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Securities Code: 6806
June 11, 2020

To Shareholders with Voting Rights

Kazunori Ishii
President and Representative Director
Hirose Electric Co., Ltd.
5-5-23, Osaki, Shinagawa-ku, Tokyo

NOTICE OF THE 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 73rd Ordinary General Meeting of Shareholders of Hirose Electric Co., Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing by submitting the Voting Rights Exercise Form or via the Internet. Please read the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on June 25, 2020 (Thursday) in accordance with the guidance below.

1. Date and Time: June 26, 2020 (Friday), 10:00 a.m. (Reception will open at 9:00 a.m.)

2. Venue: 1-1-1, Shirokanedai, Minato-ku, Tokyo
HAPPO-EN, 2F SUNLIGHT

* In the event that the venue (SUNLIGHT) is filled to capacity, we will show you to the second venue. We will not be taking questions at the second venue. If shareholders at the second venue wish to ask questions, we will move the shareholders to the venue (SUNLIGHT), so please ask one of our staff members.

3. Agenda of the Meeting:

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the Company’s 73rd Fiscal Year (from April 1, 2019 to March 31, 2020) and Audit Reports for the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the Company’s 73rd Fiscal Year (from April 1, 2019 to March 31, 2020)

Proposals to be resolved:

Proposal No. 1 Dividends of Surplus
Proposal No. 2 Partial Amendments to the Articles of Incorporation
Proposal No. 3 Election of Nine (9) Directors
Proposal No. 4 Election of One (1) Audit & Supervisory Board Member

4. Guidance for Exercising Voting Rights:

(1) Exercise voting rights in writing

Please indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and return the form to us to arrive no later than 5:00 p.m. on June 25, 2020 (Thursday).

(2) Exercise voting rights via the Internet

If you exercise your voting rights via the Internet, please exercise them no later than 5:00 p.m. on June 25, 2020 (Thursday).

(3) If you exercise your voting rights twice, once in writing and once via the Internet, your Internet vote shall be deemed to be valid. If you exercise your voting rights more than once via the Internet or exercise them twice, once using a personal computer and once using a mobile phone, the last exercise shall be deemed to be valid.

5. Other Matters Related to This Convocation:

Among the documents that have to be provided along with the convocation of this meeting of shareholders, Systems to Ensure Properness of Operations of the Company and Operation Status of the Systems, the Notes to the Consolidated and Non-consolidated Financial Statements are posted on the Company's website (<https://www.hirose.com/jp/>) pursuant to the provisions of the relevant laws and regulations and Article 15 of the Company's Articles of Incorporation, therefore these are not included in this Notice. The Business Report, the Consolidated and Non-consolidated Financial Statements included in this Notice are part of the Consolidated and Non-consolidated Financial Statements that the Accounting Auditor and Audit & Supervisory Board Members audited to prepare their respective Audit Reports.

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For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

If there are any amendments to the Reference Documents for the General Meeting of Shareholders, the Business Report and/or the Consolidated and Non-consolidated Financial Statements, these amendments will be posted on the Company's website (<https://www.hirose.com/jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Dividends of Surplus

Regarding year-end dividends, comprehensively taking into account the business results and operating environment of the Company and based on the policy of stable dividend distribution to shareholders, we propose year-end dividends as follows:

- (1) Type of dividend property: Cash
- (2) Matters related to the allocation of dividends and total amount thereof:
  - ¥120 per share of the Company's common shares
  - Total amount of dividends: ¥4,352,057,400
  - Because an interim dividend of ¥120 per share was paid, the annual dividend for the fiscal year ended March 31, 2020 is ¥240 per share.
- (3) Effective date of dividends of surplus: June 29, 2020

#### Proposal No. 2 Partial Amendments to the Articles of Incorporation

##### 1. Reasons for amendments

As head office functions are already gathered in Yokohama, Kanagawa, collaboration between departments is being strengthened and operations are being optimized, the Company proposes the amendments to change the location of the head office set forth in Article 3 of the Articles of Incorporation from Shinagawa-ku, Tokyo to Yokohama, Kanagawa in line with actual head office operations.

