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Articles of Incorporation

DAIKEN CORPORATION

Chapter 1: General Provisions

Article 1: Trade Name

The name of the Company shall be Daiken Kogyo Kabushiki Kaisha, which shall be written as DAIKEN CORPORATION in English.

Article 2: Purpose

The purpose of the Company shall be to engage in the following businesses.

1. Manufacturing, processing and selling of fiberboard, plywood, various building materials and other various timber-based products
2. Felling of forests and afforestation in addition to producing, processing and selling of forest products including timber
3. Manufacturing, processing and selling of metal products
4. Manufacturing, processing and selling of organic chemical products including synthetic resin products
5. Manufacturing, processing and selling of furniture and fixtures, daily goods, gardening goods, pet goods, and textiles
6. Manufacturing, processing and selling of electrical machinery and equipment, and various machinery and equipment
7. Buying, selling, and leasing of real estate and related brokerage and mediation in addition to administrative work
8. Contracting, construction, design, work management, and related brokerage and mediation business for construction work, civil engineering work, carpentry work, plaster work, scaffolding work, earth work, concrete work, masonry work, roofing work, electrical work, plumbing work, tile work, brick work, concrete block work, steel structure work, steel reinforcement work, paving work, sheet-metal work, glass glazing work, painting work, waterproofing work, interior finishing work, machine and equipment installation work, heat insulation work, telecommunication work, landscaping and gardening work, fittings work, water and sewerage facilities work, and fire protection facilities work
9. Business related to power generation and electricity sales
10. Worker dispatching undertakings in accordance with the Worker Dispatching Undertakings Act

11. Property and casualty insurance agency
12. In-home services for outpatient day long-term care, based on the Long-Term Care Insurance Act, in addition to the operation and management of facilities that are engaged in outpatient day long-term care
13. Warehouse business in addition to general motor truck transportation and consigned freight forwarding business
14. Collection, transport, intermediate treatment, and recycling business for industrial waste and general waste
15. Business related to analysis and measurement
16. Mail-order business
17. Investigation, research, and consulting business incidental to or related to the preceding items
18. All business incidental to or related to the preceding items

Article 3: Location of Head Office

The head office of the Company shall be located in the following city.

Head Office Nanto City, Toyama

Article 4: Establishment of Governing Bodies

The Company shall have Board of Directors, audit & supervisory board members, Audit & Supervisory Board and financial auditor.

Article 5: Method of Public Notices

Public notices of the Company shall be given by way of electronic notice. However, in the event that an accident occurs or any other unavoidable reason arises, where the Company is unable to give an electronic public notice, the Company shall publish its public notices in Nihon Keizai Shimbun.

Chapter 2: Shares

Article 6: Total Number of Shares Authorized to Be Issued

The total number of shares authorized to be issued by the Company shall be seventy nine million six hundred forty three thousand six hundred (79,643,600) shares.

Article 7: Number of Shares Constituting One Unit

The number of shares constituting one (1) unit of the Company shall be one hundred (100) shares.

Article 8: Shareholder Register Administrator

1. The Company shall have a shareholder register administrator.
2. The shareholder register administrator and the location of its business shall be designated by a resolution of the Board of Directors, and the Company shall give a public notice of this information.
3. Preparing and keeping of the shareholder register and the register of subscription rights to shares, and other matters relating to the shareholder register and the register of subscription rights to shares of the Company shall be entrusted to the shareholder register administrator, and shall not be handled by the Company.

Article 9: Share Handling Rules

In addition to laws and regulations and these Articles of Incorporation, the handling of the Company's shares shall be governed by the Share Handling Rules established by the Board of Directors.

Article 10: Request for Purchasing Shares Constituting Less than One Unit

A shareholder of the Company with shares constituting less than one (1) unit may request the Company to sell that shareholder the specified number of shares which may constitute one (1) unit if combined with the shares already held by the shareholder.

Chapter 3: General Meeting of Shareholders

Article 11: Record Date

The Company shall prescribe the shareholders who are recorded in the shareholder register on March 31 each business year as the shareholders who may exercise their rights at the Annual General Meeting of Shareholders.

Article 12: Timing of Convocation

An Annual General Meeting of Shareholders of the Company shall be convened in June each year.

Article 13: Person Authorized to Convene Meeting and Chairperson

1. Unless otherwise provided for by laws and regulations, the representative director, who shall be previously determined by the Board of Directors, shall convene and act as chairperson at the General Meeting of Shareholders.
2. If the representative director in the preceding paragraph is unable to act as such, one of the other representative directors or directors shall convene and act as chairperson in accordance with the order previously determined by the Board of Directors.

Article 14: Method of Resolution

1. Unless otherwise provided for by laws and regulations or in these Articles of Incorporation, a resolution of a General Meeting of Shareholders shall be adopted by a majority of the votes of shareholders present who are entitled to exercise voting rights.
2. Any of the resolutions prescribed in Article 309, paragraph (2) of the Companies Act shall be adopted by two-thirds ($2/3$) or more of the votes of shareholders present at the General Meeting of Shareholders where the shareholders holding one-third ($1/3$) or more of the voting rights of shareholders entitled to exercise their voting rights are present.

Article 15: Disclosure of Reference Documents, etc. via Internet

The Company may provide the information related to the items required to be described or indicated in the Reference Documents for General Meeting of Shareholders, non-consolidated financial statements, consolidated financial statements and business report by disclosing such information through the Internet pursuant to the Ordinance of the Ministry of Justice.

