

# **Murata Manufacturing Co., Ltd.**

## **CONVOCAATION NOTICE**

**FOR**

**THE 83rd**

**ORDINARY GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON**

**JUNE 27, 2019**

LOCATION: “Genji Ballroom” on the third floor of HOTEL GRANVIA KYOTO

### **NOTE**

1. THIS DOCUMENT IS A TRANSLATION OF THE OFFICIAL JAPANESE CONVOCAATION NOTICE FOR THE 83RD ORDINARY GENERAL MEETING OF REGISTERED SHAREHOLDERS.
2. THIS TRANSLATION IS PROVIDED ONLY AS A REFERENCE TO ASSIST SHAREHOLDERS IN THEIR VOTING AND DOES NOT CONSTITUTE AN OFFICIAL DOCUMENT.
3. IN THE EVENT OF ANY DISCREPANCY BETWEEN THIS TRANSLATED DOCUMENT AND THE JAPANESE ORIGINAL, THE ORIGINAL SHALL PREVAIL.

\*Please be aware that there will be no gifts prepared for the shareholders who attend this meeting from this year. Thank you for your understanding.

## The Murata Philosophy

Murata Philosophy was created by founder Akira Murata in 1954.

Since then, the world around us has dramatically changed, and technologies have continued to evolve.

However, the thoughts embodied in our philosophy will always remain the same.

All employees share these thoughts and exercise them in their daily work.

### Murata Philosophy

We contribute to the  
advancement of society

by

enhancing technologies and skills

applying scientific approach

creating innovative products and solutions

being trustworthy

and, together with all our stakeholders,

thankful for the increase in prosperity.

(Securities Code: 6981)  
CONVOCATION NOTICE FOR  
THE 83rd ORDINARY GENERAL MEETING OF SHAREHOLDERS

**June 5, 2019**

**Tsuneo Murata**  
**Chairman of the Board,**  
**President and Representative Director**

**Murata Manufacturing Co., Ltd.**  
10-1, Higashikotari 1-chome,  
Nagaokakyo-shi, Kyoto, Japan

Dear Shareholders:

Notice is hereby given that the 83rd Ordinary General Meeting of Shareholders of Murata Manufacturing Co., Ltd. (the “Company”) will be held as detailed below, and your attendance is cordially requested.

**In the event that you are unable to attend the meeting, you may exercise your voting rights either by Voting Rights Exercise Form or via the Internet, etc. To do so, we kindly ask that you first examine the Reference Materials for the General Meeting of Shareholders later in this translation (p. 5-18), then exercise your voting rights by 5:00 p.m. on Wednesday, June 26, 2019.**

1. Date and time: June 27, 2019 (Thursday) 10:00 a.m. (Reception is scheduled to open at 9:00 a.m.)
2. Location: Shiokoji-sagaru, Karasuma-dori, Shimogyo-ku, Kyoto, Japan  
(KYOTO STATION BUILDING)  
“Genji Ballroom” on the third floor of HOTEL GRANVIA KYOTO
3. Agenda:
  - Reports
    1. Report of the business report, the consolidated financial statement for the 83rd fiscal term (From April 1, 2018 to March 31, 2019), and audit reports prepared by the Independent Auditor and the Audit and Supervisory Committee on the consolidated financial statement
    2. Report of the financial statement for the 83rd fiscal term (From April 1, 2018 to March 31, 2019)

Proposals

- No. 1 Dividends of Retained Earnings for the 83rd Fiscal Term
- No. 2 Election of Ten (10) Members of the Board of Directors who are not Audit and Supervisory Committee Members

## **Guide for Exercise of Voting Rights**

### **If You are Able to Attend the General Meeting of Shareholders**

June 27, 2019 (Thursday) 10:00 a.m.

Please submit the Voting Rights Exercise Form enclosed herewith at the reception desk at the entrance to the meeting hall.

In addition, in order to save resources, please bring this Notice when attending the meeting.

### **If You are Unable to Attend the General Meeting of Shareholders**

#### **Exercise of Voting Rights by Postal Mail (Voting Rights Exercise Form)**

Please indicate on the Voting Rights Exercise Form enclosed herewith your approval or disapproval on the proposals and return the form by 5:00 p.m. on Wednesday, June 26, 2019.