##### 2. Details of amendments

Details of amendments are as follows:

(Underlined portions indicate amendments.)

| Current Articles of Incorporation                                                                 | Proposed Amendments to the Articles of Incorporation                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CHAPTER I.<br>General Provisions                                                                  | CHAPTER I.<br>General Provisions                                                                                                                                                                                        |
| (Location of the Head Office)                                                                     | (Location of the Head Office)                                                                                                                                                                                           |
| Article 3. The head office of the Company shall be located at <u>Shinagawa-ku, Tokyo</u> , Japan. | Article 3. The head office of the Company shall be located at <u>Yokohama, Kanagawa</u> , Japan.                                                                                                                        |
| (Newly established)                                                                               | <u>Supplementary Provisions</u>                                                                                                                                                                                         |
|                                                                                                   | <u>Article 1. The amendment of (Location of the Head Office) shall take effect on July 1, 2020, and this supplementary provision shall be eliminated after the effective date of the relocation of the head office.</u> |

### Proposal No. 3 Election of Nine (9) Directors

The term of office of all nine (9) Directors will expire at the close of this Ordinary General Meeting of Shareholders. At this juncture, the Company proposes the election of nine (9) Directors.

The candidates are as follows:

[Reference] List of candidates for Director

| No. | Name                                                                                                                                  | Current positions and responsibilities in the Company                                                                   |
|-----|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 1   | <input type="checkbox"/> Reelection Kazunori Ishii                                                                                    | President and Representative Director                                                                                   |
| 2   | <input type="checkbox"/> Reelection Mitsuo Nakamura                                                                                   | Senior Managing Director<br>Group President–Engineering; concurrently responsible for<br>Production Group               |
| 3   | <input type="checkbox"/> Reelection Yukio Kiriya                                                                                      | Director<br>Group President–Production                                                                                  |
| 4   | <input type="checkbox"/> Reelection Hiroshi Fukumoto                                                                                  | Director<br>Group President–Administration                                                                              |
| 5   | <input type="checkbox"/> Reelection Hiroshi Satoh                                                                                     | Director<br>Group President–Sales & Marketing; concurrently Division<br>General Manager–International Business Division |
| 6   | <input type="checkbox"/> Reelection Sang-Yeob Lee                                                                                     | Director                                                                                                                |
| 7   | <input type="checkbox"/> Reelection<br><input type="checkbox"/> Outside<br><input type="checkbox"/> Independent Kensuke Hotta         | Outside Director                                                                                                        |
| 8   | <input type="checkbox"/> Reelection<br><input type="checkbox"/> Outside<br><input type="checkbox"/> Independent Tetsuji Motonaga      | Outside Director                                                                                                        |
| 9   | <input type="checkbox"/> New election<br><input type="checkbox"/> Outside<br><input type="checkbox"/> Independent Masanori Nishimatsu |                                                                                                                         |

No conflict of interest exists between the Company and any of the above candidates.

|                                       |                                                           |
|---------------------------------------|-----------------------------------------------------------|
| <input type="checkbox"/> Reelection   | Candidate for Director to be reelected                    |
| <input type="checkbox"/> New election | Candidate for Director to be newly elected                |
| <input type="checkbox"/> Outside      | Candidate for Outside Director                            |
| <input type="checkbox"/> Independent  | Independent Officer as defined by the securities exchange |

