and the Company.
 - Mr. Yasuaki Ikemoto will retire as Director of the Company at the conclusion of this Meeting.
 - When Mr. Yasuaki Ikemoto is elected, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company will enter into agreement with Mr. Yasuaki Ikemoto which shall limit the liability for damages provided for in Article 423, paragraph (1) of the Companies Act, to the extent of the minimum amount of liability provided for in Article 425, paragraph (1) of the Companies Act.

Policy on Independence of Outside Directors and Outside Audit and Supervisory Board Members

In the event that an Outside Director or Outside Audit and Supervisory Board Member falls under any of the following descriptions, the Company will determine that the person does not have independence.

1. An executive director, executive officer (*shikkoyakuin*) or any other person equivalent thereto or any other employee (hereinafter collectively referred to as “executive”), of the Company and its subsidiaries (hereinafter referred to as the “Group”).
2. A person who was an executive of the Group in the past.
3. A relative within the second degree of kinship, of an executive of the Group.
4. A major shareholder of the Company (a person who holds 10% or more of voting rights of all shareholders of the Company. In the event that the major shareholder is an organization that is a corporation, partnership, etc., “major shareholder” shall refer to an executive belonging to the organization).
5. A relative within the second degree of kinship, of a major shareholder of the Company.
6. A major client or supplier of the Group (any supplier that has received a payment from the Group of 2% or more of consolidated net sales of the Company for the most recent fiscal year, or any client who has paid the Group 2% or more of consolidated net sales of the Company for the most recent fiscal year. In the event that said client or supplier is a company, “major client or supplier” shall refer to an executive of said company).
7. A person providing professional services who received remuneration, etc. of ¥10 million or more in one of the previous three fiscal years from the Group (excluding officer remuneration from the Group).
8. A person who received donations or subsidies of ¥10 million or more in one of the previous three fiscal years from the Group (in the event that said donations or subsidies are received by a corporation, other organization, etc., “person who received donations or subsidies” shall refer to an executive of said organization).
9. An executive of a financial institution or other large-lot creditor (hereinafter referred to as “large-lot creditor etc.”) that is essential to the Company’s financing and that the Company is dependent on to a degree that there is no substitute.
10. A person who was an executive of a large-lot creditor etc. in the previous three years.
11. A person for whom an exceptional reason has been found to exist that would cause a conflict of interest with the Company, notwithstanding the provisions above.