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Notice of Convocation of the 111th Ordinary General Meeting of Shareholders

Securities Code: 1802
June 1, 2015

Dear Shareholders,

You are cordially invited to attend the 111th Ordinary General Meeting of Shareholders of OBAYASHI CORPORATION (hereinafter referred to as the "Corporation"). The meeting will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal voting or Internet voting as below. Prior to voting, please examine the attached Reference Documents for General Meeting of Shareholders and vote in one of the following ways: (1) filling in the enclosed "Form for Exercising Voting Rights" and posting it to us by mail, or (2) via the Internet at the designated website below, so that your vote is received by 5:15 p.m. on Thursday, June 25, 2015 in Japan Standard Time.

Postal voting

Please carefully read and examine "Reference Documents for General Meeting of Shareholders" on pages 3 to 18 and return the enclosed "Form for Exercising Voting Rights" indicating your vote for or against each proposal by the time and date stated above.

Internet voting

Prior to voting, please review "Guide to Exercising Voting Rights via the Internet" on pages 19 to 20, access the website to exercise your voting rights (<http://www.evotep.jp/>) and exercise your voting rights by indicating your vote for or against each proposal by the time and date stated above.

Sincerely yours,

Toru Shiraishi
President
OBAYASHI CORPORATION
2-15-2, Konan, Minato-ku, Tokyo

Notes:

- * You are kindly requested to present the enclosed "Form for Exercising Voting Rights" to the receptionist when you attend the meeting.
- * If you intend to exercise your voting rights by proxy, one other shareholder who possesses voting rights may attend the General Meeting of Shareholders as proxy. If this is the case, please note that such shareholder is requested to submit the letter of proxy.
- * If any changes have been made to items in the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements or the Reference Documents for General Meeting of Shareholders, such changes will be posted on our website (<http://www.obayashi.co.jp/>).
- * Please note that the air conditioning in the building will be set conservatively as a measure to save electricity.

Details of the General Meeting of Shareholders

1. Date and Time:

Friday, June 26, 2015, at 10:00 a.m. (Japan Standard Time)

2. Place:

Head Office of the Corporation (3F Auditorium), Shinagawa Intercity Tower B,
2-15-2, Konan, Minato-ku, Tokyo, Japan

3. Agenda

Matters to be reported:

Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 111th Fiscal Year (from April 1, 2014 to March 31, 2015; hereinafter referred to as the “fiscal year under review”), as well as the audit reports of the Accounting Auditors and the Board of Corporate Auditors for Consolidated Financial Statements

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Partial Amendment to the Articles of Incorporation

Proposal 3: Election of Eleven (11) Directors

Proposal 4: Election of One (1) Corporate Auditor

Proposal 5: Decision of Amount and Contents for Performance-Linked Stock Remuneration for Directors and Executive Officers

Proposal 6: Settlement and Payment of Unpaid Directors’ Retirement Benefits

Reference Documents for General Meeting of Shareholders

Proposals and Reference Issues

Proposal 1: Appropriation of Surplus

Matters concerning year-end dividends

The basic policy of the Corporation is to return profits to shareholders in accordance with its business performance, while placing its priorities on maintaining long-term stable dividends, as well as increasing internal reserves for further strengthening financial standing, technological development and capital investments for the future.

Under the policy, the Corporation proposes a year-end dividend for the fiscal year under review of 6 yen per share. In addition to the interim dividend of 4 yen, the annual dividend would amount to 10 yen per share, an increase of 2 yen from the previous fiscal year.

- (1) Type of dividend property: Cash
- (2) Appropriation of dividends to shareholders and total amount of dividends
Dividend per share: 6 yen
Total amount of dividends: 4,308,754,512 yen
- (3) Date of effectiveness: June 29, 2015

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for amendment

The Act for the Partial Revision of the Company Law (Act No. 90 of 2014) has come into effect on May 1, 2015, and the scope of Directors, etc. who may make a liability limitation agreement has been changed. In connection with this change, the Corporation will make the necessary amendments to Article 25 (Exoneration from liability of Directors) and Article 32 (Exoneration from liability of Auditors) of the current Articles of Incorporation so as to enable Directors excluding Executive Directors, etc. and Corporate Auditors not limited to Outside Corporate Auditors to fully perform their expected roles by having a liability limitation agreement.

We have obtained advance consent from each of the Corporate Auditors with regards to the amendment to Article 25 of the current Articles of Incorporation.

2. Details of proposed amendment

Details of the proposed amendment are as follows:

(Underlined portions indicate the parts that are to be amended.)