#### **Exercise of Voting Rights via the Internet**

Please access the designated website for exercise of voting rights (<https://soukai.mizuho-tb.co.jp/>) via personal computer, smartphone, mobile phone or other device, and indicate your approval or disapproval of the proposals by 5:00 p.m. on Wednesday, June 26, 2019.

## Reference Materials for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Dividends of Retained Earnings for the 83rd Fiscal Term

The Company operates in the electronic devices sector, which is subject to extreme changes in the supply and demand environment and in which the pace of technological innovation is fast. To facilitate a prompt response to environmental changes and achieve sustained growth in profits, as well as maintaining stable management in an increasingly harsh business environment, the Company will strive to strengthen its capital base.

The Company's policy on the return of profits to its shareholders puts priority on distribution of results in the form of a dividend. The Company has adopted a basic policy under which it intends to realize a steady increase of dividend by increasing profit per share, while enhancing the value of the Company and improving its financial strength over the long term at the same time, aiming to achieve a payout ratio of approximately 30% in the medium term.

Based on this policy, after comprehensively examining the Company's consolidated performance and determining the amount of unappropriated retained earnings, the Company proposes a year-end dividend of 140 yen per share.

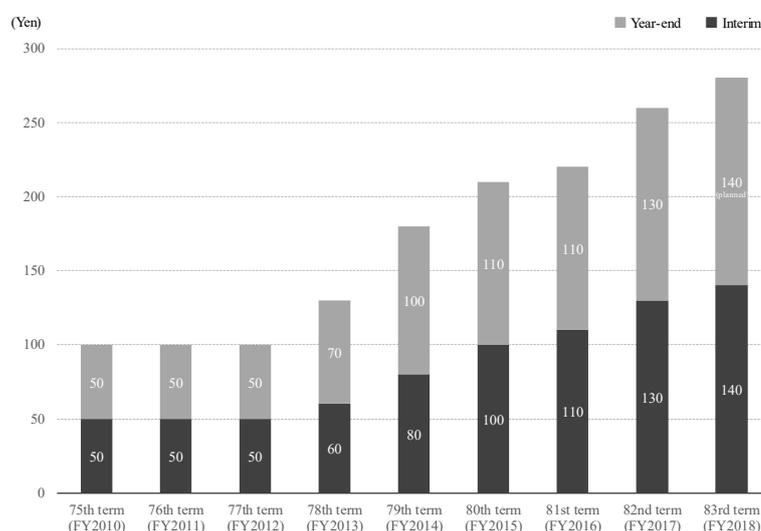
Combined with the interim dividend of 140 yen per share, this will bring the annual dividend to 280 yen per share, an increase of 20 yen per share compared with the previous fiscal year.

1 Type of dividend asset Reference: Trends in dividend per share  
Cash

2 Allocation of dividend assets and total amount of allocation  
140 yen per common share  
Total amount of payout:  
29,855,934,500 yen

Note: The Company implemented a three-for-one common stock split effective April 1, 2019. The record date for the year-end dividend for the fiscal year under review (83rd Fiscal Term) is March 31, and therefore dividends shall be paid based on the number of shares prior to the implementation of this stock split.

3 Effective date of dividend payout  
June 28, 2019



**Proposal No. 2: Election of Ten (10) Members of the Board of Directors who are not Audit and Supervisory Committee Members**

The terms of office of all eight (8) current Members of the Board of Directors who are not Audit and Supervisory Committee Members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed that ten (10) Members of the Board of Directors who are not Audit and Supervisory Committee Members be elected, increasing the number of Members of the Board of Directors by two (2) in order to strengthen the management structure.

The candidates for Members of the Board of Directors who are not Audit and Supervisory Committee Members are as follows:

See page 17 for the opinion of the Audit and Supervisory Committee regarding this proposal.

