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Securities code: 6644

June 10, 2022

To Shareholders with Voting Rights:

Yoshihide Watanabe
Chairman and CEO
Osaki Electric Co., Ltd.
2-10-2 Higashi-Gotanda Shinagawa-ku,
Tokyo

Notice of the 108th Annual General Meeting of Shareholders

Dear Shareholders:

We are pleased to inform you that the 108th Annual General Meeting of Shareholders of Osaki Electric Co., Ltd. (the “Company”) will be held as described below.

As a measure to prevent the spread of COVID-19 infection, we plan to reduce the number of seats at the venue and secure sufficient space between attending shareholders. For this reason, we recommend that you exercise your voting rights in writing or via the Internet, etc., instead of attending the General Meeting of Shareholders. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Monday, June 27, 2022 (Japan time).

1. Date and Time: Tuesday, June 28, 2022 at 10:00 a.m. (Japan time)
(The reception will open at 9:00 a.m.)

2. Venue: NUIT, 1st Floor, HAPPO-EN Main Building
1-1-1 Shirokanedai, Minato-ku, Tokyo

3. Meeting Agenda:

- Matters to be reported:**
1. Business Report and the Consolidated Financial Statements for the 108th Fiscal Year (April 1, 2021–March 31, 2022) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors
 2. Non-consolidated Financial Statements for the 108th Fiscal Year (April 1, 2021–March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Six (6) Directors
Proposal 4: Election of Two (2) Statutory Auditors

4. Other Matters Related to This Notice:

The following items are posted on the Company's website (<https://www.osaki.co.jp/>) in accordance with the provisions of laws and regulations as well as Article 14 of the Company's Articles of Incorporation, and are therefore not provided in the attached documents to this notice.

(1) Notes to the Consolidated Financial Statements (Japanese only)

(2) Notes to the Non-consolidated Financial Statements (Japanese only)

Accordingly, the Consolidated Financial Statements and the Non-consolidated Financial Statements included in the attached documents to this notice are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Accounting Auditor or the Statutory Auditors in preparing their respective audit reports.

- When attending the General Meeting of Shareholders, please submit the enclosed Voting Rights Exercise Form to the reception desk at the venue. Also, please bring this notice with you as a reference for the meeting.
- Any revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements will be posted on the Company's website (<https://www.osaki.co.jp/>) (Japanese only).
- We do not give out souvenirs for shareholders attending the General Meeting of Shareholders. We would appreciate your understanding.

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| <ul style="list-style-type: none">■ Shareholders who are considering attending the General Meeting of Shareholders are asked to check the status of COVID-19 infections as well as their health condition on the day of the Meeting and take measures to prevent the spread of COVID-19, such as wearing masks. We also recommend that elderly shareholders, who are considered to be significantly affected by infection, and shareholders who are concerned about underlying medical conditions not attend the Meeting and exercise their voting rights by mail or online.■ If there are significant changes to the proceedings of the General Meeting of Shareholders due to the status of the spread of COVID-19 or announcements or requests made by the central government by the day of the Meeting, such changes will be posted on the Company's website (https://www.osaki.co.jp/). |
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Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We regard the return of profits to shareholders as one of our important management policies. Our basic policy is to distribute returns in accordance with business performance while maintaining stable dividends.

Specifically, dividend will be determined based on the dividend on equity (DOE) ratio of 2% or the dividend payout ratio of 30%, whichever the amount is higher.

We will use internal reserves as a source of funds for R&D and capital expenditures with the aim of increasing corporate value of the long term as well effectively apply them for future business development, including M&As, to enhance business performance.

Based on the above policy, the Company proposes to pay year-end dividends as follows:

Matters related to year-end dividends

- (1) Type of property for dividend
Cash
- (2) Allotment of property for dividends and total amount
¥10 per share of the Company's common stock
Total amount: ¥482,989,330
- (3) Effective date of distribution of surplus
June 29, 2022

(Reference)

	Dividend per share			Total dividends	Consolidated dividend payout ratio
	Interim	Year-end	Annual		
Fiscal year ended March 31, 2021	¥10	¥10	¥20	¥980 million	203.3%
Fiscal year ended March 31, 2022 (plan)	¥10	¥10	¥20	¥974 million	—

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Company proposes to amend the Articles of Incorporation of the Company as described below to prepare for the introduction of an electronic provision system for materials for the General Meeting of Shareholders.