Current Article	Proposed Amendment
<p>Article 25 (Exoneration from liability of Directors)</p> <p>According to Clause 1, Article 426 of the Company Law, by a resolution of the Board of Directors, the Corporation may exonerate Directors (including former Directors) within the limits of the relevant law from their liability for damages stipulated in Clause 1, Article 423 of the Company Law.</p> <p>According to Clause 1, Article 427 of the Company Law, the Corporation may enter into a contract with <u>Outside Board Members</u> that sets limits to the liability for damages stipulated in Clause 1, Article 423 of the Company Law. The limited claimable amount according to the contract mentioned above against liability for damages shall be the higher of the amount which is prescribed in advance and is not less than 5 million yen or the amount stipulated in the relevant law.</p>	<p>Article 25 (Exoneration from liability of Directors)</p> <p>According to Clause 1, Article 426 of the Company Law, by a resolution of the Board of Directors, the Corporation may exonerate Directors (including former Directors) within the limits of the relevant law from their liability for damages stipulated in Clause 1, Article 423 of the Company Law.</p> <p>According to Clause 1, Article 427 of the Company Law, the Corporation may enter into a contract with <u>Directors (excluding Executive Directors, etc.)</u> that sets limits to the liability for damages stipulated in Clause 1, Article 423 of the Company Law. The limited claimable amount according to the contract mentioned above against liability for damages shall be the higher of the amount which is prescribed in advance and is not less than 5 million yen or the amount stipulated in the relevant law.</p>
<p>Article 32 (Exoneration from liability of Auditors)</p> <p>According to Clause 1, Article 426 of the Company Law, by a resolution of the Board of Directors, the Corporation may exonerate Corporate Auditors (including former Corporate Auditors) within the limits of the relevant law from their liability for damages stipulated in Clause 1, Article 423 of the Company Law.</p> <p>According to Clause 1, Article 427 of the Company Law, the Corporation may enter into a contract with <u>Outside Corporate Auditors</u> that sets limits to the liability for damages stipulated in Clause 1, Article 423 of the Company Law. The limited claimable amount according to the contract mentioned above against liability for damages shall be the higher of the amount which is prescribed in advance and is not less than 5 million yen or the amount stipulated in the relevant law.</p>	<p>Article 32 (Exoneration from liability of Auditors)</p> <p>According to Clause 1, Article 426 of the Company Law, by a resolution of the Board of Directors, the Corporation may exonerate Corporate Auditors (including former Corporate Auditors) within the limits of the relevant law from their liability for damages stipulated in Clause 1, Article 423 of the Company Law.</p> <p>According to Clause 1, Article 427 of the Company Law, the Corporation may enter into a contract with <u>Corporate Auditors</u> that sets limits to the liability for damages stipulated in Clause 1, Article 423 of the Company Law. The limited claimable amount according to the contract mentioned above against liability for damages shall be the higher of the amount which is prescribed in advance and is not less than 5 million yen or the amount stipulated in the relevant law.</p>

Proposal 3: Election of Eleven (11) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, with the aim of further strengthening the corporate governance structure, we propose to increase the number of Outside Directors by one (1) and elect a total of eleven (11) Directors (including two (2) Outside Directors).

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation	Number of the Corporation's shares held
1	Takeo Obayashi (Jun. 9, 1954)	Apr. 1977 Joined the Corporation Jun. 1983 Director of the Corporation Jun. 1985 Managing Director of the Corporation Jun. 1987 Senior Managing Director of the Corporation Jun. 1989 Executive Vice President of the Corporation Jun. 1997 Vice Chairman of the Corporation Jun. 2003 Chairman of the Corporation Jun. 2007 Director of the Corporation Jun. 2009 Chairman Representative Director of the Corporation (incumbent)	16,814,095
2	Toru Shiraishi (Jun. 29, 1947)	Jul. 1971 Joined the Corporation Jun. 2001 Director of the Corporation Jun. 2003 Managing Director of the Corporation Jun. 2005 Managing Officer of the Corporation Apr. 2007 Senior Managing Officer of the Corporation Jun. 2007 Representative Director President of the Corporation (incumbent)	57,000
3	Shozo Harada (Sep. 27, 1949)	Apr. 1973 Joined the Corporation Jun. 2005 Executive Officer of the Corporation Apr. 2007 Managing Officer of the Corporation Jun. 2007 Managing Director of the Corporation Jun. 2009 Senior Managing Director of the Corporation Apr. 2010 Director Senior Managing Executive Officer of the Corporation Apr. 2011 Representative Director Senior Managing Executive Officer of the Corporation Apr. 2012 Representative Director Executive Vice President of the Corporation (incumbent) (In charge: overall administration, Group Business)	26,000
4	Nao Sugiyama (Nov. 6, 1949)	Apr. 1975 Joined the Corporation Apr. 2007 Executive Officer of the Corporation Apr. 2009 Managing Officer of the Corporation Jun. 2009 Managing Director of the Corporation Apr. 2010 Director Senior Managing Executive Officer of the Corporation Apr. 2012 General Manager, Building Construction Division of the Corporation (incumbent) Apr. 2015 Representative Director Executive Vice President of the Corporation (incumbent) (In charge: overall building construction and General Manager, Building Construction Division)	14,000

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation	Number of the Corporation's shares held
5 (New Appoint- ment)	Kozaburo Tsuchiya (Jan. 27, 1951)	Apr. 1973 Joined the Corporation Apr. 2008 Executive Officer of the Corporation Apr. 2010 Managing Officer of the Corporation Apr. 2012 Senior Managing Executive Officer of the Corporation Apr. 2013 General Manager, Civil Engineering Construction Division of the Corporation (incumbent) Apr. 2015 Executive Vice President of the Corporation (incumbent) (In charge: overall civil engineering construction and General Manager, Civil Engineering Construction Division)	15,000
6	Makoto Kishida (Nov. 14, 1951)	Apr. 1974 Joined the Corporation Jun. 2005 Executive Officer of the Corporation Apr. 2007 Managing Officer of the Corporation Jun. 2007 Managing Director, General Manager, Building Construction Division of the Corporation Apr. 2009 General Manager, Tokyo Building Construction Division of the Corporation Jun. 2009 Senior Managing Director of the Corporation Apr. 2010 Director Senior Managing Executive Officer of the Corporation (incumbent) General Manager, Tokyo Main Office of the Corporation Apr. 2011 General Manager, Overseas Business Division of the Corporation (incumbent) (In charge: General Manager, Overseas Business Division) (Significant concurrent position: Director, Thai Obayashi Corporation Limited)	15,000
7	Akihisa Miwa (Mar. 23, 1952)	Apr. 1974 Joined the Corporation Jun. 2005 Executive Officer of the Corporation Apr. 2007 Managing Officer of the Corporation Jun. 2007 Managing Director of the Corporation General Manager, Nuclear Facilities Division of the Corporation (incumbent) Nov. 2007 General Manager, Technical Division of the Corporation (incumbent) Apr. 2010 Director Senior Managing Executive Officer of the Corporation (incumbent) (In charge: General Manager, Technical Division and General Manager, Nuclear Facilities Division, Information System)	16,000
8	Kenichi Shibata (Oct. 10, 1949)	Apr. 1972 Joined the Corporation Jun. 2005 Executive Officer of the Corporation Apr. 2007 Managing Officer of the Corporation Aug. 2007 General Manager, Real Estate Development Division of the Corporation Jun. 2008 Managing Director of the Corporation Apr. 2010 Director Senior Managing Executive Officer of the Corporation (incumbent) General Manager, Real Estate Development Division of the Corporation (incumbent) (In charge: General Manager, Real Estate Development Division)	16,000