Article 16: Exercise of Voting Rights by Proxy

1. A shareholder may exercise voting rights by having one (1) shareholder who holds voting rights of the Company act as proxy. However, the shareholder or the proxy must submit a written document evidencing the authority of the concerned proxy to the Company for each General Meeting of Shareholders.

Chapter 4: Directors and the Board of Directors

Article 17: Number

The number of directors of the Company shall be nine (9) or less.

Article 18: Election

1. A resolution for the election of directors shall be adopted by a majority of the votes of shareholders present at the General Meeting of Shareholders where the shareholders holding one-third (1/3) or more of the voting rights of shareholders entitled to exercise their voting rights are present.
2. The resolution for the election of directors shall not be effected by cumulative voting.

Article 19: Term of Office

The term of office of a director shall expire upon conclusion of the Annual General Meeting of Shareholders to be held for the last fiscal year ending within one (1) year after his or her election.

Article 20: Representative Directors and Directors with Title

1. A certain number of representative directors of the Company shall be appointed from among the directors by the Board of Directors.
2. One (1) director and president shall be appointed by resolution of the Board of Directors. When necessary, one (1) director and chairman and several directors and vice presidents, several executive managing directors and several managing directors may be appointed by resolutions of the Board of Directors.

Article 21: Meeting of Board of Directors

1. Unless otherwise provided for by laws and regulations, the director, who shall be previously determined by the Board of Directors, shall convene and act as chairperson at meetings of the Board of Directors.
2. Notice of a meeting of the Board of Directors shall be dispatched to each director and each audit & supervisory board member no later than three (3) days prior to the date of the meeting; provided, however, that in case of emergency, such period of notice may be shortened.

3. The Company shall deem the Board of Directors to have adopted a resolution when the requirements in Article 370 of the Companies Act have been satisfied.
4. Matters regarding the operation of the Board of Directors and others shall be governed by the Board of Directors Rules established by the Board of Directors.

Article 22: Limitation of Liability of Directors

Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into agreements with directors (excluding directors who are executive directors, etc.) to limit the maximum amount of the liability of directors under Article 423, paragraph 1 of the same Act to the total of the amounts stipulated in items of Article 425, paragraph 1 of the same Act.

Chapter 5: Audit & Supervisory Board Members and Audit & Supervisory Board

Article 23: Number

1. The number of audit & supervisory board members of the Company shall be four (4) or less.
2. The effectiveness of the resolution for the election of a substitute audit & supervisory board member shall expire upon commencement of the Annual General Meeting of Shareholders to be held for the last fiscal year ending within four (4) years after the resolution.

Article 24: Election

A resolution for the election of audit & supervisory board members shall be adopted by a majority of the votes of shareholders present at the General Meeting of Shareholders where the shareholders holding one-third (1/3) or more of the voting rights of shareholders entitled to exercise their voting rights are present.

Article 25: Term of Office

1. The term of office for an audit & supervisory board member shall expire upon conclusion of the Annual General Meeting of Shareholders to be held for the last fiscal year ending within four (4) years after his or her election.
2. The term of office of an audit & supervisory board member elected as a substitute shall be the remaining balance of the term of office of the retired audit & supervisory board member.

Article 26: Full-Time Audit & Supervisory Board Members

The Audit & Supervisory Board shall elect full-time audit & supervisory board members from among the audit & supervisory board members.

Article 27: Meetings of the Audit & Supervisory Board

1. Notice of a meeting of the Audit & Supervisory Board shall be dispatched to each audit & supervisory board member no later than three (3) days prior to the date of the meeting; provided, however, that in case of emergency, such period of notice may be shortened.

2. Matters regarding the operation of the Audit & Supervisory Board and others shall be governed by the Audit & Supervisory Board Rules established by the Audit & Supervisory Board.

Article 28: Limitation of Liability of Audit & Supervisory Board Members

Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into agreements with audit & supervisory board members to limit the maximum amount of the liability of audit & supervisory board members under Article 423, paragraph 1 of the same Act to the total of the amounts stipulated in items of Article 425, paragraph 1 of the same Act.

Chapter 6: Accounting

Article 29: Fiscal Year

The fiscal year of the Company shall be one (1) year period from April 1 to March 31 of each year.

Article 30: Dividends from Surplus

1. By a resolution of the General Meeting of Shareholders, year-end dividends shall be paid to the shareholders or registered pledgees of shares recorded in the shareholder register at the end of each fiscal year.
2. The Company may, by a resolution of the Board of Director, pay interim dividends to the shareholders or registered pledgees of shares recorded in the final shareholder register as of September 30 of each year.

Article 31: Acquisition of the Company's Own Shares

The Company may, by a resolution of the Board of Directors, acquire its own shares through market trading or other manners pursuant to Article 165, Paragraph 2 of the Companies Act.

Article 32: Period of Exclusion for Dividends from Surplus

If any year-end dividends or interim dividends have not been received after a lapse of three (3) years from the date of commencement of payment, the Company shall be relieved of its obligation to pay the same.

Supplementary Provision

Effective Date of Partial Amendment to the Articles of Incorporation

The amendments to Article 6 and Article 7 shall take effect on October 1, 2016, which is the effective date of the share consolidation pertaining to the proposal of the 100th Annual General Meeting of Shareholders of the Company held on June 24, 2016.

This Supplementary Provision shall be deleted as of the said effective date of the share consolidation.

(Amendment resolved on June 24, 2016)