- (1) Article 14, Paragraph 1 of the proposed amendment provides that the Company shall take measures to provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. electronically.
- (2) Article 14, Paragraph 2 of the proposed amendment establishes provisions to limit the scope of matters to be stated in the documents to be delivered to shareholders who have requested delivery of the documents.
- (3) The provision for Internet disclosure and deemed provision of reference documents for the General Meeting of Shareholders, etc. (Article 14 of the current Articles of Incorporation) shall be deleted as it is no longer necessary.
- (4) In accordance with the above establishment and deletion, a supplementary provision regarding the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 14 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference materials for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u> (New)</p>	<p>(Deleted)</p> <p>(Measures for Electronic Provision, Etc.)</p> <p><u>Article 14 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Order of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
(New)	<p data-bbox="799 215 1426 253"><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="799 253 1426 488">1. <u>The amendment to Article 14 of the Articles of Incorporation shall come into effect on September 1, 2022, the date on which the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) come into force (the “Effective date”).</u> <li data-bbox="799 488 1426 757">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u> <li data-bbox="799 757 1426 947">3. <u>These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u>

Proposal 3: Election of Six (6) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of six (6) Directors.

The candidates for Directors are as follows:

No.	Name		Current positions and responsibilities at the Company
1	Yoshihide Watanabe	Reappointment	Chairman and CEO (Representative Director)
2	Mitsuyasu Watanabe	Reappointment	President and COO (Representative Director) and Executive Officer
3	Haruyuki Kawabata	Reappointment	Executive Vice President (Representative Director) and Executive Officer
4	Ryuichi Ueno	Reappointment	Managing Executive Officer Head of Corporate Strategy Division
5	Seiji Takashima	Reappointment Outside Independent	Director
6	Nobuhiro Kasai	Reappointment Outside Independent	Director