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation	Number of the Corporation's shares held
9 (New Appoint- ment)	Kenji Hasuwa (Nov. 15, 1953)	Apr. 1977 Joined the Corporation Jun. 2007 General Manager, Division Head Office, Civil Engineering Construction Division of the Corporation Apr. 2010 Executive Officer Deputy General Manager-in-Charge, Civil Engineering Construction Division, Tokyo Main Office of the Corporation Apr. 2011 Deputy General Manager, Technical Division of the Corporation Oct. 2012 Managing Officer of the Corporation (incumbent) Oct. 2014 General Manager, Technology Business Development Division of the Corporation (incumbent) (In charge: General Manager, Technology Business Development Division)	11,000
10	Shinichi Otake (Jan. 25, 1948)	Apr. 1971 Joined NTT Public Corporation (the predecessor of NTT) Jun. 2002 President, NTT ME Tokyo Corporation Jun. 2004 Executive Vice President Nippon Telegraph and Telephone WEST Corporation Jun. 2007 Senior Executive Vice President Jun. 2008 President Jun. 2012 Chief Executive Counselor, Member of the Board Jun. 2013 Outside Director of the Corporation (incumbent) Jun. 2014 Chief Executive Counselor, Nippon Telegraph and Telephone WEST Corporation (incumbent) (Significant concurrent position: Outside Director Osaka International Convention Center Corp.)	0
11 (New Appoint- ment)	Shinichi Koizumi (Feb. 29, 1948)	Apr. 1971 Joined Toray Industries, Inc. Jun. 2004 Vice President (Member of the Board) Jun. 2006 Senior Vice President (Member of the Board) Jun. 2007 Senior Vice President (Member of the Board & Member of the Executive Committee) Jun. 2008 Executive Vice President and Representative Member of the Board Jun. 2013 Senior Advisor Chairman of the Board, Toray Corporate Business Research, Inc. (incumbent) Jun. 2014 Retired from Senior Advisor of Toray Industries, Inc. (Significant concurrent position: Chairman of the Board Toray Corporate Business Research, Inc.)	0

- Notes:
1. No special conflicts of interest exist between the Corporation and the proposed candidates.
 2. Messrs. Shinichi Otake and Shinichi Koizumi are candidates for Outside Directors. In addition, they meet the "Requirements for selection as an Outside Director/Corporate Auditor candidate" stipulated by the Corporation (presented on page 9), and are candidates for independent directors/auditors pursuant to the provisions of the financial instruments exchange on which the Corporation is listed.
 3. We propose to elect Messrs. Shinichi Otake and Shinichi Koizumi as Outside Directors in order to make use of the considerable experience and extensive knowledge they have gained through many years of involvement in company management in appropriate decision making by the Corporation's Board of Directors and supervision of management.
 4. The term of office of Mr. Shinichi Otake as Outside Director will have been two years at the conclusion of this General Meeting of Shareholders.
 5. The Corporation has entered into liability limitation agreement regarding the liabilities described in Clause 1, Article 423 of the Company Law with Mr. Shinichi Otake, under which he shall be liable to compensate for damages up to 5 million yen or the minimum liability limit set forth in Clause 1, Article 425 of the Company Law, whichever is higher, if he was acting in good faith and did not commit gross negligence in performing his duties. If he is re-elected at this General Meeting of Shareholders, the Corporation plans to renew the agreement. In addition, the Corporation plans to enter into the said liability limitation agreement with Mr. Shinichi Koizumi if he is elected at this General Meeting of Shareholders.

Proposal 4: Election of One (1) Corporate Auditor

Of five (5) incumbent Corporate Auditors, the term of office of Corporate Auditor, Tadatsuna Koda, will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to elect one (1) Corporate Auditor.

We obtained the prior consent of the Board of Corporate Auditors with respect to submission of this proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Career summary, position in the Corporation, and significant concurrent positions outside the Corporation	Number of the Corporation's shares held
Hiroshi Yokokawa (Jun. 21, 1947) (New Appointment)	<p>Apr. 1970 Joined the Ministry of International Trade and Industry</p> <p>Sep. 1999 Director General, Consumer Goods Industries Bureau</p> <p>Jun. 2000 Retired from the Ministry of International Trade and Industry</p> <p>Jul. 2000 Executive Vice President, Japan External Trade Organization</p> <p>Jul. 2002 Retired from Japan External Trade Organization</p> <p>Aug. 2002 Advisor, Osaka Gas Co., Ltd.</p> <p>Jun. 2003 Managing Director</p> <p>Jun. 2005 Representative Director and Senior Managing Director</p> <p>Jun. 2008 Representative Director and Executive Vice President</p> <p>Jun. 2009 Representative Director, Executive Vice President</p> <p>Apr. 2011 Director</p> <p>Jun. 2011 Retired from Director of Osaka Gas Co., Ltd.</p> <p>Jul. 2011 President, the Japan Commercial Arbitration Association (incumbent)</p> <p>Jun. 2013 President, Japan Association of Athletics Federations (incumbent)</p> <p>Dec. 2014 Chairman, Association for the Promotion of Electric Vehicles (incumbent)</p> <p>(Significant concurrent position: President, the Japan Commercial Arbitration Association President, Japan Association of Athletics Federations Chairman, Association for the Promotion of Electric Vehicles)</p>	0