| No.                                                                                                                                                                                                                                                             | Name<br>(Date of birth)                                                                                                                                      | Career summary, positions and responsibilities in the Company<br>and significant concurrent positions at other organizations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Number of<br>shares owned |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 1                                                                                                                                                                                                                                                               | <p style="text-align: center;">Reelection</p> <p>Kazunori Ishii<br/>(January 4, 1960)</p> <p>Attendance at<br/>Board of Directors<br/>meetings<br/>14/14</p> | <p>April 1982      Joined the Company</p> <p>July 2007      Deputy Group President–Engineering of the<br/>Company</p> <p>November 2008      Deputy Group President–Sales &amp; Marketing<br/>of the Company</p> <p>June 2009      Operating Officer of the Company</p> <p>November 2009      Acting Group President–Sales &amp; Marketing<br/>of the Company</p> <p>June 2010      Director of the Company,<br/>Delegated to act as General Manager–<br/>Corporate Innovation Office</p> <p>June 2011      Senior Managing Director of the Company,<br/>Delegated to act as Group President–Sales &amp;<br/>Marketing; concurrently General Manager–<br/>Corporate Innovation Office</p> <p>June 2012      President and Representative Director of the<br/>Company<br/>(to present)</p> <p>(Significant concurrent positions at other organizations)</p> <p>President and Representative Director of TOHOKU HIROSE<br/>ELECTRIC CO., LTD.</p> <p>President and Representative Director of KORIYAMA HIROSE<br/>ELECTRIC CO., LTD.</p> <p>President and Representative Director of ICHINOSEKI HIROSE<br/>ELECTRIC CO., LTD.</p> <p>Representative Director of HIROSE KOREA CO., LTD.</p> | 1,182                     |
| <p>(Reasons for nomination as candidate for Director)</p> <p>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed the whole Group as President.</p> |                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |

| No.                                                                                                                                                                                                                                                                                        | Name<br>(Date of birth)                                                                                                                                                                                  | Career summary, positions and responsibilities in the Company<br>and significant concurrent positions at other organizations |                                                      | Number of<br>shares owned |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------|
| 2                                                                                                                                                                                                                                                                                          | <div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div><br>Mitsuo Nakamura<br>(February 23,<br>1958)<br><br>Attendance at<br>Board of Directors<br>meetings<br>14/14 | April 1980                                                                                                                   | Joined the Company                                   | 551                       |
|                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                          | July 2007                                                                                                                    | Deputy Group President–Engineering of the Company    |                           |
| June 2009                                                                                                                                                                                                                                                                                  | Operating Officer of the Company                                                                                                                                                                         |                                                                                                                              |                                                      |                           |
| June 2010                                                                                                                                                                                                                                                                                  | Director of the Company,<br>Delegated to act as Deputy Group President–Engineering                                                                                                                       |                                                                                                                              |                                                      |                           |
| June 2013                                                                                                                                                                                                                                                                                  | Delegated to act as Group President–Engineering                                                                                                                                                          |                                                                                                                              |                                                      |                           |
| June 2015                                                                                                                                                                                                                                                                                  | Managing Director of the Company                                                                                                                                                                         |                                                                                                                              |                                                      |                           |
| June 2016                                                                                                                                                                                                                                                                                  | Delegated to act as Group President–Engineering; concurrently responsible for Production Group (to present)                                                                                              |                                                                                                                              |                                                      |                           |
|                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                          | June 2019                                                                                                                    | Senior Managing Director of the Company (to present) |                           |
| (Reasons for nomination as candidate for Director)<br>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed technological development of the Group as Senior Managing Director. |                                                                                                                                                                                                          |                                                                                                                              |                                                      |                           |
| 3                                                                                                                                                                                                                                                                                          | <div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div><br>Yukio Kiriya<br>(December 29,<br>1958)<br><br>Attendance at<br>Board of Directors<br>meetings<br>14/14    | April 1982                                                                                                                   | Joined the Company                                   | 1,570                     |
|                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                          | April 2013                                                                                                                   | Deputy General Manager–Production of the Company     |                           |
| June 2015                                                                                                                                                                                                                                                                                  | Operating Officer of the Company                                                                                                                                                                         |                                                                                                                              |                                                      |                           |
| November 2015                                                                                                                                                                                                                                                                              | Acting General Manager–Production of the Company                                                                                                                                                         |                                                                                                                              |                                                      |                           |
| April 2016                                                                                                                                                                                                                                                                                 | Acting General Manager–Production of the Company; concurrently responsible for Quality Assurance Department                                                                                              |                                                                                                                              |                                                      |                           |
| June 2016                                                                                                                                                                                                                                                                                  | Director of the Company (to present)<br>Delegated to act as Group President–Production; concurrently responsible for Quality Assurance Department                                                        |                                                                                                                              |                                                      |                           |
| October 2017                                                                                                                                                                                                                                                                               | Delegated to act as Group President–Production (to present)                                                                                                                                              |                                                                                                                              |                                                      |                           |
| (Reasons for nomination as candidate for Director)<br>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed the overall manufacturing affairs of the Group.                     |                                                                                                                                                                                                          |                                                                                                                              |                                                      |                           |
| 4                                                                                                                                                                                                                                                                                          | <div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div><br>Hiroshi Fukumoto<br>(November 4,<br>1956)<br><br>Attendance at<br>Board of Directors<br>meetings<br>11/11 | April 1980                                                                                                                   | Joined Hitachi, Ltd.                                 | 415                       |
|                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                          | July 2002                                                                                                                    | Joined the Company                                   |                           |
| July 2007                                                                                                                                                                                                                                                                                  | Deputy Group President–Administration of the Company                                                                                                                                                     |                                                                                                                              |                                                      |                           |
| June 2009                                                                                                                                                                                                                                                                                  | Operating Officer of the Company                                                                                                                                                                         |                                                                                                                              |                                                      |                           |
| April 2018                                                                                                                                                                                                                                                                                 | Acting Group President–Administration                                                                                                                                                                    |                                                                                                                              |                                                      |                           |
| June 2019                                                                                                                                                                                                                                                                                  | Director of the Company,<br>Delegated to act as Group President–Administration (to present)                                                                                                              |                                                                                                                              |                                                      |                           |
|                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                          |                                                                                                                              |                                                      |                           |
| (Reasons for nomination as candidate for Director)<br>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed the overall general administrative affairs of the Group.            |                                                                                                                                                                                                          |                                                                                                                              |                                                      |                           |