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Yoshihide Watanabe (July 31, 1948) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>	Jan. 1977 Joined Nomura Research Institute, Ltd. Jul. 1980 Director, General Manager of President's Office, the Company Jul. 1984 Managing Director, Head of Domestic Sales Division Jan. 1986 Managing Director, General Manager of Systems and Equipment Business Division, and General Manager of New Product Development Office Jul. 1986 Senior Managing Director, General Manager of Systems and Equipment Business Division, and General Manager of New Product Development Office Jun. 1987 Executive Vice President (Representative Director) Nov. 1988 President and COO (Representative Director) Jan. 2009 Chairman and CEO (Representative Director) (to date) Representative Director and Chairman, OSAKI Electric Systems Co., Ltd. Mar. 2012 Chairman, SMB United Limited (currently OSAKI United International Pte. Ltd.) (to date) <u>Significant concurrent positions</u> Chairman, OSAKI United International Pte. Ltd. <u>Attendance at the Board of Directors meetings</u> 100% (17/17) <u>Special interests with the Company</u> See Note 1 below.	1,168,962
<u>Reason for nomination as a candidate for Director</u> Mr. Yoshihide Watanabe has led the Group for many years with excellent management skills and leadership. He has built up the current position of the Group by overcoming changes of the times and expanding global business development. His extensive knowledge and management experience are indispensable for the future growth of the Group. Accordingly, the Company renominates him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Mitsuyasu Watanabe (May 2, 1955) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>	Aug. 1983 Joined Nomura Research Institute, Ltd. Aug. 1986 Joined the Company Jun. 1987 General Manager of Saitama Factory Jun. 1988 Director and General Manager of Saitama Factory Jun. 1990 Director, Deputy General Manager of Electric Power Business Division, and General Manager of Saitama Factory Jun. 1992 Director, General Manager of Systems and Equipment Business Division, and Deputy Head of Research & Development Division Jun. 1994 Managing Director and Head of Research & Development Division Jun. 2004 Senior Managing Director Jan. 2009 Executive Vice President (Representative Director) Mar. 2012 Director and Chief Executive Officer, SMB United Limited (currently OSAKI United International Pte. Ltd.) (to date) Jun. 2014 President and COO (Representative Director), the Company Jun. 2020 President and COO (Representative Director) and Executive Officer (to date) <u>Significant concurrent positions</u> Director and Chief Executive Officer, OSAKI United International Pte. Ltd. <u>Attendance at the Board of Directors meetings</u> 100% (17/17) <u>Special interests with the Company</u> See Note 1 below.	481,962
<u>Reason for nomination as a candidate for Director</u> Mr. Mitsuyasu Watanabe has been involved in the operation and management of each division of the Company for many years and has a wealth of experience and achievements. While serving as Executive Vice President, he has built up the current position of the Group by demonstrating his skills in global business development. His management skills and extensive knowledge with respect for the spirit of challenge are indispensable for the new growth of the Group. Accordingly, the Company renominates him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Haruyuki Kawabata (February 1, 1948) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>	Apr. 1970 Joined the Company Jun. 1992 General Manager of Electric Power Sales Department I Jun. 2000 Director, General Manager of Electric Power Department I, Domestic Sales Division, and General Manager of Marketing Office May 2002 Director, General Manager of Marketing Office, Domestic Sales Division, General Manager of Systems and Equipment Department, and in charge of Defense Equipment Department Jun. 2004 Managing Director, Head of Administration Division, and General Manager of General Affairs Department Jun. 2005 Managing Director and Head of Administration Division Jun. 2011 Managing Director and Head of Domestic Sales Division Jun. 2012 Senior Managing Director and Head of Domestic Sales Division Jun. 2014 Executive Vice President (Representative Director) and Head of Domestic Sales Division Jul. 2014 Director, OSAKI United International Pte. Ltd. (to date) Jun. 2016 Executive Vice President (Representative Director), the Company Jun. 2020 Executive Vice President (Representative Director) and Executive Officer (to date) <u>Significant concurrent positions</u> None <u>Attendance at the Board of Directors meetings</u> 100% (17/17) <u>Special interests with the Company</u> See Note 1 below.	56,211
<u>Reason for nomination as a candidate for Director</u> Mr. Haruyuki Kawabata has a wealth of experience and achievements mainly in the electric power sales division and general affairs administration division at the Company. He was appointed to Director of the Company in June 2000, and currently serves as Executive Vice President (Representative Director) and Executive Officer. He will continue to exercise leadership and realize strategies centered on the sales division and play an important role in company-wide management decision-making. Accordingly, the Company renominates him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Ryuichi Ueno (August 20, 1961)</p> <p>Reappointment</p>	<p>Apr. 1984 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Apr. 2007 General Manager of Disclosure Office, Accounting Department</p> <p>Jul. 2010 Joined the Company Deputy General Manager of International Division</p> <p>Mar. 2012 Director, SMB United Limited (currently OSAKI United International Pte. Ltd.) (to date)</p> <p>Jul. 2012 Managing Advisor and Deputy General Manager of International Division, the Company</p> <p>Jun. 2013 Director and Deputy Head of Corporate Strategy Division</p> <p>Jun. 2014 Managing Director and Deputy Head of Corporate Strategy Division</p> <p>Jun. 2018 Managing Director and Head of Corporate Strategy Division</p> <p>Jun. 2020 Managing Executive Officer, Head of Corporate Strategy Division (to date)</p> <p><u>Significant concurrent positions</u> None</p> <p><u>Attendance at the Board of Directors meetings</u> 100% (17/17)</p> <p><u>Special interests with the Company</u> See Note 1 below.</p>	11,789
<p><u>Reason for nomination as a candidate for Director</u> Mr. Ryuichi Ueno has a wealth of experience and achievements mainly in overseas divisions at the major bank and the Company. He assumed the position of Director of the Company in June 2013 and currently serves as Managing Executive Officer. He will continue to lead the Corporate Strategy Division, implement global strategies, and play an important role in management decision-making. Accordingly, the Company renominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p>Seiji Takashima (September 14, 1943)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;"> Reappointment <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;"> Outside <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;"> Independent </div> </div> </div>	<p>Apr. 1969 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>Jun. 1996 Director and General Manager of Tohoku Branch</p> <p>Jan. 1999 Representative Director and President, NTT Infrastructure Network Corporation</p> <p>Jun. 2002 Senior Managing Director and General Manager of Sales Management Headquarters, Kyowa Exeo Corporation (currently EXEO Group, Inc.)</p> <p>Jun. 2003 President and Representative Director</p> <p>Jun. 2008 Chairman and Representative Director</p> <p>Jun. 2012 Advisor</p> <p>Jun. 2014 Director, the Company (to date)</p> <p>Oct. 2015 Honorary Advisor, Kyowa Exeo Corporation (to date)</p> <p><u>Significant concurrent positions</u> None</p> <p><u>Attendance at the Board of Directors meetings</u> 100% (17/17)</p> <p><u>Special interests with the Company</u> None</p>	-
<p><u>Reason for nomination as a candidate for Outside Director and expected role</u> Mr. Seiji Takashima has abundant experience and extensive knowledge and insight as a corporate manager, having long served as Representative Director for numerous listed companies. The Company expects him to contribute to strengthening the Company's governance and provide appropriate advice and suggestions on overall management. Accordingly, the Company renominates him as a candidate for Outside Director.</p> <p><u>Matters concerning independence of candidate</u> The Company has designated him as Independent Officer as prescribed in the regulations of Tokyo Stock Exchange, Inc. and has registered him as such with the Exchange. If he is reappointed and assumes the office of Director, the Company will continue to register him as Independent Officer. Mr. Seiji Takashima is currently serving as Honorary Advisor of Kyowa Exeo Corporation (currently EXEO Group, Inc.) after serving as President and Representative Director and then Chairman and Representative Director of said company. The Company has transactions with Kyowa Exeo Corporation, but they are incidental transactions that occur because of customer requests and their amount is insignificant in comparison with the Company's consolidated net sales (2 million yen in fiscal 2021).</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p data-bbox="193 555 410 618">Nobuhiro Kasai (February 6, 1957)</p> <div data-bbox="209 651 410 757" style="border: 1px solid black; padding: 2px; text-align: center;"> Reappointment Outside Independent </div>	<p data-bbox="456 275 1241 338">Apr. 1981 Joined Yokogawa Hewlett-Packard Company (currently Hewlett Packard Japan, G.K.)</p> <p data-bbox="456 349 1267 412">Nov. 1996 General Manager of Electronic Design Automation (EDA) Sales Department</p> <p data-bbox="456 423 1222 486">Nov. 1998 General Manager of Electronic Measurement Business Marketing Division</p> <p data-bbox="456 497 1254 604">Nov. 2000 General Manager of Marketing Department, Components Measurement Business Division, Agilent Technologies Japan, Ltd.</p> <p data-bbox="456 616 1294 678">Jul. 2005 Executive Officer and Head of Consumer Business Division, Jabil Circuit Japan, Inc.</p> <p data-bbox="456 689 1155 721">Jan. 2009 President & CEO, Rohde & Schwarz Japan K.K.</p> <p data-bbox="456 732 967 763">Jun. 2016 Director, the Company (to date)</p> <p data-bbox="456 775 1177 806">Oct. 2016 Head of Sales Division, Phase One Japan Co., Ltd.</p> <p data-bbox="456 817 826 848"><u>Significant concurrent positions</u></p> <p data-bbox="472 860 539 891">None</p> <p data-bbox="456 902 986 934"><u>Attendance at the Board of Directors meetings</u></p> <p data-bbox="472 945 635 976">100% (17/17)</p> <p data-bbox="456 987 826 1019"><u>Significant concurrent positions</u></p> <p data-bbox="472 1030 539 1061">None</p>	-
<p data-bbox="172 1048 1040 1079"><u>Reason for nomination as a candidate for Outside Director and expected role</u></p> <p data-bbox="172 1090 1497 1234">Mr. Nobuhiro Kasai has long been involved in the measurement business, where he gained highly specialized knowledge in the field, as well as experience as a corporate manager. The Company expects him to contribute to the strengthening of the Company's governance and provide appropriate advice and suggestions on overall management. Accordingly, the Company renominates him as a candidate for Outside Director.</p> <p data-bbox="172 1279 703 1310"><u>Matters concerning independence of candidate</u></p> <p data-bbox="172 1321 1497 1429">The Company has designated him as Independent Officer as prescribed in the regulations of Tokyo Stock Exchange, Inc. and has registered him as such with the Exchange. If he is reappointed and assumes the office of Director, the Company will continue to register him as Independent Officer.</p> <p data-bbox="172 1440 831 1471">No attribute information on his independence is available.</p>			