- Notes:
1. No special conflicts of interest exist between the Corporation and the proposed candidate.
 2. Mr. Hiroshi Yokokawa is a candidate for an Outside Corporate Auditor. In addition, he meets the "Requirements for selection as an Outside Director/Corporate Auditor candidate" stipulated by the Corporation (presented on page 9), and is a candidate for an independent director/auditor pursuant to the provisions of the financial instruments exchange on which the Corporation is listed.
 3. We propose to elect Mr. Hiroshi Yokokawa as an Outside Corporate Auditor to make use of the considerable experience he has gained through many years of involvement in economy, trade and industry administration and company management in the auditing of the Corporation.
 4. If Mr. Hiroshi Yokokawa is elected at this General Meeting of Shareholders, the Corporation plans to enter into liability limitation agreement regarding the liabilities described in Clause 1, Article 423 of the Company Law with him, under which he shall be liable to compensate for damages up to 5 million yen or the minimum liability limit set forth in Clause 1, Article 425 of the Company Law, whichever is higher, if he was acting in good faith and did not commit gross negligence in performing his duties.

(Reference)

Requirements for selection as an Outside Director/Corporate Auditor candidate

1. The capabilities, knowledge, experience and character of the Outside Director/Corporate Auditor candidate (hereinafter referred to as the “Candidate”) are suitable for an Outside Director/Corporate Auditor at the Corporation, and the Candidate is able to provide directions and opinions to the Corporation’s management from an independent and impartial standpoint.
2. The Candidate is not a former Director/Corporate Auditor or employee of the Corporation or any of its associated companies.
3. The Candidate does not currently belong, and has not belonged in the past, to an Accounting Auditor, law office or main bank with which the Corporation currently has a contract.
4. The Candidate is not a major shareholder with an ownership stake of 10% or more (or a person that currently belongs or has belonged in the past to an entity that is a major shareholder).
5. The Candidate does not currently belong, and has not belonged in the past, to an entity that has a business relationship with the Corporation in which the annual amount of transactions has exceeded 2% of the net sales of both the Corporation and such entity during the last three fiscal years.
6. The Candidate does not currently work, and has not worked in the past, as an executive at a non-profit organization to which the Corporation has made an annual donation exceeding 20 million yen during the last three fiscal years.
7. If the Candidate does not meet the requirements in 3. through 6., at least five years have passed since the candidate left the relevant entity.
8. The Candidate meets the requirements for an independent director/auditor pursuant to the provisions of the Tokyo Stock Exchange’s Securities Listing Regulations.

Proposal 5: Decision of Amount and Contents for Performance-Linked Stock Remuneration for Directors and Executive Officers

1. Reasons for the proposal and reasons for justifying the said remuneration

We hereby request the approval for the introduction of a new performance-linked stock remuneration plan (hereinafter referred to as the “Plan”) for Directors of the Corporation and Executive Officers who have entered into a service agreement with the Corporation (excluding Outside Directors and individuals resident overseas; those Directors and Executive Officers hereinafter referred to as the “Directors, etc.”), in addition to the current remuneration system for Directors which consists of the “Basic Remuneration” only.

By introducing the Plan, the Corporation aims to enhance the awareness among the Directors, etc. towards contributing to improving Corporation’s medium- and long-term performance and to increasing its corporate value by making clearer the link between the remuneration of Directors, etc. and the Corporation’s stock value and by also making Directors, etc. share with shareholders not only benefits enjoyed from stock price rises but also risks arising from stock price falls. Accordingly, the Corporation considers introduction of the Plan justifiable.

Specifically, we ask for approval to pay stock remuneration to the Directors, etc. of the Corporation according to the degree of achievement of performance targets in each fiscal year and other achievements, separately from the maximum amount of Directors’ remuneration (60 million yen or less per month) that was approved at the 101st Ordinary General Meeting of Shareholders held on June 29, 2005.

The number of Directors, etc. who are eligible for the Plan will be a total of fifty-two (52), comprising nine (9) Directors and forty-three (43) Executive Officers, if Proposal 3 “Election of Eleven (11) Directors” (including election of two (2) Outside Directors) is approved as proposed.

Also, if this proposal is approved as proposed, the remuneration of Directors, etc. will comprise “Basic Remuneration” and “Stock Remuneration.”

2. Amount and contents, etc. of the remuneration, etc. of the Plan

(1) Outline of the Plan

The Plan is a stock remuneration plan in which the Corporation’s shares will be acquired through a trust by using moneys contributed by the Corporation as remuneration for Directors, etc. (as stated in (2) below). The Directors, etc. will be delivered Corporation’s shares in a number corresponding to the number of points that are granted to the Directors, etc. of the Corporation every fiscal year according to the degree of achievement of performance targets, etc.; provided, however, that the Corporation’s shares will be delivered to Directors, etc. at the time of their retirement as Directors, etc., in principle.

(2) Maximum amount of moneys to be contributed by the Corporation

(i) Maximum amount of trust money

The Corporation will introduce the Plan for the three consecutive fiscal years (the three fiscal years from the fiscal year ending March 31, 2016 to the fiscal year ending March 31, 2018; if the trust period is extended based on (ii) below, the Plan will be continued on in each period of three fiscal years after the fiscal year ending March 31, 2018; hereinafter referred to as the “Plan Period”).

The Corporation will establish a three-year trust with beneficiary Directors, etc. meeting beneficiary requirements, contributing a maximum total amount of 300 million yen of moneys as remuneration for Directors, etc. in each Plan Period (hereinafter referred to as the “Trust”). This maximum amount is calculated based on the consideration of the remuneration levels, etc. of current Directors, etc. of the Corporation. The Trust will acquire the Corporation’s shares from the stock market by using the trust money in accordance with the direction of the trust administrator.

