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Securities Code: 6882

June 7, 2023

To Our Shareholders:

3-1-56 Nishiawaji, Higashiyodogawa-ku, Osaka
Sansha Electric Manufacturing Co., Ltd.
President Hajimu Yoshimura

Notice of the 89th Annual Meeting of Shareholders

We would like to thank you for your continued support.

You are hereby notified that the 89th Annual Meeting of Shareholders of the Company will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures to provide the information contained in the Reference Documents for the General Meeting of Shareholders, etc. (matters to be provided electronically) electronically and posted them on the Company's website on the Internet, so please access the Company's website below and check the contents.

URL for Sansha Electric Manufacturing Co., Ltd Website: <https://www.sansha.co.jp/ir/meeting.html>

The information subject to electronic provision is published not only via the Company's Website mentioned above, but also via the Website of Tokyo Stock Exchange, Japan Exchange Group (JPX). Therefore, if necessary, please access the JPX's website (<https://www.jpx.co.jp/english/>), and search for the information concerning Sansha Electric Manufacturing Co., Ltd by inputting the Company's securities code 6882 into the window of the search engine titled "Listed Company Search," then click "Basic information," "Documents for public inspection/PR information," and "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting."

URL for information about Sansha Electric Manufacturing Co., Ltd on the JPX's Website:

<https://www2.jpx.co.jp/tseHpFront/StockSearch.do?callJorEFlg=1&method=&topSearchStr=6882>

If you do not attend the meeting, please exercise your voting rights in advance via the Internet or in writing. Please review the "Reference Document for the Annual Meeting of Shareholders" and exercise your voting rights no later than 5:10 p.m., on June 27 (Tuesday), 2023.

Sincerely yours,

Details

1. Date and Time: Wednesday, June 28, 2023 at 10:00 a.m. (sign-in starts at 9:00 a.m.)
2. Place: 4-2-1 Miyahara Yodogawa-ku, Osaka
Hotel Mielparque Osaka, 4th Floor, room "Soleil"
(Please see the "Access Map" at the end of the document)
3. Agenda:
Matters to be reported:
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 89th business period (April 1, 2022 to March 31, 2023)
 2. The non-consolidated financial statements for the 89th business period (April 1, 2022 to March 31, 2023)

Matters to be resolved:

- Proposal 1: Election of Six (6) Directors
- Proposal 2: Determination of the Amount and Details of Performance-Based Stock Compensation, etc. for Directors

- 4 Other Matters to be Determined by the Board of Directors at the Convocation
- 1) If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of any of the proposals on the Voting Rights Exercise Form, we will assume that you have voted in favor of the proposals.
 - 2) If you exercise your voting rights twice, once via the Internet and once in writing (by mail), we will treat the Internet vote as the valid exercise of your voting rights. If you exercise your voting rights more than once via the Internet, we will treat the last vote as the valid exercise of your voting rights.
 - 3) If you wish to exercise your voting rights by proxy, one other shareholder with voting rights may attend the meeting as your proxy. Please note, however, that a document evidencing the proxy's power of representation must be submitted.
- ⊙ Shareholders who have made a request for delivery of the document will also receive a document stating the matters to be provided electronically, but such document will exclude the following matters in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company.
1. "Structure and Policy of Company" in the Business Report
 2. "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 3. "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in this document are a part of the subject documents on which the accounting auditor has prepared the accounting audit report and the statutory auditor has prepared the audit report.
- ⊙ In the event of any modification to the electronic provision measures, a notice will be posted on the aforementioned Company's Website (<https://www.sansha.co.jp/>) and on the JPX's Website (<https://www2.jpx.co.jp/>), both before and after the modification.

Reference Document for the Annual Meeting of Shareholders

Proposal 1: Election of Six (6) Directors

The term of office of all six (6) Directors will expire at the conclusion of the Annual Meeting of Shareholders. The Company requests the election of Six (6) Directors.

The candidates for Directors are determined at board meetings after receiving the report from the Nomination and Compensation Committee based on the criteria for appointment of Directors. Also, candidates for Outside Directors satisfy the “criteria for appointment of Outside Officers and for judgment of independence.”