| No.                                                                                                                                                                                                                                                      | Name<br>(Date of birth)                                                                                                                      | Career summary, positions and responsibilities in the Company<br>and significant concurrent positions at other organizations     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Number of<br>shares owned |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 5                                                                                                                                                                                                                                                        | <p><b>Reelection</b></p> <p>Hiroshi Satoh<br/>(December 23,<br/>1970)</p> <p>Attendance at<br/>Board of Directors<br/>meetings<br/>11/11</p> | <p>April 1993</p> <p>July 2001</p> <p>February 2017</p> <p>April 2018</p> <p>June 2019</p>                                       | <p>Joined MITSUI &amp; CO., LTD.</p> <p>Joined KEYENCE CORPORATION</p> <p>Joined the Company</p> <p>Division General Manager–International<br/>Business Division–Sales &amp; Marketing</p> <p>Director of the Company,<br/>Delegated to act as Group President–Sales &amp;<br/>Marketing; concurrently Division General<br/>Manager–International Business Division<br/>(to present)</p>                                                                                                                                                                                                                                                                      | 200                       |
| (Reasons for nomination as candidate for Director)<br>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed sales and marketing of the Group. |                                                                                                                                              |                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |
| 6                                                                                                                                                                                                                                                        | <p><b>Reelection</b></p> <p>Sang-Yeob Lee<br/>(July 1, 1961)</p> <p>Attendance at<br/>Board of Directors<br/>meetings<br/>13/14</p>          | <p>January 1984</p> <p>March 1989</p> <p>July 2007</p> <p>August 2007</p> <p>June 2010</p> <p>November 2011</p> <p>June 2018</p> | <p>Joined Hanwha Corporation / Explosives</p> <p>Joined HIROSE KOREA CO., LTD.</p> <p>Chairman of WEIHAI HIROSE KOREA<br/>ELECTRIC CO., LTD.<br/>(to present)</p> <p>Representative Director, the Employee<br/>Welfare Fund of HIROSE KOREA CO.,<br/>LTD.<br/>(to present)</p> <p>Executive Vice President and Representative<br/>Director of HIROSE KOREA CO., LTD.</p> <p>President and Representative Director of<br/>HIROSE KOREA CO., LTD.<br/>(to present)</p> <p>Director of the Company<br/>(to present)</p> <p>(Significant concurrent positions at other organizations)<br/>President and Representative Director of HIROSE KOREA CO.,<br/>LTD.</p> | 0                         |
| (Reasons for nomination as candidate for Director)<br>The Company nominates him as a candidate for Director for another term because we believe he is well qualified for the position as he has supervised and managed major subsidiaries of the Group.  |                                                                                                                                              |                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |

