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Securities Code: 6493  
June 6, 2018

To: Our Shareholders,

Nittan Valve Co., Ltd.  
518 Soya, Hadano-shi, Kanagawa  
Toshimichi Kimbara  
President and Representative Director

## NOTICE OF CONVOCATION OF THE 96th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

Notice is hereby given that the 96th Annual General Meeting of Shareholders of the Company (“the Meeting”) will be held as described hereinbelow. You are cordially invited to attend the Meeting.

If you are unable to attend the Meeting in person, you may exercise your voting rights by using a voting form or by electromagnetic means. Please review the “Reference Material for the 96th Annual General Meeting of Shareholders” attached hereto and exercise your voting rights by 5:10 p.m., Thursday, June 21, 2018.

### Notice of the Meeting

1. Date and time: Friday, June 22, 2018 at 10:00 a.m.
2. Place: Main conference room at the head office of Nittan Valve Co., Ltd.  
518 Soya, Hadano-shi, Kanagawa
3. Objectives of the Meeting:  
Matters to be reported:
  1. The Annual Business Report and the Consolidated Financial Statements for the 96th Fiscal Year (From April 1, 2017 to March 31, 2018); Report of the Independent Auditor on the results of the audit on the Consolidated Financial Statements ;and Report of the Board of Company Auditors on the results of the audit on the Consolidated Financial Statements
  2. The Non-consolidated Financial Statements for the 96th Fiscal Year (From April 1, 2017 to March 31, 2018)

#### Matters to be resolved:

- Proposal #1: Disposition of Surplus
- Proposal #2: Election of twelve (12) Directors
- Proposal #3: Election of one (1) Company Auditor

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When you attend the meeting in person, please present the enclosed voting form to the receptionist at the Meeting.

Any revision of the Reference Materials, the Annual Report, the Non-consolidated Financial Statements or the Consolidated Financial Statements will be notified on the Internet website (<https://www.niv.co.jp/>).

## **Reference Materials for the 96th Annual General Meeting of Shareholders**

### **Proposals and Matters for Reference**

#### **Proposal #1: Disposition of Surplus**

It is desired that the surplus be disposed of as follows:

Concerning the year-end dividend

The Company, in taking a long-term view, has, whilst striving for strengthening its corporate constitution and giving consideration to the management environment and revenues, adopted that the payment of dividends on an on-going basis to the extent possible as a basic policy. With respect to the current term's year-end dividend, in giving comprehensive consideration to performance over the current term, future business development and various circumstances, it is considered desirable to proceed as follows:

(1) Allotment of dividends to shareholders and the total amount:

6 yen per common share and 173,309,958 yen in total

Note: The annual dividend including interim dividend for this fiscal year is 12 yen per share.

(2) Effective date of distribution of year-end dividend:

June 25, 2018

## Proposal #2: Election of Twelve (12) Directors

The term of the eleven (11) directors, Mr. Toshimichi Kimbara, Mr. Lee Tai Hwan, Mr. Kazuo Nakamoto, Mr. Fumio Inoue, Mr. Mitsuo Mitsuura, Mr. Masato Himura, Mr. Hiroshi Ono, Mr. Teruaki Ando, Mr. Ryuji Suzuki, Mr. Noriyuki Kimata and Mr. Yan Jin, will expire at the conclusion of the Meeting, and one additional outside director shall be appointed in order to secure management transparency and strengthen corporate governance to a greater extent. Accordingly, it is requested that there be an election of twelve (12) directors.

The candidates for directors are as follows:

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
1	Toshimichi Kimbara (May. 28, 1958)  Candidate for Reappointment	<p>Apr. 1982 Joined the Company</p> <p>Sep. 2002 General Manager of Sales Department No.1, Sales Division of the Company</p> <p>Mar. 2004 General Manager of Purchasing Department of the Company</p> <p>Jun. 2007 Director of the Company</p> <p>Sep. 2007 Responsible for Administration Department and General Manager of Purchasing Department of the Company</p> <p>Jul. 2008 Responsible for Business Planning Department and General Manager of Purchasing Department of the Company</p> <p>Jun. 2009 General Manager of Manufacturing Division of the Company</p> <p>Jun. 2010 General Manager of Manufacturing Division and General Manager of NPM Department of the Company</p> <p>Jan. 2011 Responsible for Production Engineering Department and NPM Department as well as General Manager of Manufacturing Division of the Company</p> <p>Jun. 2011 Managing Director of the Company</p> <p>Jun. 2011 Responsible for Administration, Purchasing, Accounting, Business Planning and Manufacturing as well as General Manager of Manufacturing Division of the Company</p> <p>Dec. 2011 Responsible for Administration, Purchasing, Accounting, and Business Planning of the Company</p> <p>Apr. 2014 Responsible for Administration, Purchasing, Accounting, Business Planning and Production Engineering of the Company</p> <p>Jun. 2014 Executive Managing Director of the Company</p> <p>Jun. 2015 President and Representative Director of the Company (to present)</p> <p>Nov. 2016 Chief Officer of Business Operations of the Company (to present)</p>	28,000
<p>Reasons for the nomination as a candidate for director:</p> <p>Mr. Kimbara, with personal traits required of a director such as superior insights and high ethics, has abundant experiences and achievements accumulated through engagement in implementation of business strategy and corporate reform as a responsible person for Administrative overhead departments such as Sales, Purchasing and Administration over the years. He also has played a leading and supervising role in the group's management as a representative director since June 2015. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group.</p>			

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
2	<p data-bbox="359 1025 507 1079">Lee Tai Hwan (Dec. 1, 1964)</p> <div data-bbox="336 1151 541 1227" style="border: 1px solid black; padding: 2px; display: inline-block;">Candidate for Reappointment</div>	<p data-bbox="557 340 979 367">Apr. 1989 Joined Kia Motors Corporation</p> <p data-bbox="557 371 874 398">Mar. 1995 Joined the Company</p> <p data-bbox="557 403 1091 430">Mar. 1995 Manager of Korean Office of the Company</p> <p data-bbox="557 434 1235 497">Jun. 2007 General Manager of Global Operations, Sales Division of the Company</p> <p data-bbox="557 501 1235 564">Jul. 2008 General Manager of Global Business, Sales Division of the Company</p> <p data-bbox="557 568 1235 631">Jan. 2010 General Manager of Sales Division and General Manager of Global Business of the Company</p> <p data-bbox="557 636 1177 663">Feb. 2010 General Manager of Sales Division of the Company</p> <p data-bbox="557 667 916 694">Jun. 2011 Director of the Company</p> <p data-bbox="557 698 1225 761">Jun. 2011 General Manager of Business Development Department, Sales Division of the Company</p> <p data-bbox="557 766 1235 828">Dec. 2011 General Manager of Sales Division and General Manager of Business Development Department of the Company</p> <p data-bbox="557 833 1235 896">Jan. 2012 General Manager of Sales Division, General Manager of Business Development Department and General Manager of Sales Department of the Company</p> <p data-bbox="557 900 1177 927">Apr. 2012 General Manager of Sales Division of the Company</p> <p data-bbox="557 931 1235 994">Apr. 2013 Responsible for Sales Division and General Manager of Sales Division of the Company</p> <p data-bbox="557 999 1018 1025">Jun. 2015 Managing Director of the Company</p> <p data-bbox="557 1030 1235 1093">Jun. 2015 Responsible for Sales Division, Administration Department of the Company</p> <p data-bbox="557 1097 1235 1160">Jul. 2015 Responsible for Sales Division, Administration Department and Productivity Innovation Department of the Company</p> <p data-bbox="557 1164 1235 1263">Feb. 2016 Responsible for Sales Division, Administration Department and Productivity Innovation Department as well as Global Compliance Officer of the Company</p> <p data-bbox="557 1267 1139 1330">Jun.2016 Managing Director and Executive Officer of the Company (to present)</p> <p data-bbox="557 1335 1235 1433">Nov.2016 Responsible for Sales Division, Administration Department and Productivity Innovation Department and Vice Chief Officer of Business Operations as well as Global Compliance Officer of the Company</p> <p data-bbox="557 1438 1235 1599">Dec.2016 Responsible for Administration, Accounting and Business Planning, Sales Division, and Productivity Innovation Department and Vice Chief Officer of Business Operations, as well as Global Compliance Officer of the Company</p> <p data-bbox="557 1603 1235 1733">Jun.2017 Responsible for Administration, Accounting and Business Planning, and Productivity Innovation Department, and Vice Chief Officer of Business Operations as well as Global Compliance Officer of the Company (to present)</p>	17,000
<p data-bbox="328 1751 919 1778">Reasons for the nomination as a candidate for director:</p> <p data-bbox="328 1783 1235 1998">Mr. Lee, with personal traits required of a director such as superior insights and high ethics, has contributed to expansion of the group’s business through engagement in sales and overseas business operations of the Company and the group over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>			