The candidates for Directors are as follows.

Candidate No.	Name	Position and responsibility at the Company and significant concurrent positions	Attendance at board meetings
1	Hajimu Yoshimura	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> Representative Director, President Chairman of Board of Directors	100% (14/14 meetings)
2	Masaki Fujiwara	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> Director and Executive Vice President General Manager of Corporate Strategy	100% (14/14 meetings)
3	Hiroshi Zumoto	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> Director and Senior Managing Operating Officer Chief Operating Officer of Power Supply System Manufacturing business Executive General Manager, Power Supply System Manufacturing Division Chairman, SANREX LIMITED Chairman, SANSHA ELECTRIC MFG. (GUANGDONG) CO., LTD.	100% (14/14 meetings)
4	Hajime Katsushima	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> Director and Managing Operating Officer Chief Operating Officer of Semiconductor business Executive General Manager, Technology, the Company Chairman, SANSHA ELECTRIC MFG. (SHANGHAI) CO., LTD.	100% (11/11 meetings)
5	Akira Uno	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Independent</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Outside Director</div> Outside Director Outside Director, HASHIMOTO SOGYO HOLDINGS Ltd. Fellow, School of Business at Graduate School of Economics, Kyoto University (Doctor of Economics) Senior Executive Fellow, DMG MORI Co., LTD. Special Assistant to the President, Kyoto University	100% (14/14 meetings)
6	Koichi Ina	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Independent</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Outside Director</div> Outside Director Outside Director, KUBOTA Corporation Chairman, Central Japan Industries Association	100% (14/14 meetings)

- Notes: 1. There is no special conflict of interest between any of the candidates for Director and the Company.
2. The Company entered into the Directors and Auditors liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act, in which all the Directors are the insured. If this proposal is approved as proposed and each candidate assumes the post of Director, each candidate will become the insured of the said contract. The said contract is to cover the insured Directors, etc. against damages that could arise from taking responsibilities regarding the performance of their duties or being asked for compensation regarding the pursuit of the said responsibilities. However, there are certain exemptions; for example, damages arising from an act that the insured conducts knowing it is in violation of laws and regulations are not covered. Premiums for riders of derivative actions are borne by each Director, and other premiums are borne by the Company. The renewal is scheduled in June 2023 at the full cost of the Company.

