

Securities code: 9075

May 29, 2018

To our shareholders:

Shigehiro Komaru
Director and President
FUKUYAMA TRANSPORTING CO., LTD.
20-1, 4-chome, Higashi Fukatsu-cho, Fukuyama City,
Hiroshima Prefecture

NOTICE OF THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 70th Ordinary General Meeting of Shareholders of FUKUYAMA TRANSPORTING CO., LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or via the Internet. Please indicate your approval or disapproval of the proposals on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by postal mail. Otherwise, review “Procedures for Exercising Voting Rights via the Internet” (Japanese only) and indicate your approval or disapproval of the proposals on the Company’s voting rights exercise website (<https://evote.tr.mufg.jp/>). In either case, please exercise your voting rights by no later than 5:00 p.m., Wednesday, June 20, 2018 (Japan Standard Time).

- 1. Date and Time:** Thursday, June 21, 2018 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** 5F Conference Room, Head Office of the Company
20-1, 4-chome, Higashi Fukatsu-cho, Fukuyama City, Hiroshima Prefecture

3. Purposes:

Items to be reported:

- 1. Business Report and Consolidated Financial Statements for the 70th Term (from April 1, 2017 to March 31, 2018), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
- 2. Non-Consolidated Financial Statements for the 70th Term (from April 1, 2017 to March 31, 2018)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

It is the basic policy of the Company to maintain the stable dividends while giving overall considerations to the business performance and necessary internal reserves to prepare for changes in the surrounding business environments and further business development.

In accordance with the basic policy, the Company proposes the year-end dividends for the fiscal year under review as follows:

Matters related to the year-end dividends

- (1) Type of dividend property
To be paid in cash.
- (2) Allocation of dividend property and total amount thereof
¥25 per common share of the Company
Total amount of dividends: ¥1,277,659,175
- (3) Effective date of distribution of dividends of surplus
Friday, June 22, 2018

Proposal 2: Election of Eight (8) Directors

The terms of all eight (8) Directors will expire at the conclusion of this General Meeting of Shareholders.

The Company therefore proposes that eight (8) Directors be elected, including four (4) Outside Directors.

The candidates for Director are as follows:

No.	Name	Current position and responsibilities in the Company	
1	Noriyuki Komaru	Representative Director and Chairman	[Reelection]
2	Shigehiro Komaru	Representative Director, President and Executive Officer	[Reelection]
3	Hiroyuki Kumano	Representative Director, Executive Vice President, and Executive Officer General Manager of Sales Section	[Reelection]
4	Eiju Nagahara	Director and Senior Executive Officer Responsible for Transport Operations and General Manager of Safety Division	[Reelection]
5	Michiyoshi Wadabayashi	Director	[Reelection] [Outside]
6	Shingo Kusaka	Director	[Reelection] [Outside] [Independent]
7	Tomoyoshi Arita	Director	[Reelection] [Outside] [Independent]
8	Miho Maeda	—	[New election] [Outside] [Independent]

[Reelection] Candidate for reelection as Director

[New election] New candidate for Director

[Outside] Candidate for Outside Director

[Independent] Candidate for Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc.