Candidate No.	Name	Current positions and responsibilities in the Company
1	Tsuneo Murata <u>Reappointment</u>	Chairman of the Board President and Representative Director
2	Toru Inoue <u>Reappointment</u>	Member of the Board of Directors Senior Executive Vice President and Representative Director Director of Components Business Unit
3	Norio Nakajima <u>Reappointment</u>	Member of the Board of Directors Senior Executive Vice President and Representative Director Director of Module Business Unit
4	Hiroshi Iwatsubo <u>Reappointment</u>	Member of the Board of Directors Executive Vice President Director of Corporate Technology & Business Development Unit
5	Yoshito Takemura <u>Reappointment</u>	Member of the Board of Directors Executive Vice President Director of Corporate Planning & Administration Unit
6	Ryuji Miyamoto <u>New candidate</u>	Senior Vice President Deputy Director of Corporate Planning & Administration Unit
7	Masanori Minamide <u>New candidate</u>	Vice President Director of Accounting, Finance & Corporate Planning Group, Corporate Planning & Administration Unit
8	Hiroaki Yoshihara <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Member of the Board of Directors
9	Takashi Shigematsu <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Member of the Board of Directors
10	Takatoshi Yamamoto <u>New candidate</u> <u>Outside</u> <u>Independent</u>	

Candi- date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions		Period in office as Member of the Board of Directors
1	<p>Tsuneo Murata (August 13, 1951)</p> <p>[Reappointment]</p> 	<p>Mar 1974</p> <p>Jun 1989</p> <p>Jun 1991</p> <p>Jun 1995</p> <p>Jun 2003</p> <p>Jun 2007</p> <p>Jun 2017</p> <p>(Significant Concurrent Positions)</p>	<p>Entered the Company</p> <p>Assumed the position of Member of the Board of Directors of the Company</p> <p>Assumed the position of Senior Vice President of the Company</p> <p>Assumed the position of Senior Executive Vice President of the Company</p> <p>Assumed the position of Representative Director and Executive Deputy President of the Company</p> <p>Assumed the position of President and Representative Director of the Company</p> <p>Assumed the position of Chairman of the Board, President and Representative Director of the Company (present)</p> <p>Chairman of the Murata Science Foundation</p>	<p>(at the conclusion of this General Meeting of Shareholders) 30 years</p> <p>Attendance at meetings of the Board of Directors in the fiscal year under review 10/10 (100%)</p> <p>Relationship of special interest Applicable<sup>(Note 1)</sup></p> <p>Shares of the Company Owned 4,623,840 shares<sup>(Note 2)</sup></p>
<p>Reason for nomination as candidate Tsuneo Murata has been involved in the running and management of domestic and overseas business and sales divisions at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been responsible for the Company's management as President of the Company since 2007 and has been nominated as a candidate for Member of the Board of Directors because the Company expects that he will continue to demonstrate his managerial ability and strengthen the decision-making and supervisory functions of the Board of Directors.</p>				

- Notes:
1. There is a special interest between the Company and Tsuneo Murata, as the Company makes contributions to the Murata Science Foundation, of which Tsuneo Murata assumed the position of Chairman as of December 1, 2010.
  2. "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi- date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
2	<p data-bbox="272 439 427 551">Toru Inoue (May 30, 1956)  [Reappointment]</p> 	<p data-bbox="485 275 1300 857"> Apr 1980 Entered the Company  Mar 2008 Assigned as General Manager of Corporate Planning Department of the Company  Jul 2009 Assumed the position of Vice President of the Company  Assigned as Director of Accounting &amp; Planning Group of the Company  Jul 2013 Assumed the position of Executive Vice President of the Company  Assigned as Director of Components Business Unit of the Company (present)  Jun 2015 Assumed the position of Member of the Board of Directors of the Company  Jun 2017 Assumed the position of Representative Director and Senior Executive Vice President of the Company (present)  (Significant Concurrent Positions)  President and Representative Director of Fukui Murata Manufacturing Co., Ltd.  President and Representative Director of Izumo Murata Manufacturing Co., Ltd.  President and Representative Director of Toyama Murata Manufacturing Co., Ltd. </p>	<p data-bbox="1326 275 1485 909"> 4 years  Attendance at meetings of the Board of Directors in the fiscal year under review  10/10 (100%)  Relationship of special interest  N/A  Shares of the Company Owned  10,410 shares<sup>(Note)</sup> </p>
<p data-bbox="236 931 1465 1059"> Reason for nomination as candidate  Toru Inoue has been involved in business management, planning, and accounting at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a candidate for Member of the Board of Directors because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors. </p>			