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
1	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div> <p>Hajimu Yoshimura (January 10, 1954; 69 years of age)</p>	<p>Apr. 1976 Joined Matsushita Electric Works, Ltd. (currently Panasonic Holdings Corporation)</p> <p>Jan. 2001 Vice President, U.S. Research Lab, Matsushita Electric Works, Ltd.</p> <p>Apr. 2007 Operating Officer and General Manager of Lighting Device Development Division, Matsushita Electric Works, Ltd.</p> <p>June 2007 President, SUNX Co., Ltd. (currently Panasonic Industrial Devices SUNX Co., Ltd.)</p> <p>June 2012 President, Panasonic Ecology Systems Co., Ltd.</p> <p>Aug. 2014 Advisor, the Company</p> <p>Jan. 2015 Vice President and Operating Officer in charge of overall management, the Company</p> <p>June 2015 Director, Vice President and Operating Officer, Planning Division, the Company</p> <p>June 2017 Representative Director, Vice President and Operating Officer, the Company</p> <p>Apr. 2018 Representative Director, President, the Company (incumbent)</p>	24,600 shares
<p>[Reason for nomination as a candidate for Director]</p> <p>Hajimu Yoshimura has abundant experience and extensive knowledge he has gained as a management executive in the major Japanese electronics manufacturer. In addition, he has served as Vice President of an overseas affiliate of the Group and thus has broad-based knowledge of global corporate management. Furthermore, after he assumed the presidency of the Company , he adopted the vision, "Global Power Solution Partner," and has promoted a growth strategy and managerial reform to improve the corporate value. As we believe it appropriate to manage the Group under his leadership to ensure sustainable growth and further development of the Company, we nominate him as a candidate for Director.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 8 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
2	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reappointment</div> Masaki Fujiwara (December 23, 1953; 69 years of age)	Apr. 1977 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation) Jan. 2000 Director, Administration, Malaysia Matsushita Television Co., Ltd. Nov. 2004 Director, Technology and Accounting Center, Matsushita Electric Industrial Co., Ltd. Dec. 2006 Director, Accounting Center, Panasonic AVC Networks, Matsushita Electric Industrial Co., Ltd. May 2010 President, Panasonic Insurance Service Co., Ltd. Mar. 2014 Advisor, the Company June 2014 Director, Senior Managing Operating Officer, the Company General Manager of Administration, the Company Mar. 2018 Outside Audit & Supervisory Board Member, KUBOTA Corporation Apr. 2018 Director, Senior Managing Operating Officer, the Company General Manager of Corporate Strategy, the Company Apr. 2023 Director, Executive Vice President, the Company (incumbent) General Manager of Corporate Strategy, the Company (incumbent)	24,600 shares
<p>[Reason for nomination as a candidate for Director] Masaki Fujiwara has abundant corporate management experience and extensive knowledge of administration he has gained as a management executive in the major Japanese electronics manufacturer. In addition, he has served as Director of an overseas affiliate of the Group and thus is equipped with global perspectives. Since assuming office as Director of the Company in June 2014, he has overseen the administrative and corporate strategy divisions of the Company and has served as Director, Executive Vice President since April 2023. As we believe he is capable of fully leveraging his abundant experience in the Group's future business development, we nominate him as a candidate for a Director.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 9 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
3	<div data-bbox="479 845 639 880" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div> <p data-bbox="479 908 639 990">Hiroshi Zumoto (April 18, 1959; 64 years of age)</p>	<p data-bbox="701 400 807 428">Apr. 1982</p> <p data-bbox="701 433 807 460">May 2005</p> <p data-bbox="701 502 807 529">Sep. 2011</p> <p data-bbox="701 551 807 578">Apr. 2012</p> <p data-bbox="701 688 807 716">Apr. 2018</p> <p data-bbox="701 784 807 812">Apr. 2020</p> <p data-bbox="701 935 807 963">May. 2020</p> <p data-bbox="701 1004 807 1031">June. 2021</p> <p data-bbox="701 1155 807 1182">Apr. 2023</p> <p data-bbox="701 1319 1025 1347">(Significant concurrent positions)</p> <p data-bbox="701 1361 1170 1388">Chairman, SANREX LIMITED(HONG KONG)</p> <p data-bbox="701 1388 1373 1429">Chairman, SANSHA ELECTRIC MFG. (GUANGDONG) CO., LTD. (CHINA)</p>	9,100 shares