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
3	<p style="text-align: center;">Kazuo Nakamoto (Jan.28, 1956)</p> <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;">Candidate for Reappointment</div>	<p>Mar. 1979 Joined the Company</p> <p>Jul. 1996 Manager of Osaka Sales Office, Sales Department No.2, Sales Division of the Company</p> <p>Oct. 2001 General Manager of Global Operations, Sales Division of the Company</p> <p>Jun. 2006 Director of the Company</p> <p>Jun. 2006 Vice General Manager of Sales Division and General Manager of Global Operations of the Company</p> <p>Jun. 2007 General Manager of Sales Division and General Manager of Sales Department No.1 of the Company</p> <p>Apr. 2008 General Manager of Sales Division and General Manager of Sales Department of the Company</p> <p>Jun. 2009 General Manager of Sales Division of the Company</p> <p>Jan. 2010 Responsible for Sales Division, Business Planning Department and Accounting Department of the Company</p> <p>Jun. 2010 Responsible for Accounting Department, Administration Department and Purchasing Department of the Company</p> <p>Jun. 2011 Global Management Officer and Responsible for Global Operations of the Company</p> <p>Mar. 2013 Global Management Officer and Responsible for Global Operations and General Manager of Global Operations of the Company</p> <p>Apr. 2014 Global Management Officer and Responsible for Global Operations of the Company(to present)</p> <p>Jun. 2016 Director and Executive Officer of the Company (to present)</p>	20,000
<p>Reasons for the nomination as a candidate for director:</p> <p>Mr. Nakamoto, with personal traits required of a director such as superior insights and high ethics, has contributed to the Company's globalization through engagement in sales and overseas business operations of the Company and the group over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>			

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
4	<p>Fumio Inoue (Jan.30, 1961)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Candidate for Reappointment</div>	<p>Mar.1983 Joined the Company            Jan. 2005 Seconded to PT. Federal Nittan Industries            Apr. 2007 Plant Manager of Sanyo Plant, Manufacturing Division of the Company            Jun. 2009 Vice General Manager of Manufacturing Division and Plant Manager of Gear &amp; VCP Plant of the Company            Jun. 2009 Director of the Company            Jun. 2010 Responsible for Sales Division of the Company            Jun. 2011 General Manager of Sales Division of the Company            Dec. 2011 General Manager of Manufacturing Division of the Company            Apr. 2013 Responsible for Manufacturing Division and General Manager of Manufacturing Division of the Company            Jun. 2015 Responsible for Manufacturing Division and Purchasing Department as well as General Manager of Manufacturing Division of the Company            Jun. 2016 Director and Executive Officer of the Company (to present)            Jun. 2016 Responsible for Manufacturing Division and General Manager of Manufacturing Division of the Company            Nov. 2016 Responsible for Purchasing Department of the Company (to present)</p>	40,400
	<p>Reasons for the nomination as a candidate for director:            Mr. Inoue, with personal traits required of a director such as superior insights and high ethics, has contributed to implementation of manufacturing strategy and reform through engagement in manufacturing of the Company and the group over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>		