Note: "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi-date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors
3	<p data-bbox="244 443 456 501">Norio Nakajima (September 21, 1961)</p> <p data-bbox="268 528 432 560">[Reappointment]</p> 	<p data-bbox="485 275 847 300">Apr 1985 Entered the Company</p> <p data-bbox="485 315 1289 371">Jul 2006 Assigned as Director of Communication Module Division, Module Business Unit of the Company</p> <p data-bbox="485 387 1182 412">Jul 2010 Assumed the position of Vice President of the Company</p> <p data-bbox="485 427 1251 452">Jun 2012 Assigned as Director of Module Business Unit of the Company</p> <p data-bbox="485 468 1251 524">Jun 2013 Assumed the position of Member of the Board of Directors and Executive Vice President of the Company</p> <p data-bbox="485 539 1289 618">Jul 2015 Assigned as Director of Communication and Sensor Business Unit of the Company Assigned as Director of Energy Business Division of the Company</p> <p data-bbox="485 633 1251 689">Apr 2017 Assigned as Director of Module Business Unit of the Company (present)</p> <p data-bbox="485 705 1219 761">Jun 2017 Assumed the position of Representative Director and Senior Executive Vice President of the Company (present)</p> <p data-bbox="485 777 1299 925">(Significant Concurrent Positions) President and Representative Director of Kanazawa Murata Manufacturing Co., Ltd. President and Representative Director of Okayama Murata Manufacturing Co., Ltd. President and Representative Director of Tohoku Murata Manufacturing Co., Ltd.</p>	<p data-bbox="1337 253 1481 472">Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders) 6 years</p> <p data-bbox="1337 488 1485 685">Attendance at meetings of the Board of Directors in the fiscal year under review 10/10 (100%)</p> <p data-bbox="1337 701 1485 779">Relationship of special interest N/A</p> <p data-bbox="1337 795 1485 902">Shares of the Company Owned 6,975 shares<sup>(Note)</sup></p>
<p data-bbox="236 947 587 972">Reason for nomination as candidate</p> <p data-bbox="236 978 1474 1081">Norio Nakajima has been involved in technology development and business management at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a candidate for Member of the Board of Directors because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors.</p>			

Note: “Shares of the Company Owned” shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi-date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
4	<p data-bbox="261 427 440 479">Hiroshi Iwatsubo (August 11, 1962)</p> <p data-bbox="268 506 434 535">[Reappointment]</p> 	<p data-bbox="485 275 850 304">Apr 1985 Entered the Company</p> <p data-bbox="485 320 1299 371">Feb 2005 Assigned as General Manager of Corporate Planning Department of the Company</p> <p data-bbox="485 387 1281 439">Mar 2008 Assigned as Director of Sensor Division, Device Business Unit of the Company</p> <p data-bbox="485 454 1182 483">Jul 2011 Assumed the position of Vice President of the Company</p> <p data-bbox="485 499 1267 528">Jun 2012 Assigned as Director of Sales &amp; Marketing Unit of the Company</p> <p data-bbox="485 544 1252 573">Jul 2013 Assumed the position of Senior Vice President of the Company</p> <p data-bbox="485 589 1254 640">Jun 2015 Assumed the position of Member of the Board of Directors and Executive Vice President of the Company (present)</p> <p data-bbox="485 656 1209 707">Jul 2015 Assigned as Director of Corporate Technology &amp; Business Development Unit of the Company (present)</p>	<p data-bbox="1337 275 1479 454">4 years</p> <p data-bbox="1337 470 1485 649">Attendance at meetings of the Board of Directors in the fiscal year under review 10/10 (100%)</p> <p data-bbox="1337 678 1482 752">Relationship of special interest N/A</p> <p data-bbox="1337 781 1490 887">Shares of the Company Owned 8,880 shares<sup>(Note)</sup></p>
	<p data-bbox="237 904 587 934">Reason for nomination as candidate</p> <p data-bbox="237 934 1485 1037">Hiroshi Iwatsubo has been involved in technology development and business management, planning, and sales at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a candidate for Member of the Board of Directors because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors.</p>		