<p data-bbox="455 1448 948 1476">[Reason for nomination as a candidate for Director]</p> <p data-bbox="455 1489 1595 1704">Since joining the Company, Hiroshi Zumoto has been involved in improving productivity and strengthening the production system as a person in charge of production technology. After holding key positions in the semiconductor business from April 2012, he assumed the position of Director of the Company in June 2021. Since then, he has played an appropriate role in overseeing the semiconductor business with his high level of competence and expertise in the field, as well as supervising the Company's management. Since April 2023, he has been responsible for overseeing the Power Supply System Manufacturing business, and we have determined that he can fully demonstrate his wealth of experience in the future development of our business, and therefore we continue to nominate him as a candidate for Director.</p> <p data-bbox="455 1736 900 1764">Attendance at board meetings: 14/14 meetings</p> <p data-bbox="455 1764 1460 1791">Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 2 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
4	<p style="text-align: center;">Reappointment</p> <p>Hajime Katsushima (January 29, 1959; 64 years of age)</p>	<p>Apr. 1981 Joined the Company</p> <p>Apr. 2009 General Manager, Research Department , the Company</p> <p>Apr. 2011 Operating Officer, the Company Executive General Manager, Engineering and Development Division, the Company</p> <p>Nov. 2016 Representative Director, President, Sansha Electric Eastern CO., LTD(currently Suwa Sansha Electric Co., Ltd)</p> <p>Apr. 2021 Managing Operating Officer, the Company Assistant Chief Operating Officer of Power Supply System Manufacturing business, the Company Executive General Manager, Power Supply System Manufacturing Division, the Company Chairman, SANREX LIMITED(HONG KONG) (incumbent) Chairman, SANSHA ELECTRIC MFG. (GUANGDONG) CO., LTD. (CHINA) (incumbent)</p> <p>Apr. 2022 Managing Operating Officer, the Company Chief Operating Officer of Power Supply System Manufacturing business, the Company Executive General Manager, Power Supply System Manufacturing Division, the Company</p> <p>Apr. 2023 Director, Managing Operating Officer, the Company (incumbent) Chief Operating Officer of Semiconductor business, the Company (incumbent) Executive General Manager, Technology, the Company(incumbent)</p> <p>(Significant concurrent positions) Chairman, SANSHA ELECTRIC MFG. (SHANGHAI) CO., LTD. (CHINA)</p>	12,100 shares
<p>[Reason for nomination as a candidate for Director]</p> <p>Since joining the Company, Hajime Katsushima has been involved in product development in the new energy field as a person in charge of R&D. Since November 2016, he has been involved in the management of Group companies as the Representative Director and President. After serving as General Manager of the Power Supply System Manufacturing business, he was appointed Head of Semiconductor Business and General Manager of the Technology Division in April 2023.</p> <p>Attendance at board meetings: 11/11 meetings Number of years in office of Director (at the conclusion of the Annual Meeting of Shareholders): 1 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
5	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Outside Director</div> <p style="text-align: center;">Akira Uno (August 15, 1942; 80 years of age)</p>	<p>Apr. 1966 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>June 1993 Director and Manager of Ningyocho Branch, The Sumitomo Bank, Limited</p> <p>Feb. 1996 Representative Executive Director, Sumitomo Credit Service Co., Ltd.</p> <p>June 2000 Representative Director and Vice President, Sumitomo Credit Service Co., Ltd.</p> <p>Apr. 2001 Representative Director and Vice President, Sumitomo Mitsui Card Company, Limited due to merger</p> <p>June 2003 Chairman and Operating Officer, SMBC Consulting Co., Ltd.</p> <p>Feb. 2006 Operating Officer, Japan Post Holdings Co., Ltd.</p> <p>Oct. 2007 Managing Officer, Japan Post Bank Co., Ltd.</p> <p>June 2009 Outside Director, HASHIMOTO SOGYO Ltd. (currently HASHIMOTO SOGYO HOLDINGS Ltd.) (incumbent)</p> <p>Aug. 2009 Special Advisor, the Company</p> <p>June 2014 Outside Director, the Company (incumbent)</p> <p>(Significant concurrent positions)</p> <p>Outside Director, HASHIMOTO SOGYO HOLDINGS Ltd</p> <p>Fellow ,School of Business at Graduate School of Economics, Kyoto University (Doctor of Economics)</p> <p>Senior Executive Fellow, DMG MORI Co., LTD.</p> <p>Special Assistant to the President, Kyoto University</p>	11,500 shares