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Noriyuki Komaru (July 20, 1928) [Reelection] Attendance of Board of Directors Meetings 8/8	Jan. 1951 Joined the Company Feb. 1984 Representative Director and President of the Company June 1989 Director and Corporate Advisor of the Company Dec. 1990 Director and Chairman of the Company (present position) Mar. 1991 Representative Director of the Company (present position) [Significant concurrent positions outside the Company] President, Shibuya Scholarship Foundation	186,305
[Reasons for nomination as candidate for Director] For many years the candidate has, in his role as Chief Executive Officer, been striving to strengthen the management base by putting the management philosophy into practice. Having determined that his business management, which is based on his extensive knowledge and wealth of experience, contributes to sustained growth and a further enhancement of corporate value in the Group, the Company requests his reelection.			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company's shares owned
2	Shigehiro Komaru (April 16, 1950) [Reelection] Attendance of Board of Directors Meetings 6/8	Oct. 1974 June 1991 June 1993 June 1995 June 1997 Apr. 2011	Joined the Company Managing Director of the Company Senior Managing Director of the Company Representative Director of the Company (present position) Director and President of the Company (present position) President and Executive Officer of the Company (present position)	142,900
	[Reasons for nomination as candidate for Director] In his role as Representative Director and President, the candidate has led the management of the Company and furthered the enhancement of corporate value and the strengthening of the business base. Having determined that through his leadership, which is based on his extensive knowledge and wealth of experience, he can establish an even stronger management structure for the Group and enhance and strengthen corporate governance, the Company requests his reelection.			
3	Hiroyuki Kumano (April 23, 1970) [Reelection] Attendance of Board of Directors Meetings 8/8	Mar. 2005 June 2007 June 2009 Mar. 2010 Apr. 2011	Joined the Company Director and Manager of Sales Division of the Company Managing Director of the Company Responsible for Sales and Information Systems Representative Director and Executive Vice President of the Company (present position) General Manager of Sales Section (present position) Executive Vice President and Executive Officer of the Company (present position)	29,389
	[Reasons for nomination as candidate for Director] The candidate has a wealth of experience and expertise in the field of company management, and having determined that his work as Director in charge of the Sales Section contributes to sustained growth and a further enhancement of corporate value in the Group, the Company requests his reelection.			
4	Eiju Nagahara (October 22, 1948) [Reelection] Attendance of Board of Directors Meetings 8/8	Apr. 1971 Dec. 2004 June 2007 June 2009 June 2010 Apr. 2011 Oct. 2014	Joined the Company Manager of Operations Management Division of the Company Director of the Company General Manager of Safety Division (present position) Managing Director of the Company Responsible for Operations Management Senior Managing Director of the Company Director and Senior Executive Officer of the Company (present position) Responsible for Transport Operations of the Company (present position)	26,476
	[Reasons for nomination as candidate for Director] The candidate has a wealth of experience and expertise in main line transport, and having determined that his work as Director in charge of the sections for transport and safety contributes to sustained growth and a further enhancement of corporate value in the Group, the Company requests his reelection.			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p>Michiyoshi Wadabayashi (November 21, 1951)</p> <p>[Reelection] Candidate for Outside Director</p> <p>Attendance of Board of Directors Meetings 7/7 (Since assuming the office on June 28, 2017)</p>	<p>Apr. 1976 Joined Kintetsu Corporation (presently Kintetsu Group Holdings Co., Ltd.)</p> <p>June 2005 Executive Officer of Kintetsu Corporation Chief Manager of Nagoya Transport Department of Railway Business Division</p> <p>Mar. 2009 Executive Officer of Kintetsu Corporation Chief Manager of Planning Department of Railway Business Division</p> <p>June 2009 Managing Director of Kintetsu Corporation Chief Manager of Planning Department of Railway Business Division</p> <p>June 2011 Senior Executive Director of Kintetsu Corporation Deputy General Manager of Railway Business Division</p> <p>June 2012 Representative Director and Executive Vice President of Kintetsu Corporation General Manager of Railway Business Division</p> <p>Jan. 2015 President of Kintetsu Division Preparation Company (presently Kintetsu Corporation) (present position)</p> <p>Apr. 2015 Director of Kintetsu Group Holdings Co., Ltd. (present position)</p> <p>June 2017 Chairman of Kyoto Cultural Tourist Resources Protection Foundation (present position)</p> <p>June 2017 Director of the Company (present position)</p> <p>July 2017 Chairman of Ancient Capital Asuka Preservation Foundation (present position)</p> <p>[Significant concurrent positions outside the Company] Director, Kintetsu Group Holdings Co., Ltd. President, Kintetsu Corporation Chairman of Kyoto Cultural Tourist Resources Protection Foundation Chairman of Ancient Capital Asuka Preservation Foundation</p>	224
<p>[Reasons for nomination as candidate for Outside Director] The candidate is Representative Director and President of Kintetsu Corporation. Having determined that he can continue to provide pertinent supervision and advice related to areas such as the Company's management and compliance applying his business experience and extensive knowledge, the Company requests his reelection as Outside Director. Further, the term of office as an Outside Director will reach one (1) year at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)		Number of the Company's shares owned
6	Shingo Kusaka (April 5, 1970)	Oct. 1996	Joined Tohmatsu LLC (presently Deloitte Touche Tohmatsu LLC)	4,563
		Jan. 2001	Founded Kusaka Shingo CPA Office	
	[Reelection]	Jan. 2001	Director of Seiyukaikisha K.K.	
	Candidate for Outside Director	June 2004	Audit & Supervisory Board Member of the Company	
	[Independent Officer]	Jan. 2005	Representative Director of Seiyukaikisha K.K. (present position)	
	Attendance of Board of Directors Meetings 8/8	June 2012	Retired as Audit & Supervisory Board Member of the Company	
		June 2013	Director of the Company (present position)	
		[Significant concurrent positions outside the Company] Representative Director of Seiyukaikisha K.K.		
[Reasons for nomination as candidate for Outside Director] As a certified public accountant, the candidate has a wealth of experience and expertise related to finance and accounting which he applies to give opinions from an independent standpoint, mostly from the viewpoint of compliance. Having determined that he can continue to give such valuable advice, the Company requests his reelection as Outside Director. Further, the term of office as an Outside Director will reach five (5) years at the conclusion of this General Meeting of Shareholders. Please note that the candidate previously served the Company as an Audit & Supervisory Board Member. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if his reappointment is approved, the Company plans to renew his appointment as Independent Officer.				