Note: "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi- date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors
5	<p>Yoshito Takemura (January 23, 1957)</p> <p>[Reappointment]</p> 	<p>Apr 1981 Entered the Company</p> <p>Jun 2003 Assigned as General Manager of Finance Department of the Company</p> <p>Jul 2009 Assumed the position of President of Murata (China) Investment Co., Ltd.</p> <p>Jul 2012 Assumed the position of Vice President of the Company</p> <p>Jun 2013 Assumed the position of Member of the Board of Directors of the Company (present) Assigned as General Manager of Accounting, Finance &amp; Corporate Planning Group of the Company</p> <p>Jun 2015 Assumed the position of Senior Vice President of the Company</p> <p>Jun 2017 Assumed the position of Executive Vice President of the Company (present)</p> <p>Jul 2017 Assigned as Director of Corporate Planning &amp; Administration Unit of the Company (present)</p>	<p>(at the conclusion of this General Meeting of Shareholders)</p> <p>6 years</p> <p>Attendance at meetings of the Board of Directors in the fiscal year under review</p> <p>10/10 (100%)</p> <p>Relationship of special interest</p> <p>N/A</p> <p>Shares of the Company Owned</p> <p>4,080 shares<sup>(Note)</sup></p>
<p>Reason for nomination as candidate</p> <p>Yoshito Takemura has been involved in accounting, financial and planning duties, and business management in the USA and Greater China at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a candidate for Member of the Board of Directors because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors.</p>			

Note: "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi-date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
6	<p>Ryuji Miyamoto (March 11, 1960)</p> <p>[New candidate]</p> 	<p>Apr 1982 Entered the Company</p> <p>Aug 2004 Assigned as General Manager of Legal Affairs Office of the Company</p> <p>Feb 2008 Assigned as General Manager of Personnel &amp; Industrial Relations Department of the Company</p> <p>Jul 2013 Assumed the position of Vice President of the Company Assigned as Director of Administration Group of the Company</p> <p>Jul 2017 Assumed the position of Senior Vice President of the Company Assigned as Deputy Director of Corporate Planning &amp; Administration Unit of the Company (present)</p>	<p>-</p> <p>Attendance at meetings of the Board of Directors in the fiscal year under review</p> <p>-</p> <p>Relationship of special interest N/A</p> <p>Shares of the Company Owned 3,156 shares<sup>(Note)</sup></p>
	<p>Reason for nomination as candidate Ryuji Miyamoto has been involved in legal, human resources, and other administrative duties at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a new candidate for Member of the Board of Directors because the Company expects that he will strengthen the decision-making and supervisory functions of the Board of Directors.</p>		

Note: "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi-date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
7	<p data-bbox="252 427 451 479">Masanori Minamide (December 3, 1964)</p> <p data-bbox="268 510 435 539">[New candidate]</p> 	<p data-bbox="485 275 1126 304">Apr 1987 Entered Komatsu Murata Manufacturing Co., Ltd.</p> <p data-bbox="485 320 1246 371">Oct 2010 Assigned as General Manager in charge of Corporate Planning Department of the Company</p> <p data-bbox="485 387 1286 439">Mar 2011 Assumed the position of Managing Director of Murata Electronics Singapore (Pte.) Ltd.</p> <p data-bbox="485 454 1294 506">Aug 2015 Assigned as General Manager of Corporate Planning Department, Accounting, Finance &amp; Corporate Planning Group of the Company</p> <p data-bbox="485 521 1294 573">Jul 2016 Assigned as Director of Accounting, Finance &amp; Corporate Planning Group of the Company</p> <p data-bbox="485 589 1294 707">Jul 2017 Assumed the position of Vice President of the Company Assigned as Director of Accounting, Finance &amp; Corporate Planning Group, Corporate Planning &amp; Administration Unit of the Company (present)</p>	<p data-bbox="1326 275 1485 427">-</p> <p data-bbox="1326 465 1485 629">Attendance at meetings of the Board of Directors in the fiscal year under review</p> <p data-bbox="1326 645 1485 674">-</p> <p data-bbox="1326 689 1485 741">Relationship of special interest N/A</p> <p data-bbox="1326 779 1485 875">Shares of the Company Owned 957 shares<sup>(Note)</sup></p>
<p data-bbox="236 904 587 934">Reason for nomination as candidate</p> <p data-bbox="236 934 1485 1037">Masanori Minamide has been involved in accounting, financial and planning duties, and business management in Southeast Asia at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement. He has been nominated as a new candidate for Member of the Board of Directors because the Company expects that he will strengthen the decision-making and supervisory functions of the Board of Directors.</p>			