<p>[Reason for appointment as a candidate for Outside Director] Akira Uno is the candidate for Outside Director. He has abundant experience and knowledge he has gained as a management executive of many companies. He provides recommendations and advice on the Group's growth strategy and managerial reform at its board meetings as Outside Director and the Chairman of the Nomination and Compensation Committee, and performs a decision-making function and supervisory function. As we believe he is qualified to supervise the management of the Company, we nominate him as a candidate for Outside Director.</p> <p>[Special conflict of interest, etc. between the Company and entities at which the candidate holds concurrent positions] There is no special relationship between the Company and HASHIMOTO SOGYO HOLDINGS Ltd., Kyoto University, and DMG MORI Co., LTD. at which Akira Uno holds concurrent positions.</p> <p>[Liability limitation agreement] In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement limiting liability for damages under Article 423, Paragraph 1 of the Companies Act with Akira Uno. The limit of liability for damages under the agreement is the amount specified in Article 425, Paragraph 1 of the Companies Act. The Company will continue said agreement if his reappointment is approved.</p> <p>[Notification as Independent Officer] Akira Uno had performed duties at Sumitomo Mitsui Banking Corporation (the Sumitomo Bank, Limited at the time he joined the bank), which is one of the correspondent banks of the Company, as well as affiliated companies of the bank, until February 2006. However, his transactions with the bank are based on general agreements, and it has been 16 years since he retired from the bank. Accordingly, the Company has determined that he has no potential conflict of interest with general shareholders and notified him as an Independent Officer to the Tokyo Stock Exchange. The Company will continue to appoint him as an Independent Officer if his reappointment is approved.</p> <p>Attendance at board meetings: 14/14 meetings Number of years in office of Outside Director (at the conclusion of the Annual Meeting of Shareholders): 9 years</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned
	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 2px;">Outside Director</div> Koichi Ina (May 6, 1948; 75 years of age)	Apr. 1973 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation) June 2002 Director, Toyota Motor Co., Ltd. June 2007 Senior Managing Director, Toyota Motor Co., Ltd. June 2009 Advisor, Toyota Motor Co., Ltd. Director and Vice President, DAIHATSU MOTOR CO., LTD. June 2010 President, DAIHATSU MOTOR CO., LTD. June 2013 Chairman, DAIHATSU MOTOR CO., LTD. June 2015 Outside Director, KUBOTA Corporation (incumbent) June 2016 Senior Adviser, DAIHATSU MOTOR CO., LTD. June 2019 Outside Director, the Company (incumbent) (Significant concurrent positions) Outside Director, KUBOTA Corporation Chairman, Central Japan Industries Association	26,400 shares
6	<p>[Reason for appointment as a candidate for Outside Director] Koichi Ina is the candidate for Outside Director. He has abundant experience and broad knowledge he has gained as a management executive and engineer at Japan's leading auto manufacturers. He provides recommendations and advice on the Group's growth strategy and managerial reform at its board meetings as Outside Director and Member of the Nomination and Compensation Committee, and performs the decision-making function and supervisory function. As we believe he is qualified to supervise the management of the Company, we nominate him as a candidate for Outside Director.</p> <p>[Special conflict of interest, etc. between the Company and entities at which the candidate holds concurrent positions] There is no special relationship between the Company and KUBOTA Corporation and Central Japan Industries Association at which Koichi Ina has concurrent positions.</p> <p>[Facts of wrongful execution of duties, etc. during the term of office of officers at other companies, measures for prevention and ex post facto responses, etc. during the past five years] Koichi Ina has been serving as Outside Director of KUBOTA Corporation since his assumption in June 2015. KUBOTA announced in November 2018 an inappropriate act regarding the inspection record of expendable parts (mill roll) used in facilities to produce steel sheet, etc. He had not been aware of this fact until this issue was uncovered, and he had been making recommendations at board meetings from the perspectives of compliance. After he came to know the fact, he has been carrying out his duty such as thoroughly investigating the cause, developing preventive measures and reviewing the inspection system.</p> <p>[Liability limitation agreement] In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement limiting liability for damages under Article 423, Paragraph 1 of the Companies Act with Koichi Ina. The limit of liability for damages under the agreement is the amount specified in Article 425, Paragraph 1 of the Companies Act. The Company will continue said agreement if his reelection is approved.</p> <p>[Notification as Independent Officer] The Company has notified Koichi Ina as an Independent Executive Officer to the Tokyo Stock Exchange. The Company will continue to appoint him as an Independent Officer if his reappointment is approved.</p> <p>Attendance at board meetings: 14/14 meetings (After assuming the office of Director) Number of years in office of Outside Director (at the conclusion of the Annual Meeting of Shareholders): 4 years</p>		