- Notes:
1. OSAKI United International Pte. Ltd. is the Company's wholly-owned subsidiary with its headquarters in Singapore.
 2. Messrs. Seiji Takashima and Nobuhiro Kasai are candidates for Outside Directors.
 3. At the conclusion of this General Meeting of Shareholders, Messrs. Seiji Takashima and Nobuhiro Kasai will have served for eight years and six years, respectively, as Outside Director.
 4. The Company has, pursuant to Article 427, Paragraph 1 of the Companies Act, concluded agreements with Messrs. Seiji Takashima and Nobuhiro Kasai to limit their liability for damages as provided in Article 423, Paragraph 1 of said Act. The maximum amount of liability for damages under such an agreement is the aggregate sum of the amounts stipulated in each item of Article 425, Paragraph 1 of said Act.
If their reappointments are approved, the Company plans to continue said liability limitation agreements with them.
 5. The Company has concluded a directors and officers liability insurance contract with an insurance company with the candidates as the insured. Please refer to page 34 of the Business Report (Japanese only) for an outline of the contents of such insurance contracts. The Company plans to renew the policy with the same content at the time of the next renewal.

Proposal 4: Election of Two (2) Statutory Auditors

The terms of office of Statutory Auditors Messrs. Choichiro Hori and Toshio Yamanaka will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Statutory Auditors.

The Board of Auditors has given its approval to this proposal.