(ii) Additional contribution, etc. when the trust is continued

The Trust may be continued by amending the trust contract and adding trust at the expiry of the trust period. In such case, the period of the Trust will be extended further for three years, and the Corporation

will make an additional contribution within the range of the total amount of 300 million yen for each of the extended trust period, and continue to grant points to Directors, etc. during the extended trust period. However, in cases where such additional contribution is made, if the Corporation's shares (excluding any undelivered portion of the Corporation's shares corresponding to the number of points granted to Directors, etc.) and moneys (hereinafter referred to as the "Remaining Shares, etc.") remain within the trust assets on the last day of the trust period prior to the extension, the total amounts of the Remaining Shares, etc. and the trust money to be additionally contributed should be 300 million yen or less.

In addition, in cases where Directors, etc. who may meet beneficiary requirements are in office at the expiry of the trust period (or the extended trust period in case of the aforementioned extension of the Trust), the Trust will not be terminated immediately and the period of the Trust will be extended, limited to a certain period. In such case, however, new points will not be granted to the said Directors, etc., and if the said Directors, etc. are still in office at the expiry of the extended trust period, the Corporation's shares will be delivered to the said Directors, etc.

(3) Calculation method and limit of the number of Corporation's shares which Directors, etc. receive

(i) Calculation method of the number of shares

Directors, etc. will be granted points according to the degree of achievement of performance targets, etc. at a certain time of every fiscal year, which ends on March 31, during the trust period. Directors, etc. who died during their service period will be granted points corresponding to the period until their death.

The cumulative value of points (hereinafter referred to as the "Cumulative Number of Points") will be calculated at the retirement of each of Directors, etc. (or at the time of death when the said Directors, etc. died) and the number of the Corporation's shares corresponding to the Cumulative Number of Points will be delivered at a ratio of one share per point. However, in cases where a stock split, a stock consolidation, etc. pertaining to the Corporation's shares is conducted during the trust period, the number of the Corporation's shares per point will be adjusted, according to the split ratio, consolidation ratio, etc. pertaining to the Corporation's shares.

(ii) Maximum number of shares, etc.

The maximum number of shares that the trust will acquire during the trust period under the Plan will be 450,000 shares and the maximum of the aggregate number of points per year which will be granted to Directors, etc. will be 200,000 points.

(4) Delivery of shares to Directors, etc.

At retirement (or death), the Directors, etc. of the Corporation who meet beneficiary requirements will, upon following a specified beneficiary confirmation process, be delivered the number of Corporation's shares corresponding to the number of the points which had been granted until the time of retirement (or the time of death in case of the death of the said Directors, etc.) from the Trust. (However, fractional shares less than one unit will be converted into cash by the Trust, and the cash amount equivalent to the converted cash amount will be provided in accordance with the stipulations stated in the trust contract.)

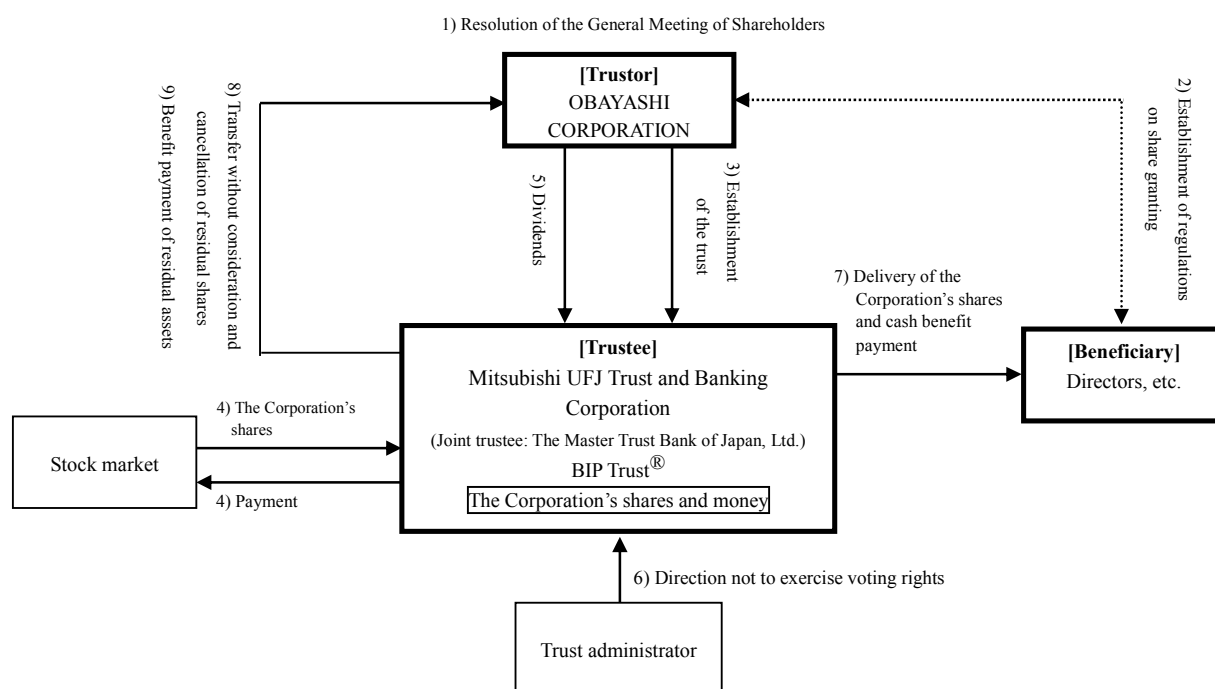
(Reference)

Timely disclosure material titled “Introduction of Performance-Linked Stock Remuneration Plan for the Corporation’s Directors and Executive Officers (Determination of Details)” released on May 13, 2015 (Excerpts)