<Reference>

I. Criteria for Appointment/Dismissal of Directors and Corporate Auditors

[Appointment Criteria]

1. Such person has an excellent personality, knowledge and management sense, and is familiar with managerial issues.
2. Such person has a superior ability to make analysis and judgment objectively from a company-wide perspective.
3. Such person can state his/her opinion positively from a company-wide perspective.
4. Such person can secure time and effort required to properly perform his/her duties and responsibilities as Director/Corporate Auditor.
5. Such person satisfies statutory eligibility requirements for Director/Corporate Auditor.
6. As for a candidate for Outside Director/Outside Corporate Auditor, such person satisfies the Company's criteria for judgment of independence.
7. The appointment of such candidate for Director maintains the diversity of experience and expertise, has the Board of Directors exercise its function most efficiently and effectively, and brings a balance so that management is supervised throughout the Company.
8. The appointment of such candidate for Corporate Auditor brings a balance among knowledge, experience and expertise.
At least one Corporate Auditor has considerable knowledge in finance and accounting.

[Dismissal Criteria]

1. Cases where a material fact in violation of laws, regulations or the Articles of Incorporation is found.
2. Cases where a significant deviation from the appointment criteria is found.
3. Cases where the corporate value is significantly damaged by a failure to perform duties.
4. Cases where an event occurs that makes appropriate execution of duties difficult.

II. Criteria for Appointment of Outside Officers and for Judgment of Independence of the Company

[Criteria for Appointment of Outside Officers]

1. Such person has an excellent personality, high ethical standards and is physically and mentally fit.
2. Such person has a high level of expertise and abundant experience in areas such as business management, corporate management, legal affairs and accounting.
3. Such person can secure sufficient time to attend board meetings, etc. and is qualified to perform his/her duties.
4. Such person satisfies statutory eligibility requirements for Outside Officer.

[Criteria for Judgment of Independence]

Outside Officers to whom none of the following conditions applies can be "Independent Officers."

1. Person who performs or has performed duties of the Group
2. Person who performs duties of a major business partner of the Group (customer or supplier whose transaction amount exceeds 1% of the annual consolidated sales in the latest business period) or its parent company or important subsidiary
3. Person who performs duties of a financial institution which is essential to the Group's funding and cannot be replaced and on which the Group relies, or other major creditor or its parent company or important subsidiary
4. Consultant, accountant, tax accountant or lawyer who earns money or other assets over 10 million yen (average of the past three years) in a year from the Group other than director's remuneration
5. Member of the audit firm which performs an accounting audit of the Group or staff who has been directly engaged in audit of the Group
6. Person who performs duties of a major shareholder, a major shareholder organization or its group whose shareholding ratio is more than 10% in the Company's latest shareholder registry
7. Person who satisfied conditions 2 through 5 above in the past three years or a partner/relative within the second degree of kinship of a person listed in 1 through 6 above

III. Composition of Officers [Management System (Planned) after the Approval of Agenda]

Name	Independence	Knowledge and experience particularly expected by the Company					
		Corporate management and Management strategy	Overseas business experience	Business strategy	R&D and Production	Finance, accounting	Legal affairs and Compliance
Director	Hajimu Yoshimura	●	●	●	●		
	Masaki Fujiwara	●	●	●		●	
	Hiroshi Zumoto	●		●	●		
	Hajime Katsushima	●		●	●		
	Akira Uno	●	●			●	
	Koichi Ina	●	●			●	
Audit & Supervisory Board Members	Ichiro Kitano		●	●	●		
	Kazuhiro Egawa	●	●				●
	Eriko Nashioka	●	●			●	

		Reasons for selecting skills	Skill requirements
Overall management skills	Corporate management and Management strategy	Requires management experience and achievements in corporate management and the formulation and promotion of management strategies to realize the Group's growth strategy	Management experience as a representative director or officer in a company
	Overseas business experience	Requires overseas business management experience, and knowledge and experience of an overseas business environment to respond to global business development	Experience as a representative of overseas subsidiary, head of overseas business division, or executive officer
Business core skills	Business strategy	As the Company's business area is a niche and highly specialized market based on power electronics technology, this position requires a high level of knowledge in such area as well as experience in executing business strategies	Executive in charge of business division, head of division and person with equivalent experience as senior management
	R&D and Production	Requires knowledge and experience to develop safe, secure, and high-quality products and realize integrated production from design to production	Executive in charge of R&D and production division, head of division and person with equivalent experience as senior management
Functional core skills	Finance, accounting	Requires accurate financial reporting, efficient management of invested capital, and knowledge and experience to enhance shareholder returns	- Executive in charge of accounting and finance division, head of division, person with equivalent experience and person with experience in auditing firm, etc.
	Legal affairs and compliance	Requires knowledge and experience in legal affairs and compliance fields to ensure effective corporate governance and improve the effectiveness of the Board of Directors.	- Experience as executive in charge of legal affairs and compliance, head of division, and person with experience in a law firm, etc.