| No.                                                                                                                                                                                                                                                                                                                            | Name<br>(Date of birth)                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Career summary, positions and responsibilities in the Company<br>and significant concurrent positions at other organizations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Number of<br>shares owned |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 7                                                                                                                                                                                                                                                                                                                              | <div style="text-align: center;"> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div><br/> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Outside</div><br/> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Independent</div> </div> <p>Kensuke Hotta<br/>(October 12, 1938)</p> <p>Number of years in<br/>office<br/>9 years</p> <p>Attendance at<br/>Board of Directors<br/>meetings<br/>13/14</p> | <p>April 1962      Joined The Sumitomo Bank, Limited<br/>(currently Sumitomo Mitsui Banking<br/>Corporation)</p> <p>June 1987<br/>June 1997      Director of The Sumitomo Bank, Limited<br/>Representative Director and Executive Vice<br/>President of The Sumitomo Bank, Limited</p> <p>January 2001    Chairman of Morgan Stanley Japan Limited<br/>(currently Morgan Stanley MUFG Securities<br/>Co., Ltd.)</p> <p>April 2006      Chairman and Representative Director of<br/>Morgan Stanley Japan Securities (currently<br/>Morgan Stanley MUFG Securities Co., Ltd.)</p> <p>June 2006      Outside Statutory Auditor of SEIREN CO.,<br/>LTD.</p> <p>October 2007    Chairman and Representative Director of<br/>Hotta Sogo Jimusho K.K.<br/>(to present)</p> <p>January 2008    Advisory Director of Morgan Stanley Japan<br/>Securities Co., Ltd. (currently Morgan<br/>Stanley MUFG Securities Co., Ltd.)</p> <p>December 2008   Chairman and Representative Director of<br/>Greenhill &amp; Co. Japan Ltd.</p> <p>June 2011      Outside Director of the Company<br/>(to present)</p> <p>May 2016      Senior Advisor of Greenhill &amp; Co. Japan Ltd.</p> <p>June 2018      Outside Director of SEIREN CO., LTD.<br/>(to present)</p> <p>(Significant concurrent positions at other organizations)<br/>Chairman and Representative Director of Hotta Sogo Jimusho<br/>K.K.<br/>Outside Director of SEIREN CO., LTD.</p> | 0                         |
| <p>(Reasons for nomination as candidate for Outside Director)<br/>The Company nominates him as a candidate for Outside Director for another term because he has been providing appropriate oversight on the management of the Company utilizing his considerable experience and in-depth knowledge as a corporate manager.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                           |

Notes:

1. Mr. Kensuke Hotta is a candidate for Outside Director and Mr. Hotta's term of office as Outside Director will be nine years at the close of this General Meeting of Shareholders.
2. The Company has designated Mr. Hotta as an Independent Officer as stipulated by the Tokyo Stock Exchange and reported him as such to the exchange. If his reelection is approved, the Company intends to continue to designate him as an Independent Officer.
3. Mr. Hotta meets all criteria of the Company's Standards for Independence of Outside Officers.
4. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Hotta, to limit his liability for damages to the effect that if such liability as stipulated in Article 423, paragraph (1) of the Act is not resulting from serious negligence and his duties are conducted in good faith, the limit of the amount for which he is liable under such agreement shall be the sum of the amounts set forth in each item (minimum liability amount) of Article 425, paragraph (1) of the Act. If his reelection is approved, the Company intends to continue the same agreement with him.