Note: "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

Candi-date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders) 11 years (including two (2) years as a Member of the Board of Directors who is an Audit and Supervisory Committee Member) Attendance at meetings of the Board of Directors in the fiscal year under review 9/10 (90%) Relationship of special interest N/A Shares of the Company Owned -
8	<p>Hiroaki Yoshihara (February 9, 1957)</p> <p>[Reappointment] [Outside] [Independent]</p> 	<p>Nov 1978 Entered Peat Marwick Mitchell &amp; Co.</p> <p>Jul 1996 Assumed the position of National Managing Partner, the Pacific Rim Practice of KPMG LLP</p> <p>Oct 1997 Assumed the position of the Board Member of KPMG LLP</p> <p>Oct 2003 Assumed the position of Vice Chairman and Global Managing Partner of KPMG International (Retired in April 2014)</p> <p>Jun 2008 Assumed the position of Outside Director of the Company</p> <p>Jun 2014 Assumed the position of Outside Director of Hitachi, Ltd. (present)</p> <p>Jun 2016 Assumed the position of Outside Director and Audit and Supervisory Committee Member of the Company</p> <p>Jun 2018 Assumed the position of Outside Director of the Company (present) Assumed the position of Outside Director of HOYA CORPORATION (present)</p> <p>(Significant Concurrent Positions) Outside Director of Hitachi, Ltd. Outside Director of HOYA CORPORATION</p>	
<p>Reason for nomination as candidate</p> <p>Hiroaki Yoshihara has worked as an executive and consultant at an international consulting firm, has extensive experience solving management problems for global companies, and has specialized insight in accounting. He has served as an Outside Director at the Company since 2008. Leveraging his experience and insight in managing the affairs of the Company, he has contributed to strengthening the functions of the Board of Directors from an independent perspective. He has been nominated as a candidate for Outside Director because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors from an independent perspective.</p>			

- Notes:
- Hiroaki Yoshihara is a candidate for Outside Director and meets the criteria for independence prescribed by the Company. See page 17 for the criteria for independence. The Company has designated Hiroaki Yoshihara as an independent director as specified in the regulations of the Tokyo Stock Exchange, Inc. and reported the designation to the exchange; if Hiroaki Yoshihara is re-elected, the Company intends that he should continue to be an independent director.
  - Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Hiroaki Yoshihara limiting his liabilities for damages under Article 423, Paragraph 1 of the Companies Act. The liability for damages under the agreement is restricted to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If the reelection of Hiroaki Yoshihara is approved, the Company plans to continue the aforementioned agreement to limit liability.

Candi- date No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
9	<p>Takashi Shigematsu (November 3, 1949)</p> <p>[Reappointment] [Outside] [Independent]</p> 	<p>Apr 1975 Entered Toyota Motor Co., Ltd. (currently TOYOTA MOTOR CORPORATION)</p> <p>Jun 2004 Assumed the position of Managing Officer of Toyota Motor Co., Ltd.</p> <p>Jun 2005 Assumed the position of Outside Director of FUJITSU TEN LIMITED. (currently DENSO TEN Limited)</p> <p>Jun 2009 Assumed the position of Vice President and Representative Director of FUJITSU TEN LIMITED.</p> <p>Jun 2010 Assumed the position of President and Representative Director of FUJITSU TEN LIMITED.</p> <p>Jun 2014 Assumed the position of Chairman and Representative Director of FUJITSU TEN LIMITED. (Retired in June 2018)</p> <p>Jun 2015 Assumed the position of Outside Director of the Company (present) Assumed the position of Outside Director of Bando Chemical Industries, Ltd. (present)</p> <p>(Significant Concurrent Positions) Outside Director of Bando Chemical Industries, Ltd.</p>	<p>4 years</p> <p>Attendance at meetings of the Board of Directors in the fiscal year under review 10/10 (100%)</p> <p>Relationship of special interest N/A</p> <p>Shares of the Company Owned -</p>
<p>Reason for nomination as candidate</p> <p>Takashi Shigematsu has extensive experience and insight as an executive in the manufacturing industry and the automotive industry in particular. Leveraging his experience and insight in managing the affairs of the Company as an Outside Director since 2015, he has contributed to strengthening the functions of the Board of Directors from an independent perspective. He has been nominated as a candidate for Outside Director because the Company expects that he will continue to strengthen the decision-making and supervisory functions of the Board of Directors from an independent perspective.</p>			