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
5	<p>Mitsuo Mutsuura (Dec. 4, 1959)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Candidate for Reappointment</div>	<p>Mar.1983 Joined the Company</p> <p>Oct. 2001 General Manager of Technology Development Department No.1, R&amp;D Center of the Company</p> <p>Oct. 2002 General Manager of Technology Development Department, R&amp;D Center of the Company</p> <p>Apr. 2004 General Manager of Technology Development Department No.2, R&amp;D Center of the Company</p> <p>Dec. 2005 Seconded to Nittan (Thailand) Co., Ltd.</p> <p>Apr. 2010 General Manager of Technology Development Department and General Manager of Product Development Department, Technical Division of the Company</p> <p>Jun. 2011 General Manager of Technical Division as well as General Manager of Technology Development Department and General Manager of Product Development Department, Technical Division of the Company</p> <p>Apr. 2012 General Manager of Technical Division and General Manager of Technology Development Department, Technical Division of the Company</p> <p>Jun. 2012 Director of the Company</p> <p>Apr. 2013 General Manager of Technical Division of the Company</p> <p>May. 2014 Responsible for Technical Division and Prototype Development Department as well as General Manager of Technical Division of the Company</p> <p>Jun. 2015 Responsible for Technical Division, Prototype Development Department and Production Engineering Department as well as General Manager of Technical Division of the Company</p> <p>Jun. 2016 Director and Executive Officer of the Company (to present)</p> <p>Jun. 2016 Responsible for Quality Assurance Department, Purchasing Department and Production Engineering Department of the Company</p> <p>Nov. 2016 Responsible for Quality Assurance Department and Production Engineering Department of the Company</p> <p>Jun. 2017 Responsible for Quality Assurance Department of the Company (to present)</p>	10,300
<p>Reasons for the nomination as a candidate for director:</p> <p>Mr. Mutsuura, with personal traits required of a director such as superior insights and high ethics, has contributed to the Company's unique technology establishment and new product development through engagement in its technology and product development over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>			

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
6	<p data-bbox="357 689 512 741">Masato Himura (Jan. 20, 1959)</p> <div data-bbox="331 824 544 898" style="border: 1px solid black; padding: 2px; width: fit-content;">Candidate for Reappointment</div>	<p data-bbox="560 344 655 367">Mar. 1981</p> <p data-bbox="676 344 879 367">Joined the Company</p> <p data-bbox="560 376 655 398">Apr. 2003</p> <p data-bbox="676 376 1246 434">General Manager of Product Design Department, R&amp;D Center of the Company</p> <p data-bbox="560 443 655 465">Apr. 2004</p> <p data-bbox="676 443 1246 501">General Manager of Technology Development Department No.1, R&amp;D Center of the Company</p> <p data-bbox="560 510 655 533">Dec. 2005</p> <p data-bbox="676 510 1246 568">General Manager of Technology Development Department No.2, R&amp;D Center of the Company</p> <p data-bbox="560 577 655 600">Jul. 2006</p> <p data-bbox="676 577 1246 636">General Manager of Product Development Department, Technical Division of the Company</p> <p data-bbox="560 645 655 667">Jun. 2007</p> <p data-bbox="676 645 1246 703">General Manager of Technology Development Department, Technical Division of the Company</p> <p data-bbox="560 712 655 734">Feb. 2010</p> <p data-bbox="676 712 1059 734">Seconded to Nittan (Thailand) Co., Ltd.</p> <p data-bbox="560 743 655 766">Apr. 2013</p> <p data-bbox="676 743 1246 801">General Manager of Tooling Department, Manufacturing Division of the Company</p> <p data-bbox="560 810 655 833">Feb. 2015</p> <p data-bbox="676 810 1246 869">General Manager of Technical Department No.1, Technical Division of the Company</p> <p data-bbox="560 878 655 900">Apr. 2016</p> <p data-bbox="676 878 1246 936">Vice General Manager of Technical Division of the Company</p> <p data-bbox="560 945 655 967">Jun. 2016</p> <p data-bbox="676 945 1246 1003">Director and Executive Officer of the Company (to present)</p> <p data-bbox="560 1012 655 1034">Jun. 2016</p> <p data-bbox="676 1012 1246 1115">Responsible for Technical Division, Prototype Development Department as well as General Manager of Technical Division, Supervisor of Hollow Valve Strategy of the Company</p> <p data-bbox="560 1124 655 1146">Jun. 2017</p> <p data-bbox="676 1124 1246 1272">Responsible for Technical Division, Prototype Development Department, Advanced Development Department as well as General Manager of Technical Division, Supervisor of Hollow Valve Strategy of the Company (to present)</p>	2,400
<p data-bbox="331 1279 927 1301">Reasons for the nomination as a candidate for director:</p> <p data-bbox="331 1317 1246 1581">Mr. Himura, with personal traits required of a director such as superior insights and high ethics, has contributed to the Company's unique technology establishment and new product development through engagement in its technology and product development over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>			