| No.                                                                                                                                                                                                                                                                                                                          | Name<br>(Date of birth)                                                                                                                                                                                                                                                                                                                                                                                                                                | Career summary, positions and responsibilities in the Company<br>and significant concurrent positions at other organizations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Number of<br>shares owned |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 9                                                                                                                                                                                                                                                                                                                            | <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">New election</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Independent</div> <p>Masanori<br/>Nishimatsu<br/>(February 3, 1958)</p> <p>Number of years in<br/>office<br/>0 years</p> | <p>April 1980      Joined Nomura Securities Co., Ltd.</p> <p>April 2003      Director of Nomura Securities Co., Ltd.</p> <p>June 2003      Executive Officer of Nomura Securities Co., Ltd.</p> <p>April 2007      Managing Executive Officer of Nomura Securities Co., Ltd.</p> <p>June 2010      Director of Nomura Holdings, Inc.</p> <p>June 2013      Director of Nomura Securities Co., Ltd.</p> <p>April 2015      Representative Director and President of Nomura Land and Building Co., Ltd. (to present)</p> <p>Representative Director and President of Nomura China Investment Corporation (to present)</p> <p>Representative Director and President of Saitama Kaihatsu Corporation (to present)</p> <p>(Significant concurrent positions at other organizations)</p> <p>Representative Director and President of Nomura Land and Building Co., Ltd.</p> <p>Representative Director and President of Nomura China Investment Corporation</p> <p>Representative Director and President of Saitama Kaihatsu Corporation</p> | 0                         |
| <p>(Reasons for nomination as candidate for Outside Director)</p> <p>The Company nominates him as a new candidate for Outside Director because he can be expected to provide appropriate oversight on the management of the Company utilizing his considerable experience and in-depth knowledge as a corporate manager.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                           |

Notes:

1. Mr. Masanori Nishimatsu is a candidate for Outside Director.
2. If the election of Mr. Nishimatsu is approved, the Company intends to designate him as an Independent Officer as stipulated by the Tokyo Stock Exchange, and report him as such to the exchange.
3. Mr. Nishimatsu meets all criteria of the Company's Standards for Independence of Outside Officers.
4. If election of Mr. Nishimatsu is approved, pursuant to Article 427, paragraph (1) of the Companies Act, the Company intends to enter into a liability limitation agreement with Mr. Nishimatsu, to limit his liability for damages to the effect that if such liability as stipulated in Article 423, paragraph (1) of the Act is not resulting from serious negligence and his duties are conducted in good faith, the limit of the amount for which he is liable under such agreement shall be the sum of the amounts set forth in each item (minimum liability amount) of Article 425, paragraph (1) of the Act.

**Proposal No. 4 Election of One (1) Audit & Supervisory Board Member**

The term of office of one (1) Audit & Supervisory Board Member, Mr. Terukazu Sugishima, will expire at the close of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has consented to this proposition.

The candidate is as follows:

| Name<br>(Date of birth)                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Career summary, positions and responsibilities in the Company and significant concurrent positions at other organizations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Number of shares owned |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reelection</div><br/> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div><br/> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> </div> <p>Terukazu Sugishima<br/>(March 12, 1950)</p> <p>Number of years in office<br/>12 years</p> <p>Attendance at Board of Directors meetings<br/>14/14</p> | <p>April 1972      Joined Kanematsu-Gosho, Ltd. (currently KANEMATSU CORPORATION)</p> <p>October 1974    Joined Price Waterhouse Accounting Office</p> <p>April 1978      Joined Serizawa Law and Accounting Office</p> <p>March 1979     Registered as certified public accountant</p> <p>June 1979      Registered as tax accountant</p> <p>April 1985      Established Sugishima Certified Public Accountant Office<br/>(to present)</p> <p>June 2007      Outside Audit &amp; Supervisory Board Member of Starzen Co., Ltd.</p> <p>June 2008      Outside Audit &amp; Supervisory Board Member of the Company<br/>(to present)</p> <p>June 2015      Outside Audit &amp; Supervisory Board Member of Chuetsu Pulp &amp; Paper Co., Ltd.</p> <p>June 2016      Outside Director of Chuetsu Pulp &amp; Paper Co., Ltd.<br/>(to present)</p> <p>(Significant concurrent positions at other organizations)<br/>Outside Director of Chuetsu Pulp &amp; Paper Co., Ltd.</p> | 0                      |
| <p>(Reasons for nomination as candidate for Outside Audit &amp; Supervisory Board Member)<br/>The Company nominates him as a candidate for Outside Audit &amp; Supervisory Board Member for another term because he has been providing appropriate audit on the management of the Company utilizing his expert knowledge and experience as a certified public accountant.</p>                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                        |

Notes:

1. There is no special interest between the candidate and the Company. Mr. Terukazu Sugishima is an Independent Officer who is unlikely to have any conflict of interest with general shareholders, that are required to be designated by the Tokyo Stock Exchange.
2. Information on the candidate for Outside Audit & Supervisory Board Member is as follows.
  - (1) Mr. Sugishima is a candidate for Outside Audit & Supervisory Board Member.
  - (2) Reasons for the appointment of Mr. Sugishima for Outside Audit & Supervisory Board Member and his independency
    - 1) We ask that Mr. Sugishima be elected as an Outside Audit & Supervisory Board Member expecting him to utilize his expertise and experience he gained as certified public accountant in the Company's audit. Mr. Sugishima's term of office as Outside Audit & Supervisory Board Member will be 12 years at the closing of this General Meeting of Shareholders.
    - 2) Mr. Sugishima does not plan to receive a large amount of money or other assets (other than remuneration paid for his service as an Audit & Supervisory Board Member of the Company) from the Company or business operators that have specific relations with the Company. Also, he has not received such in the past two years.
    - 3) Mr. Sugishima is not a spouse or a relative within the third degree of consanguinity or of similar status of either anyone in a position to execute business or an officer at either the Company or a business operator that has specific relations with the Company such as its parent company.
    - 4) Mr. Sugishima was not an executive at any corporation from which the Company assumed business rights and obligations through a corporate merger, an absorption-type corporate split, an incorporation-type corporate split or a business transfer immediately before such merger, etc., for the past two years.

(3) Reasons why the Company considers Mr. Sugishima is capable of performing his duties as Outside Audit & Supervisory Board Member

Although Mr. Sugishima has not been directly involved in company management, the Company considers he will effectively continue to perform his duties as Outside Audit & Supervisory Board Member, after taking into account his work experience as a certified public accountant and his achievements as Audit & Supervisory Board Member over 12 years.

(4) Liability limitation agreements with Outside Audit & Supervisory Board Members

Pursuant to Article 427, paragraph (1) of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Sugishima, a candidate for Outside Audit & Supervisory Board Member, to limit his liability for damages to the effect that if such liability as stipulated in Article 423, paragraph (1) of the Act is not resulting from serious negligence and his duties are conducted in good faith, the limit of the amount for which he is liable under such agreement shall be the sum of the amounts set forth in each item (minimum liability amount) of Article 425, paragraph (1) of the Act. If his reelection is approved, the Company intends to continue the limited liability agreement.

(Reference) Standards for Independence of Outside Officers

The Company selects Independent Outside Directors and Outside Audit & Supervisory Board Members (hereinafter, "Outside Officers") who satisfy the requirements of Independent Officer as stipulated by financial instruments exchanges and possess track records and relevant knowledge in their respective fields. More specifically, if an Outside Officer does not fall under any of the following cases, the Outside Officer is determined as having independence.

- In the case where the Outside Officer is currently serving, or has once served during the past ten years, as an Executive of the Company or any of its subsidiaries (An Executive refers to any Director (excluding Outside Director), Operating Officer and General Manager or above.)
- In the case where the Outside Officer is currently serving as an executive of a company with which the Group engages in transactions, and the amount of the transactions exceeds 2% of consolidated net sales of any fiscal year among the last three fiscal years
- In the case where the Outside Officer receives, as a legal or accounting expert or consultant, remuneration (excluding remuneration paid as a Director of the Company and remuneration paid to the organization or firm to which the Outside Director belongs) exceeding the average annual amount of ¥10 million directly from the Company during the last three fiscal years
- In the case where the Outside Officer belongs to an organization such as corporation (which includes law firm, audit corporation, tax accountant corporation and consulting firm) and association, and remuneration received from the Company exceeds the higher of either 2% or more of the average annual amount of gross sales of the said organization such as corporation or association in the last three fiscal years or ¥100 million or more
- In the case where the Outside Officer is currently an employee, etc., of an audit corporation that is the Accounting Auditor of the Company or any of its subsidiaries
- In the case where the Outside Officer has once engaged in auditing operations for the Company or any of its subsidiaries as an employee, etc., of an audit corporation that is the Accounting Auditor of the Company or any of its subsidiaries during the last three years
- In the case where a relative within the second degree of consanguinity of the Outside Officer is currently serving, or has once served in the past, as an Executive of the Company or any of its subsidiaries