1. Objectives of introducing the Plan

- (1) The Corporation will introduce the Plan, as a remuneration program closely linked to the Corporation’s performance, as well as having high transparency and objectivity, for Directors of the Corporation and Executive Officers who have entered into a service agreement with the Corporation (excluding Outside Directors and individuals resident overseas; those Directors and Executive Officers hereinafter referred to as the “Directors, etc.”), with the objective of enhancing the awareness among the Directors, etc. towards contributing to improving Corporation’s medium- and long-term performance and to increasing its corporate value. (*1) (*2)
 - (2) Introducing the Plan for Directors, etc. shall be subject to obtaining a resolution of approval regarding Directors’ remuneration at this Ordinary General Meeting of Shareholders.
 - (3) In introducing the Plan, the Corporation will adopt a framework called “Executive Remuneration Board Incentive Plan Trust” (hereinafter referred to as the “BIP Trust”). The BIP Trust is an executive incentive plan developed by making reference to U.S. Performance Share and Restricted Stock Plans, and the Corporation’s shares purchased by the BIP Trust shall be delivered Directors, etc., according to the degree of achievement of performance targets, etc.
- (*1) The remuneration programs of the Corporation’s Directors, etc. shall comprise Basic Remuneration and Stock-Based Remuneration upon introducing this Plan. The remuneration program for Outside Directors and Corporate Auditors, who are independent of business execution, shall remain unchanged, comprising Basic Remuneration.
- (*2) The Corporation has established, as an advisory body to the Board of Directors, the Remuneration Committee including Outside Directors as Committee members, and ensures the transparency and objectivity in decision-making process and results concerning the remuneration program through a deliberation of the Plan by the Remuneration Committee.

2. Framework of BIP Trust



- 1) The Corporation will obtain a resolution of approval for introducing the Plan at this General Meeting of Shareholders.
- 2) The Corporation will establish the regulations for granting shares pertaining to Directors' remuneration at the Board of Directors' meeting in relation to the introduction of the Plan.
- 3) The Corporation will establish a trust (hereinafter the "Trust") with beneficiary Directors, etc. who meet beneficiary requirements and contribute money to the trust, within the range of amounts approved by this General Meeting of Shareholders as aforementioned 1).
- 4) The Trust will acquire the Corporation's shares from the stock market using money trusted in the aforementioned 3) in accordance with the directions of the Trust Administrator. The number of shares the Trust acquires will be within a range of amounts approved by this General Meeting of Shareholders in the aforementioned 1).
- 5) Dividends on the Corporation's shares held by the Trust will be treated in the same way as other shares.
- 6) Voting rights for the Corporation's shares held by the Trust will not be exercised during the trust period.
- 7) During the trust period, points will be granted to the Directors, etc., according to the degree of achievement of performance targets, etc. of every fiscal year. The Corporation's shares corresponding to the said points will be delivered from the Trust to the Directors, etc. who meet beneficiary requirements, on the date the said Directors, etc. retire (at the time of death in case a Director, etc. dies) (However, fractional shares less than one unit will be converted into cash by the Trust, and the cash amount equivalent to the converted cash amount will be provided in accordance with the stipulations stated in the trust contract).
- 8) In the event that shares remain upon termination of the trust, due to the failure to achieve performance targets or other reasons during the trust period, the Corporation will continue to use the Trust for a new stock remuneration plan by changing a trust contract and contributing additional money, or transfer the said remaining shares from the Trust to the Corporation without consideration and cancel them by passing a resolution at a meeting of the Board of Directors.
- 9) Certain remaining assets after the distribution to beneficiaries will be returned to the Corporation when the Trust is liquidated.

(Note) The Corporation may continue the Plan by contributing money to the Trust as additional funds for the acquisition of the Corporation's shares within a range of amounts approved for the said acquisition by this General Meeting of Shareholders.

(1) Outline of the Plan

The Plan shall be a Directors' remuneration program for granting the Corporation's shares corresponding to the degree of achievement of performance targets, etc. of every fiscal year, with the period set as three consecutive fiscal years starting from the fiscal year ending March 31, 2016 to the fiscal year ending March 31, 2018 (hereinafter referred to as the "Plan Period").

* If the Trust continues as stated in the following (4) b), the Plan Period shall be set for each period of three fiscal years in subsequent years.

(2) Procedures for introducing the Plan

This General Meeting of Shareholders shall resolve the maximum amount of trust money to be contributed to the Trust, the maximum number of the Corporation's shares to be acquired by the Trust, the maximum of aggregate numbers of points (to be specified in the following (5)) to be granted to Directors, etc. every year, and other necessary matters.

In addition, in case the Trust is continued as stated in the following (4) b), the decision shall, within the scope approved by this General Meeting of Shareholders, be made by passing a resolution at a meeting of the Board of Directors.

(3) Eligible persons for the Plan (Beneficiary requirements)

The Directors, etc. shall, under the condition that they meet the beneficiary requirements, be delivered the number of the Corporation's shares corresponding to the number of points (stipulated in the following (5)) accumulated at the time of their retirement (or at the time of death in case a Director, etc. dies) from the Trust after their retirement upon following the specified beneficiary confirmation process.

Beneficiary requirements are as follows.

1) The Directors, etc. shall be in office during the Plan Period (including new Directors, etc. elected during the Plan Period).

2) Must be retired Directors, etc. *

3) Must not persons who have been dismissed based on justifiable grounds or left the Corporation having been recommended to resign by the Board of Directors.

4) Must have determined cumulative points as stipulated in the following (5)

5) Other requirements deemed necessary to achieve the objectives of the stock remuneration plan

* However, in the event that the trust period is extended as stated in the following (4) c), and individuals eligible for the Plan are in office as Directors, etc. upon expiry of the extended trust period, the Trust shall be terminated at that point of time and the Corporation's shares shall be delivered to the said eligible individuals during their tenure as Directors, etc.