[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
7	<p data-bbox="363 566 507 613">Hiroshi Ono (Jun.15, 1961)</p> <div data-bbox="333 714 539 786" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Candidate for Reappointment</div>	<p data-bbox="560 342 1249 394">Apr. 1985 Joined Hazama Corporation (Currently named as HAZAMA ANDO CORPORATION)</p> <p data-bbox="560 398 979 423">May 2006 Joined Feintool Japan Co. Ltd.</p> <p data-bbox="560 427 879 452">Feb. 2008 Joined the Company</p> <p data-bbox="560 456 1238 481">Feb. 2008 In charge of Finance and Accounting of Overseas Project</p> <p data-bbox="560 486 1086 510">Sep. 2008 Seconded to Nittan Global Tech Co., Ltd.</p> <p data-bbox="560 515 1249 566">Sep. 2008 Business Planning and Administration Manager of Nittan Global Tech Co., Ltd.</p> <p data-bbox="560 571 1182 622">Dec.2013 General Manager of Accounting Department of the Company</p> <p data-bbox="560 627 1241 714">Apr.2016 General Manager of Accounting Department and General Manager of Business Planning Department of the Company</p> <p data-bbox="560 719 1174 770">Jun. 2016 Director and Executive officer of the Company (to present)</p> <p data-bbox="560 775 1206 907">Jun. 2016 Chief Financial Officer and Responsible for Accounting Department and Business Planning Department as well as General Manager of Accounting Department and General Manager of Business Planning Department of the Company</p> <p data-bbox="560 911 1193 1043">Aug.2017 Chief Financial Officer and Responsible for Accounting Department and Business Planning Department as well as General Manager of Business Planning Department of the Company (to present)</p>	7,000
<p data-bbox="344 1059 935 1084">Reasons for the nomination as a candidate for director:</p> <p data-bbox="331 1099 1241 1321">Mr. Ono, with personal traits required of a director such as superior and high ethics, has extensive knowledge gained through engagement in domestic and overseas financing and accounting operations over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>			

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
8	<p>Teruaki Ando (Jun. 9, 1963)</p> <div data-bbox="331 725 534 801" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 10px auto;">Candidate for Reappointment</div>	<p>Apr. 1986 Joined the Company            Dec. 2005 General Manager of Technical Development Department No.1, Technical Division of the Company            Jul. 2006 General Manager of Technical Development Department, Technical Division of the Company            Jun. 2007 General Manager of Product Development Department, Technical Division of the Company            Sep. 2008 Seconded to Nittan Global Tech Co., Ltd.            Sep. 2008 Technical Manager of Nittan Global Tech Co., Ltd.            Jan. 2010 General Manager of Global Operations, Business Planning Department of the Company            Jun. 2011 General Manager of Global Operations of the Company            Mar. 2013 Seconded to Nittan Global Tech Co., Ltd.            Mar. 2013 Vice President of Nittan Global Tech Co., Ltd.            Mar. 2014 President and Representative Director of Nittan Global Tech Co., Ltd.            Jun. 2017 Director and Executive Officer of the Company (to present)            Jun. 2017 Responsible for Production Engineering Department of the Company (to present)</p>	15,970
	<p>Reasons for the nomination as a candidate for director:            Mr. Ando, with personal traits required of a director such as superior insights and high ethics, has contributed not only to the technology and product development over the years, but also the management of overseas business and business expansion of the group companies. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.</p>		

[ Translation for Reference ]