The candidates for Statutory Auditors are as follows:

No.	Name		Current positions at the Company
1	Choichiro Hori	Reappointment	Standing Auditor
2	Yutaka Hasegawa	New appointment	—

No.	Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
1	Choichiro Hori (April 27, 1955) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>	Apr. 1980 Joined Tokyo Electric Power Company (currently Tokyo Electric Power Company Holdings, Inc.) Jul. 2002 Deputy General Manager of Saitama Office, Saitama Branch Jul. 2006 Group Manager of Saitama Branch (in charge of safety and quality) and Safety and Quality Group Jul. 2008 Seconded to Toko Electric Corporation (currently TAKAOKA TOKO CO., LTD.) Oct. 2011 Seconded to the Company General Manager of Domestic Sales Division Jun. 2012 Director and Deputy Head of Domestic Sales Division Jun. 2018 Standing Auditor (to date) <u>Significant concurrent positions</u> None <u>Attendance at the Board of Directors meetings</u> 100% (17/17) <u>Attendance at the Board of Auditors meetings</u> 100% (20/20) <u>Special interests with the Company</u> None	28,100
<u>Reason for nomination as a candidate for Statutory Auditor</u> Mr. Choichiro Hori has extensive knowledge of the Company's products based on his business experience at electric power companies. He assumed the position of Director of the Company in June 2012, and has gained extensive experience in business management and operations, mainly in leading the sales division. He then assumed the position of Standing Auditor from June 2018, and has been appropriately performing auditing duties for the Group. Accordingly, the Company renominates him as a candidate for Statutory Auditor.			

No.	Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
2	Yutaka Hasegawa (October 3, 1965) New appointment	<p>Apr. 1988 Joined the Company</p> <p>Jun. 2014 General Manager of General Affairs Department, Administration Division (to date)</p> <p><u>Significant concurrent positions</u> None</p> <p><u>Attendance at the Board of Directors meetings</u> –</p> <p><u>Attendance at the Board of Corporate Auditors meetings</u> –</p> <p><u>Special interests with the Company</u> None</p>	–
<p><u>Reason for nomination as a candidate for Statutory Auditor</u></p> <p>Mr. Yutaka Hasegawa has abundant experience and achievements mainly in general affairs, accounting, and other administrative divisions at the Company, including subsidiaries. As General Manager of the General Affairs Department since June 2014, he is responsible for the Compliance Committee and the secretariat of risk management and promoting health management. Accordingly, the Company nominates him as a new candidate for Statutory Auditor, considering that he is capable of appropriately performing auditing duties with a view of the entire Company.</p>			

- Notes: 1. The Company has, pursuant to Article 427, Paragraph 1 of the Companies Act, concluded an agreement with Mr. Choichiro Hori to limit his liability for damages as provided in Article 423, Paragraph 1 of said Act. The maximum amount of liability for damages under such an agreement is the aggregate sum of the amounts stipulated in each item of Article 425, Paragraph 1 of said Act. If the reappointment of Mr. Choichiro Hori is approved, the Company plans to continue the liability limitation agreement with him. If the appointment of Mr. Yutaka Hasegawa is approved, the Company plans to enter into the liability limitation agreement with him.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company with the candidates as the insured. Please refer to page 34 of the Business Report (Japanese only) for an outline of the contents of such insurance contracts. The Company plans to renew the policy with the same content at the time of the next renewal.

<Reference> Skills Matrix

The Company has a small Board of Directors, which is responsible for important management decision-making functions and business execution supervisory functions, with no more than 10 more capable personnel. The Company places importance on management experience at the Company or other companies, international experience, and knowledge and ability in specialized fields both inside and outside of the Company.

The skills matrix below shows the skills that each Director and Statutory Auditor must have if the proposals for the appointment of Directors and Statutory Auditors are approved as proposed. We believe that the Board of Directors as a whole has a diversity and balance of skills.

	Representative	Outside	Committee member*	Officers	General management	Industry knowledge	International experience	Sales and marketing	Manufacturing and development	Legal knowledge	Financial knowledge
Directors	●		○	Yoshihide Watanabe	●	●	●	●	●		
	●		○	Mitsuyasu Watanabe	●	●	●		●		
	●		○	Haruyuki Kawabata	●	●		●			
				Ryuichi Ueno		●	●				●
		●	◎	Seiji Takashima	●		●		●		
		●	○	Nobuhiro Kasai	●		●				
Statutory Auditors				Choichiro Hori		●		●			
				Yutaka Hasegawa		●				●	
		●	○	Shigehiko Yamamoto							●
		●	○	Kumiko Kitai						●	

* Committee member: Nomination and Remuneration Advisory Committee (Chairperson ◎, Member ○)