(4) Trust period

a) Initial trust period

The trust period set shall be approximately three years from August in 2015 (planned) to August in 2018 (planned).

b) Continuation of the Plan (extension of trust period due to additional contributions)

The Trust may be continued by amending the trust contract and having an additional trust at the expiry of the trust period. In such case, the period of the Trust will be extended further to a subsequent three years, and the Corporation will make additional contributions of trust money for each extended trust period within a range of amounts approved by this General Meeting of Shareholders, and continue to grant points to the Directors, etc. during the extended trust period.

However, in case that such additional contribution is made, it is provided that if the Corporation's shares (excluding any undelivered portion of the Corporation's shares corresponding to points granted to the Directors, etc.) and money (hereinafter referred to as the "Remaining Shares, etc.") remain within the trust assets on the last day of the trust period prior to the extension, the total amounts of the Remaining Shares, etc. and trust money as additional contribution should be within a range of amounts approved as trust money by this Ordinary General Meeting of Shareholders. The trust period may be extended more than once and the Trust may be re-extended in the same way in the future.

c) Handling after termination of the Plan (extension of trust period not due to additional contributions)

In cases where Directors, etc. who may meet beneficiary requirements are in office at the expiry of the trust period (or the extended trust period in case of the extension of the Trust mentioned in b) above), even if the Plan has been terminated, the Trust will not be terminated immediately and the period of the Trust will be extended, limited to a certain period. In such a case, however, new points will not be granted to the said Directors, etc.

(5) Number of shares to be granted to Directors, etc.

The Directors, etc. shall be granted points, at a certain time every year during the trust period, according to the degree of achievement of performance targets, etc. in the corresponding fiscal year ending March 31. Directors, etc. who die during their tenure shall be granted points corresponding to the period until the date of death.

The cumulative value of points (hereinafter referred to as the "Number of Cumulative Points") shall be calculated at the date of retirement for each Director, etc. (or at the time of death in case a Director etc. dies) and the number of the Corporation's shares corresponding to the Number of Cumulative Points at a ratio of one share per point shall be delivered. However, in case of stock splits, stock consolidations, etc. pertaining to the Corporation's shares during the trust period, the number of the Corporation's shares per point shall be adjusted, according to the split ratio, consolidation ratio, etc. pertaining to the Corporation's shares.

(6) Maximum of the trust money, number of shares to be acquired (number of shares to be delivered), and number of points to be granted

The maximum trust money the Corporation contributes to the Trust during the trust period shall be 300 million yen. The said limit is calculated by adding trust fees and trust expenses to funds for acquiring shares, considering the level of remuneration of the Corporation's current Directors, etc. The maximum number of the Corporation's shares (i.e. the Corporation's shares to be delivered from the Trust to Directors, etc.) (hereinafter referred to as the "Number of Acquiring Shares") the Trust shall acquire during the trust period shall be 450,000 shares. In addition, the maximum aggregate number of points granted to Directors, etc. every year shall be 200,000. (The cumulative value of the maximum aggregate number of points during the trust period shall be within the range of the Number of Acquiring Shares.) The Number of Acquiring Shares and the maximum aggregate number of points every year are set based on the maximum amount of trust money and with reference to the current stock price, etc. However, in case of stock splits, stock consolidations, etc. pertaining to the Corporation's shares during the trust period, the number of the Corporation's shares per point shall be adjusted according to the split ratio, consolidation ratio, etc. pertaining to the Corporation's shares.

(7) Method of acquiring the Corporation's shares by the Trust

The Trust shall acquire the Corporation's shares from the stock market within a range of the maximum amount of funds for acquiring shares and the Number of Acquiring Shares as stated in the aforementioned (6).

(8) Timing for delivering shares to Directors, etc.

At retirement (or death), the Corporation's Directors, etc. who meet beneficiary requirements will, upon following a specified beneficiary confirmation process, be delivered the number of the Corporation's shares corresponding to the number of said points which were granted until the time of retirement (or the time of death in case of the death of the said Director, etc.) from the Trust.

(However, fractional shares less than the trading unit will be converted into cash within the Trust, and cash equivalent to the converted cash amount will be granted, in accordance with the stipulations stated in the trust contract.)

- (9) Exercise of voting rights of the Corporation's shares held by the Trust
Voting rights of the Corporation's shares (i.e. the Corporation's shares prior to the grant to the Corporation's Directors, etc. as stated in the aforementioned (5)) held by the Trust shall not be exercised during the trust period to ensure management neutrality.
- (10) Treatment of dividends from surplus on the Corporation's shares held by the Trust
Dividends from surplus on the Corporation's shares held by the Trust shall be received by the Trust and be appropriated for trust fees and trust expenses for the Trust. In case, after appropriating trust fees and trust expenses, there is a remaining surplus at expiry of the trust period (or extended period in case the trust period is extended as stated in the aforementioned (4) c)), the Corporation shall, as a measure for providing returns to society, contribute the remaining surplus to organizations that have no conflict of interest with the Corporation and the Corporation's Directors, etc.
- (11) Treatment upon termination of the Trust
In case there are remaining shares (excluding shares planned to be, at the time of their retirement, granted to Directors, etc. who are in office upon termination of the trust and may meet beneficiary requirements) upon termination of the trust period (or the trust period after the extension, if the trust period is extended as stated in the aforementioned (4) c)), the Trust shall, as a measure for providing returns to shareholders, transfer the said remaining shares to the Corporation without consideration, and the Corporation shall cancel them following a resolution passed at a meeting of the Board of Directors.