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
9	Ryuji Suzuki (Dec. 24, 1964)	Apr. 1988 Joined Toyo Computer Service Co., Ltd. May 1992 Joined the Company Apr. 2012 General Manager of Sales Department No. 1, Sales Division of the Company Jun. 2015 General Manager of Sales Division and Sales Department No. 1, Sales Division of the Company Jun. 2017 Director and Executive Officer of the Company (to present) Jun. 2017 Responsible for Sales Division, Vice Supervisor of Hollow Valve Strategy of the Company (to present).	2,200
	Candidate for Reappointment	Reasons for the nomination as a candidate for director: Mr. Suzuki, with personal traits required of a director such as superior insights and high ethics, has contributed to the expansion of the market through engagement in sales of the Company and the group companies over the years. He has been nominated as a director based on expectations that he will continuously contribute to increasing corporate value of the group whilst taking advantage of abundant experiences and achievements he has accumulated.	
10	Kazuo Ishigaki (Apr. 30, 1952)	Apr. 1978 Joined Kumagai Gumi Co., Ltd. Jun. 2006 Director and Executive Officer as well as General Manager of Civil Engineering Management Division of Kumagai Gumi Co., Ltd. Apr. 2007 Managing Director and Managing Executive Officer as well as General Manager of Civil Engineering Management Division of Kumagai Gumi Co., Ltd. Apr. 2012 Senior Managing Director and Senior Managing Executive Officer as well as General Manager of Civil Engineering Management Division of Kumagai Gumi Co., Ltd. Apr. 2014 Director and Executive Vice President as well as Executive Vice President of Kumagai Gumi Co., Ltd. Jul. 2017 Senior Adviser of Kumagai Gumi Co., Ltd. (to present)	0
	Candidate for New Appointment  Candidate for Outside Director  Candidate for Independent Director	(Important Concurrent Position at Other Company) Senior Adviser of Kumagai Gumi Co., Ltd.  Reasons for the nomination as a candidate for outside director: Mr. Ishigaki with personal traits required of a director such as superior insights and high ethics, has management know-how accumulated as the top of Civil Engineering Management Division of Kumagai Gumi Co., Ltd. over the years. He has been nominated as an outside director based on expectations that he will help to reinforce the decision-making and supervisory function of the board of directors of the Company by giving a wealth of advice on management of the Company based upon his abundant experience and extensive insight.	

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
11	<p style="text-align: center;">Noriyuki Kimata (Jul.6, 1955)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Candidate for Reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Candidate for Outside Director</div>	<p>Apr. 1978 Joined Daini Seikosha Co., Ltd. (Currently named as Seiko Instruments Inc.)</p> <p>Feb. 2005 Joined Eaton Fluid Power Ltd.</p> <p>Feb. 2005 President and Representing Director of Eaton Fluid Power Ltd.</p> <p>Jan. 2008 President and Representing Director of Eaton Japan Co., Ltd. (to present)</p> <p>Jan. 2008 President and Representing Director of Eaton Filtration Ltd. (to present)</p> <p>Jan. 2011 President and Representing Director of Eaton Industries (Japan) Ltd. (to present)</p> <p>Jun. 2013 Director of the Company (to present)</p> <p>Oct. 2016 President and Representing Director of Eaton Electric (Japan) Ltd. (to present)</p> <p>Oct. 2016 President and Representing Director of Cooper Industries Japan K.K. (to present)</p> <p style="text-align: center;">(Important Concurrent Positions at Other Company)</p> <p style="text-align: center;">Country Manager of Eaton Corporation</p> <p style="text-align: center;">President and Representing Director of Eaton Japan Co., Ltd.</p> <p style="text-align: center;">President and Representing Director of Eaton Filtration Ltd.</p> <p style="text-align: center;">President and Representing Director of Eaton Industries (Japan) Ltd.</p> <p style="text-align: center;">President and Representing Director of Eaton Electric (Japan) Ltd.</p> <p style="text-align: center;">President and Representing Director of Cooper Industries Japan K.K.</p>	0
<p>Reasons for the nomination as a candidate for outside director:</p> <p>Mr. Kimata, with personal traits required of a director such as superior insights and high ethics, has management know-how accumulated as Country Manager of a Japanese representative company of Eaton Corporation being a largest shareholder of the Company and having an ongoing business partnership over a long period of time with the Company as well as President and Representative Director of subsidiaries of Eaton Corporation including Eaton Japan Co., Ltd. He has been nominated as an outside director based on expectations that he will help to reinforce the decision-making and supervisory function of the board of directors of the Company by giving a wealth of advice on management of the Company based upon his abundant experience and extensive insight.</p>			