Notes:

1. Takashi Shigematsu is a candidate for Outside Director and meets the criteria for independence prescribed by the Company. See page 17 for the criteria for independence. DENSO TEN Limited, of which Takashi Shigematsu served as Chairman and Representative Director until June 2018, has business relations with the Company Group regarding sales and purchases of products. However, sales involving the relations accounted for only less than 1% of the Company's consolidated sales in the 83rd fiscal year, indicating that there is no materiality that would affect his independence as Outside Director.  
The Company has designated Takashi Shigematsu as an independent director as specified in the regulations of the Tokyo Stock Exchange, Inc. and reported the designation to the exchange; if Takashi Shigematsu is re-elected, the Company intends that he should continue to be an independent director.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Takashi Shigematsu limiting his liability for damages under Article 423, Paragraph 1 of the Companies Act. The liability for damages under the agreement is restricted to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If the re-election of Takashi Shigematsu is approved, the Company plans to continue the aforementioned agreement to limit liability with him.

Candidate No.	Name of Candidate (Birthdate)	Brief Personal History, Positions, Responsibilities and Significant Concurrent Positions	Period in office as Member of the Board of Directors (at the conclusion of this General Meeting of Shareholders)
10	<p>Takatoshi Yamamoto (October 20, 1952)</p> <p>[New candidate] [Outside] [Independent]</p> 	<p>Apr 1975 Entered Nomura Research Institute, Ltd.</p> <p>Apr 1989 Entered Morgan Stanley Japan Limited</p> <p>Dec 1995 Assumed the positions of Managing Director of Morgan Stanley Japan Limited</p> <p>Jun 1999 Assumed the position of Managing Director of Tokyo Office and Deputy Chairman of Morgan Stanley Japan Limited</p> <p>Jul 2005 Assumed the position of Managing Director and Deputy Chairman of UBS Securities Japan Co., Ltd.</p> <p>Jun 2009 Assumed the position of Executive Managing Director of CASIO COMPUTER CO., LTD.</p> <p>Jun 2011 Assumed the position of Advisor of CASIO COMPUTER CO., LTD. (Retired in June 2012)</p> <p>Jun 2012 Assumed the position of Outside Corporate Auditor of Fuji Heavy Industries Ltd.</p> <p>Jun 2013 Assumed the position of Outside Audit &amp; Supervisory Board Member of Tokyo Electron Ltd. (present)</p> <p>Jun 2016 Assumed the position of Outside Director of Hitachi, Ltd. (present)</p> <p>(Significant Concurrent Positions) Outside Audit &amp; Supervisory Board Member of Tokyo Electron Ltd. Outside Director of Hitachi, Ltd.</p>	<p>-</p> <p>Attendance at meetings of the Board of Directors in the fiscal year under review</p> <p>-</p> <p>Relationship of special interest N/A</p> <p>Shares of the Company Owned 3,000 shares<sup>(Note 3)</sup></p>
<p>Reason for nomination as candidate</p> <p>Takatoshi Yamamoto has extensive experience of corporate analysis of companies in Japan and overseas as a securities analyst, particularly in regard to the electronics industry, and has specialized insight in finance and accounting, in addition to a wealth of experience related to global corporate management. He has been nominated as a new candidate for Outside Director because the Company expects that he will strengthen the decision-making and supervisory functions of the Board of Directors from an independent perspective.</p>			

- Notes:
1. Takatoshi Yamamoto is a candidate for Outside Director and meets the criteria for independence prescribed by the Company. See page 17 for the criteria for independence.  
In addition, Takatoshi Yamamoto meets the requirements for an independent director as specified in the regulations of the Tokyo Stock Exchange, Inc. and, assuming that the election of Takatoshi Yamamoto is approved, the Company has designated him as an independent director and reported the designation to the exchange.
  2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, if the election of Takatoshi Yamamoto is approved, the Company plans to enter into an agreement with him limiting his liability for damages under Article 423, Paragraph 1 of the Companies Act. The liability for damages under the agreement shall be restricted to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  3. "Shares of the Company Owned" shows the number of shares after the stock split implemented with an effective date of April 1, 2019.