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Tomoyoshi Arita (February 1, 1948) [Reelection] Candidate for Outside Director [Independent Officer] Attendance of Board of Directors Meetings 8/8	<p>Apr. 1974 Public Prosecutor, Kobe District Public Prosecutors Office</p> <p>Sept. 2005 Head of Public Safety Division, Supreme Public Prosecutors Office</p> <p>July 2007 Superintending Prosecutor, Takamatsu High Public Prosecutors Office</p> <p>July 2008 Superintending Prosecutor, Sendai High Public Prosecutors Office</p> <p>Jan. 2009 Superintending Prosecutor, Fukuoka High Public Prosecutors Office</p> <p>Jan. 2010 Retired as Superintending Prosecutor, Fukuoka High Public Prosecutors Office</p> <p>Apr. 2010 Registered as attorney-at-law</p> <p>Apr. 2010 Joined City-Yuwa Partners</p> <p>July 2010 Outside Director of Japan Post Bank Co., Ltd. (present position)</p> <p>June 2011 Outside Audit & Supervisory Board Member of WDB Holdings Co., Ltd. (present position)</p> <p>June 2015 Outside Audit & Supervisory Board Member of BROTHER INDUSTRIES, LTD. (present position)</p> <p>Apr. 2016 Joined Ginza Central Law Office (to the present)</p> <p>June 2016 Director of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Attorney-at-law, Ginza Central Law Office Outside Director, Japan Post Bank Co., Ltd. Outside Audit & Supervisory Board Member, WDB Holdings Co., Ltd. Outside Audit & Supervisory Board Member, BROTHER INDUSTRIES, LTD.</p>	117
<p>[Reasons for nomination as candidate for Outside Director] Apart from his appointment as Outside Officer, the candidate has no experience participating in company management. However, as an attorney, he has a wealth of experience and extensive knowledge as well as expertise in corporate legal affairs, since he has held successive positions as Superintending Prosecutor at High Public Prosecutors Offices over his long years of experience in Public Prosecutor Offices. Thus, the Company requests his reelection as Outside Director so that he can continue to provide guidance on the implementation of the law and compliance management. Further, the term of office as an Outside Director will reach two (2) years at the conclusion of this General Meeting of Shareholders. Further, the Company has registered the candidate as an Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., and if his reappointment is approved, the Company plans to renew his appointment as Independent Officer.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	<p>Miho Maeda (September 17, 1948)</p> <p>[New election] Candidate for Outside Director</p> <p>Candidate for Independent Officer</p>	<p>Apr. 1990 Deputy Director of Women's Policy Division, Women's Bureau of the Ministry of Labor (presently Ministry of Health, Labour and Welfare)</p> <p>Apr. 1992 Deputy Director of Overseas Cooperation Division, Human Resource Development Bureau of the Ministry of Labor</p> <p>Apr. 1995 Central Labor Standards Inspector Supervisor, Inspection Division, Labor Standards Bureau of the Ministry of Labor</p> <p>Apr. 1998 Director, Inspection Division of Hokkaido Labor Standards Bureau (presently Hokkaido Labour Bureau)</p> <p>Apr. 2000 General Manager, Labor Standard Department of Hyogo Labour Bureau</p> <p>June 2002 Director-General of Shiga Labour Bureau</p> <p>July 2004 Retired as Director-General of Shiga Labour Bureau</p> <p>Aug. 2004 General Manager, Small to Medium Enterprise Division of Japan Industrial Safety and Health Association</p> <p>Apr. 2007 Assistant General Manager, Human Resources Development Dept. of Japan International Training Cooperation Organization</p> <p>June 2012 Executive Director of International Human Resource Incorporated (present position)</p> <p>[Significant concurrent positions outside the Company] Executive Director of International Human Resource Incorporated</p>	0
<p>[Reasons for nomination as candidate for Outside Director] Apart from her appointment as Outside Officer, the candidate has no experience participating in company management; however, the candidate has a wealth of experience and expertise related to the fields of working conditions and occupational health and safety. Having determined that she can give valuable advice mostly from the viewpoint of compliance, the Company requests her election as Outside Director. Further, since the candidate meets the requirements for Independent Officer pursuant to the rules of the Tokyo Stock Exchange, Inc., if her election is approved, the Company plans to appoint her as Independent Officer.</p>			