Candidate Number	Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
12	Yan Jin (Jul.12, 1975)	Jun. 1998 Joined PricewaterhouseCoopers in China Jun. 2001 Joined Eaton Corporation Jun. 2001 Financial Analyst and Cost Accountant of Eaton Corporation Jun. 2010 Finance Director, Hydraulics Group, Asia Pacific of Eaton Corporation May. 2014 Vice President, Finance, Asia Pacific of Eaton Corporation (to present) Jun. 2016 Director of the Company (to present)  (Important Concurrent Position at Other Company) Vice President, Finance Asia Pacific of Eaton Corporation	0
	Candidate for Reappointment  Candidate for Outside Director	Reasons for the nomination as a candidate for outside director: Mr. Jin, with personal traits required of a director such as superior insights and high ethics, has professional knowledge of finance and accounting accumulated as Vice President, Finance, Asia Pacific, Eaton Corporation being a largest shareholder of the Company and having an ongoing business partnership over a long period of time with the Company. He has been nominated as an outside director based on expectations that he will help to reinforce the decision-making and supervisory function of the board of directors of the Company by giving a wealth of advice on management of the Company based upon his abundant experience and extensive insight.	

- (Note)
1. There are no special conflicts of interests between any candidates for directors and the Company.
  2. The Company has entered into contracts with Mr. Noriyuki Kimata and Mr. Yan Jin, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, to limit the liability for damages under Article 423, Paragraph 1 of the said Act to the minimum amount set forth in Article 425, Paragraph 1 of the said Act. If the reappointment of Mr. Noriyuki Kimata and Mr. Yan Jin is approved, the Company plans to continue the said contracts with them. In addition, if the appointment of Mr. Kazuo Ishigaki is approved, the Company plans to enter into the same contract with him.
  3. Mr. Kazuo Ishigaki, Mr. Noriyuki Kimata and Mr. Yan Jin are candidates for outside directors.
  4. Mr. Kazuo Ishigaki is notified to the Tokyo Stock Exchange, Inc. as an independent director/auditor stipulated by the Tokyo Stock Exchange, Inc.
  5. Years of service after assumption of office as an outside director of the Company  
(As of the conclusion of the Meeting)  
 Mr. Noriyuki Kimata: five (5) years  
 Mr. Yan Jin: two (2) years

[ Translation for Reference ]

**Proposal #3: Election of one(1) Company Auditor**

Mr. Hiroshi Murata will resign at the conclusion of the Meeting. Accordingly, it is requested that there be an election of one (1) company auditor, as the substitute.

With respect to the submission of this proposal, the approval of the Board of Company Auditors was obtained.

The candidate for Company Auditor is as follows:

Name (Date of Birth)	Bio, Position, and Responsibilities in the Company and Important Concurrent Positions	Number of Shares of the Company owned
<p>Akio Yamada (Feb. 24, 1955)</p> <p>Candidate for New Appointment</p> <p>Candidate for Outside Company Auditor</p> <p>Candidate for Independent Company Auditor</p>	<p>Nov.1978 Joined Tokyo Office of Peat Marwick Mitchell &amp; Company (current, KPMG AZSA LLC)</p> <p>Apr. 1982 Registered as Certified Public Accountant</p> <p>Aug. 2009 Partner of KPMG AZSA LLC</p> <p>Jul. 2017 Opened Yamada Akio CPA Office (to present)</p>	<p>0</p>
<p>Reasons for the nomination as a candidate for outside company auditor:</p> <p>Mr. Yamada, with personal traits required of a company auditor such as superior insights and high ethics, has expertise and experience in the field of finance and accounting accumulated as certified public accountant. He has been nominated as an outside company auditor based on expectations that he will help to reinforce the supervisory function of the board of directors of the Company by reflecting his specialized knowledge and abundant experience on the audit of the Company. Comprehensively taking his above-mentioned expertise and experience into account, we consider that he is capable of performing his duties as outside company auditor in an appropriate manner, although he has not been involved in management of companies in any ways other than being an outside company auditor.</p>		

- (Note)
1. There are no special conflicts of interests between Mr. Akio Yamada and the Company.
  2. If the appointment of Mr. Akio Yamada is approved, the Company plans to enter into a contract with Mr. Akio Yamada, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, to limit the liability for damages under Article 423, Paragraph 1 of the said Act to the minimum amount set forth in Article 425, Paragraph 1 of the said Act.
  3. Mr. Akio Yamada is a candidate for outside company auditor.
  4. Mr. Akio Yamada is notified to the Tokyo Stock Exchange, Inc. as an independent director/auditor stipulated by the Tokyo Stock Exchange, Inc.

END