<Reference>

[Overview of trust agreement]

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|------------------------------------|--|
| 1) Type of trust | Monetary Trust other than a specified solely administered monetary trust (Third Party Beneficiary Trust) |
| 2) Purpose of trust | To raise management's awareness of contributing to continued improvement of Corporation's medium- and long-term performance and increasing its corporate value by granting a certain amount of the Corporation's shares and monetary benefits to the Corporation's Directors, etc. who meet beneficiary requirements |
| 3) Trustor | OBAYASHI CORPORATION |
| 4) Trustee | Mitsubishi UFJ Trust and Banking Corporation
(Joint trustee: The Master Trust Bank of Japan, Ltd.) |
| 5) Beneficiary | Directors, etc. who meet beneficiary requirements |
| 6) Trust administrator | Third party with no special conflict of interest with the Corporation
(certified public accountant) |
| 7) Trust contract date | August 7, 2015 (planned) |
| 8) Trust period | From August 7, 2015 (planned) to August 31, 2018 (planned) |
| 9) Plan launch date | August 7, 2015 (planned)
(Granting of points to start from the end of May 2016) |
| 10) Exercise of voting rights | Not to be exercised |
| 11) Class of shares to be acquired | Common shares of the Corporation |

- | | |
|-----------------------------------|--|
| 12) Maximum amount of trust money | 300 million yen (planned) (Including trust fees and trust expenses) |
| 13) Stock acquisition period | From August 10, 2015 (planned) to August 31, 2015 (planned) |
| 14) Stock acquisition method | Acquired on stock market |
| 15) Rights holder | OBAYASHI CORPORATION |
| 16) Remaining assets | The Corporation, as the right holder, may receive remaining assets, which should be within a range of reserve for Trust expenses, after deducting funds used for acquiring shares from the trust money |

[Details of operational tasks associated with trust and stocks]

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|---|---|
| 1) Operational tasks associated with trust | Mitsubishi UFJ Trust and Banking Corporation is to become a trustee of the Trust and handle operational work associated with trust. |
| 2) Operational tasks associated with shares | Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. is to handle operational work for delivering the Corporation's shares to beneficiaries, in accordance with the outsourcing contract. |

Proposal 6: Settlement and Payment of Unpaid Directors' Retirement Benefits

The Corporation resolved at the 101st Ordinary General Meeting of Shareholders held on June 29, 2005 that, due to the abolishment of the Retirement Benefits Plan for Directors and Corporate Auditors, the amount of retirement benefits would be calculated in accordance with certain criterion of the Corporation and be paid out to each Director and Corporate Auditor at retirement. However, retirement benefits for the Director Mr. Takeo Obayashi have remained unpaid.

Accordingly, in consideration of the fact that ten years have passed since the said resolution, we propose to promptly settle and pay the said unpaid amount (205,410,000 yen for 22 years in office as a Director up to June 2005) after this proposal is approved.

The career summary of the Director Mr. Takeo Obayashi is as stated in Proposal 3: Election of Eleven (11) Directors.

Guide to Exercising Voting Rights via the Internet

If you exercise your voting rights via the Internet, please read and understand carefully the following matters.

If you intend to attend the Ordinary General Meeting of Shareholders, voting by mail (the Form for Exercising Voting Rights) or via the Internet is not necessary.

1. Voting rights website and exercising your voting rights

(1) To exercise your voting rights via the Internet, please access the website designated by the Corporation (<http://www.evotep.jp/>) via a PC, a smartphone or a mobile phone (i-mode, EZweb or Yahoo! Keitai)*. Only by accessing this website you can exercise your voting rights via the Internet. (Please be advised that the website is not operational from 2:00 a.m. to 5:00 a.m. in Japan Standard Time.)

* i-mode, EZweb and Yahoo! are trademarks or registered trademarks of NTT DOCOMO, INC., KDDI Corporation and Yahoo, Inc. U.S., respectively.

(2) Please be aware that, depending on your Internet connection and PC environment, you may not be able to use your PC or smartphone to exercise your voting rights via the voting rights website (e.g. if you connect to the Internet via a firewall, have anti-virus software installed or use a proxy server, etc.).

(3) To exercise your voting rights via a mobile phone, please use one of the following services: i-mode, EZweb or Yahoo! Keitai. For security reasons, the website is only compatible with mobile phones capable of SSL (encrypted) communication and transmission of mobile phone information.

(4) Voting via Internet is accepted until 5:15 p.m. on Thursday, June 25, 2015 in Japan Standard Time. However, we respectfully request that you exercise your voting rights at your earliest convenience. If you have any questions, please contact the help desk described in the next page.

2. Exercising your voting rights via Internet

(1) On the aforementioned voting rights website, you will be required to input the “Code for Exercise of Voting Rights” and the temporary password assigned to you. These are shown on the enclosed Form for Exercising Voting Rights. Please follow the instructions on the screen and indicate your vote for or against each proposal.

(2) Please be aware that, in order to prevent illegal online access (spoofing) and alteration of voting by non-shareholders, you will be requested to change your temporary password on the aforementioned voting rights website.

(3) You will be notified of a new “Code for Exercise of Voting Rights” and the temporary password every time a General Meeting of Shareholders is convened.

3. Handling of voting rights when they are exercised more than once

(1) Please note that your voting via the Internet shall prevail, if you exercise your voting rights both in writing and via the Internet.

(2) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective. In addition, if you exercise your voting rights more than once using a PC, a smartphone and a mobile phone, only the last vote shall be deemed effective.

4. Fees incurred when accessing the voting rights website

Any fees (connection fees to Internet providers, etc.) incurred when accessing the voting rights website shall be borne by shareholders. Similarly, if voting via mobile phone, etc., any connection charges or other fees arising from the use of mobile phone, etc. shall be borne by shareholders.

<To Institutional Investors>

You may use the Electronic Platform to Exercise Voting Rights operated by ICJ, Inc. as an electronic method for the exercise of voting rights at the General Meeting of Shareholders.

<p>For inquiries about the system for exercising voting rights via the Internet and other matters, please contact: Stock Transfer Agency (Help Desk), Mitsubishi UFJ Trust and Banking Corporation Phone: 0120-173-027 (9:00 to 21:00; toll free)</p>