#### Summary of the Criteria for Independence

- (1) The person is not an executive of the Company or its current subsidiary or a company that was a subsidiary within the past three years.
- (2) The person is not currently a major shareholder or an executive of a major shareholder.
- (3) The person is not an executive of a company, etc., that is currently a significant client or supplier or was a significant client or supplier within the past three years with the Company or its current subsidiary.  
\* “Significant client or supplier” refers to one with which the Company has transactions of 2% or more of consolidated net sales of the Company or of the client or supplier.
- (4) The person is not an executive of an organization that has received within the past three years a donation or grant of over 10.00 million yen per annum from the Company or its current subsidiary.
- (5) The person is not an executive of a company or a subsidiary of that company, or a company or a subsidiary of that company that within the past three years has employed a Member of the Board of Directors, Statutory Auditor, or Vice President of the Company or its current subsidiary.
- (6) The person does not have any significant transaction relationship with the Company, such as a consulting or advisory agreement, and has not had a significant transaction relationship in the past.
- (7) The person is not an executive of the Independent Auditor of the Company.
- (8) The person is not the spouse or a relative within the second degree of kinship, etc., of a Member of the Board of Directors, Statutory Auditor, or Vice President of the Company or its current subsidiary.
- (9) The person does not carry the risk of creating a constant substantial conflict of interest between the Company’s general shareholders as a whole for reasons other than those considered in (1) through (8) above.

#### Opinion of the Audit and Supervisory Committee

The Audit and Supervisory Committee deliberated the election of the Company’s Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members, the same shall apply hereinafter) and their remuneration, while also confirming the results of discussions by the Nomination Advisory Committee and the Remuneration Advisory Committee. Regarding the nomination of candidates for Director, the Audit and Supervisory Committee judged that the procedures for deciding candidates are appropriate, and that each candidate is suitably qualified to be a Member of the Board of Directors based on the evaluation of the status of business execution and business performance of the respective candidate for the fiscal year under review, the candidate’s comments in the Board of Directors meetings, and the candidate’s career history, etc. up until present. The Audit and Supervisory Committee also judged that the procedures for deciding remuneration for Members of the Board of Directors are appropriate and the details of the remuneration, etc. are suitable based on the verification made on such matters as the remuneration system and the specific computation method for the amount of remuneration.

**[Composition of the Board of Directors After Election]**

If Proposal No. 2 is approved and passed as proposed, the composition of the Board of Directors will be as follows.

The proportion of Independent Outside Directors in the Board of Directors will be 42.9%.

Name	Positions and responsibilities in the Company
Tsuneo Murata	Chairman of the Board President and Representative Director
Toru Inoue	Member of the Board of Directors Senior Executive Vice President and Representative Director Director of Components Business Unit
Norio Nakajima	Member of the Board of Directors Senior Executive Vice President and Representative Director Director of Module Business Unit
Hiroshi Iwatsubo	Member of the Board of Directors Executive Vice President Director of Corporate Technology & Business Development Unit
Yoshito Takemura	Member of the Board of Directors Executive Vice President Director of Corporate Planning & Administration Unit
Ryuji Miyamoto	Member of the Board of Directors Senior Vice President Deputy Director of Corporate Planning & Administration Unit
Masanori Minamide	Member of the Board of Directors Senior Vice President Director of Accounting, Finance & Corporate Planning Group, Corporate Planning & Administration Unit
Hiroaki Yoshihara <u>Outside</u> <u>Independent</u>	Member of the Board of Directors
Takashi Shigematsu <u>Outside</u> <u>Independent</u>	Member of the Board of Directors
Takatoshi Yamamoto <u>Outside</u> <u>Independent</u>	Member of the Board of Directors
Yoshiro Ozawa	Member of the Board of Directors who is an Audit and Supervisory Committee Member (Standing)
Hiroshi Ueno <u>Outside</u> <u>Independent</u>	Member of the Board of Directors who is an Audit and Supervisory Committee Member
Hyo Kambayashi <u>Outside</u> <u>Independent</u>	Member of the Board of Directors who is an Audit and Supervisory Committee Member
Yuko Yasuda <u>Outside</u> <u>Independent</u>	Member of the Board of Directors who is an Audit and Supervisory Committee Member