- Notes:
1. Miho Maeda is a new candidate for Director.
 2. The four (4) candidates Michiyoshi Wadabayashi, Shingo Kusaka, Tomoyoshi Arita, and Miho Maeda are candidates for Outside Director.
 3. Candidate for Director Noriyuki Komaru serves concurrently as President of the Shibuya Scholarship Foundation. This corporation holds 5,490,000 shares of the Company's stock.
There is no special interest between the Company and any other candidates for Director.
 4. The Company's Articles of Incorporation stipulate that, pursuant to the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company can conclude contracts with its Directors (excluding Executive Directors, etc.) to limit their liability stated in Article 423, Paragraph 1 of the Companies Act. In accordance with this provision, the Company has concluded limited liability agreements with Michiyoshi Wadabayashi, Shingo Kusaka, and Tomoyoshi Arita, and the limit on the amount of liability coverage under these contracts is the minimum amount stipulated by laws and regulations. Moreover, if Michiyoshi Wadabayashi, Shingo Kusaka, and Tomoyoshi Arita are reappointed, the Company plans on retaining this contract with each of them. Further, if Miho Maeda is elected, the Company plans to conclude the same limited liability agreement with her.
 5. On December 19, 2013, when Michiyoshi Wadabayashi was in the office of Director of Kintetsu Corporation (presently Kintetsu Group Holdings Co., Ltd.), Kintetsu Corporation was reprimanded by the Consumer Affairs Agency over mislabeling menu items at hotels and related facilities it held. The agency issued an order for action as the hotels and facilities, whose operations were entrusted to a subsidiary of Kintetsu Corporation, violated the Act against Unjustifiable Premiums and Misleading Representations.

Proposal 3: Election of Two (2) Audit & Supervisory Board Members

At the conclusion of this meeting, the term of office of Audit & Supervisory Board Member Masahiro Momoda will expire and Audit & Supervisory Board Member Shinji Fujita will resign.

The Company therefore proposes that two (2) Audit & Supervisory Board Members be elected.

The company proposes the election of Katsuhiko Okamoto as a substitute of Audit & Supervisory Board Member Shinji Fujita. If he is elected, his term of office will be until the expiry of Shinji Fujita's term of office, that is the conclusion of the 73rd Ordinary General Meeting of Shareholders planned to be held in June 2021 according to the Company's Articles of Incorporation.

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

The candidates for Audit & Supervisory Board Member are as follows:

The candidates for Audit & Supervisory Board Member are as follows.				
No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned	
1	Masahiro Momoda (September 11, 1958) [Reelection] Attendance of Board of Directors Meetings 8/8 Attendance of Audit & Supervisory Board Meetings 9/9	Dec. 1984	Joined the Company	5,551
		Apr. 2004	Chief of Accounting Department, Fukuyama Main Branch of the Company	
		July 2004	Chief of Calculation Department, Accounting Division of the Company	
		May 2010	Deputy Assistant, Finance Accounting Division of Oji Transportation Co., LTD. (temporary assignment)	
		May 2012	Chief of Audit Department, Internal Audit Office, President's Office of the Company	
		May 2014	General Manager of Internal Audit Office, President's Office of the Company	
		June 2014	Full-time Audit & Supervisory Board Member of the Company (present position)	
		[Reasons for nomination as candidate for Audit & Supervisory Board Member] The candidate has a wealth of experience and knowledge related to audit departments. Having determined that he can appropriately fulfill his duties, the Company requests his reelection.		
2	Katsuhiko Okamoto (March 20, 1966) [New election]	Apr. 1988	Joined Oji Transportation Co., LTD.	4,536
		May 2012	General Manager, Accounting Division of the Company (temporary assignment)	
		July 2013	Joined the Company	
		Aug. 2014	Executive Officer, General Manager of Accounting Division of the Company	
		Feb. 2016	Executive Officer, Chief Manager of Accounting Management Division of the Company	
		Apr. 2016	Executive Officer, General Manager of Management Office, Internal Audit Office of the Company	
		July 2017	Executive Officer, General Manager of Accounting and Finance Management Division and Responsible for Group Accounting of the Company (present position)	
		[Reasons for nomination as candidate for Audit & Supervisory Board Member] The candidate has a wealth of experience related to accounting departments and a vast knowledge of auditing practices. Having determined that he is capable of appropriately fulfilling duties as Audit & Supervisory Board Member, the Company requests his election.		

- Notes:
1. Katsuhiko Okamoto is a new candidate for the Audit & Supervisory Board Member.
 2. There is no special interest between the Company and any of the candidates for Audit & Supervisory Board Member.