Proposal 2: Determination of the Amount and Details of Performance-Based Stock Compensation, etc. for Directors

1. Reasons for the proposal and reasons why the remuneration system is appropriate

The Company's directors (excluding outside directors. The same applies hereinafter.) This proposal requests your approval for the introduction of a new performance-linked stock compensation plan using a trust (hereinafter referred to as the "Plan") for the Company's Directors. This proposal requests your approval for the introduction of a new performance-linked stock compensation plan (the "Plan") using the Trust for the Company's Directors. The details of the Plan are proposed to be left to the discretion of the Board of Directors within the framework of 2. below.

The purpose of this plan is to clarify the linkage between directors' remuneration and the Company's business performance and stock value, and to raise awareness among directors of the need to contribute to improving the Company's business performance and increasing its corporate value over the medium to long term by sharing the benefits and risks associated with stock price fluctuations with shareholders.

This proposal is to propose that the maximum amount of remuneration for directors (up to 300 million yen per year, including remuneration for outside directors, but not including salaries for employees) approved at the 74th Ordinary General Meeting of Shareholders held on June 27, 2008, be increased to the amount of 1.5 billion yen per year. The maximum amount of remuneration for Directors (up to 300 million yen per year, including remuneration for Outside Directors, but not including salaries for employees) is to be determined separately from the maximum amount of remuneration for Directors approved at the 74th Annual General Meeting of Shareholders held on June 27, 2008. The new performance-linked share remuneration under the Plan shall be paid to the Company's directors in an amount separate from the maximum amount of remuneration for directors approved at the 74th Ordinary General Meeting of Shareholders (not exceeding 300 million yen per year, including remuneration for outside directors, but not including salaries for employees), and shall be paid over four fiscal years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2027 (hereinafter the "Subject Period"). (However, the Subject Period may be extended as described in 2.(2) below.)

An overview of the details of the Company's policy for determining the content of remuneration, etc. for individual directors is provided in the Business Report, "4. Policy, etc. on Determination of Details of Remuneration, etc., for Directors and Corporate Auditors," and subject to the approval of this Proposal, the contents thereof are scheduled to be changed as described in this Proposal. Accordingly, the contents of this proposal are necessary and reasonable for the payment of remuneration, etc. in accordance with the policy after such change. Based on the above, the Company believes that the contents of this proposal are appropriate.

If Proposal 1, "Election of Six (6) Directors," is approved as proposed, the number of directors subject to this plan will be four (4).

2. Amount and Details of Remuneration under the Plan, etc.

1) Outline of the Plan

This is a stock compensation plan under which a trust (the "Trust") established by monetary contribution from the Company acquires the Company's shares, and the Company's shares in a number equivalent to the number of points granted by the Company to each Director are delivered to each Director through the Trust. Under this stock compensation plan, the Trust (the "Trust"), which is established by the Company's monetary contribution, acquires the Company's shares, and the Company's shares corresponding to the number of points granted by the Company to each Director are delivered to each Director through the Trust.

As a general rule, the time at which directors receive delivery of the Company's shares is when they retire from office.

(i)	Eligibility for this Plan	Directors of the Company (excluding outside directors)
(ii)	Applicable period	From the fiscal year ending March 31, 2024 through the fiscal year ending March 31, 2027
(iii)	The maximum amount of money to be contributed by the Company to fund the acquisition of the Company's shares necessary to deliver the Company's shares to the target in (i) during the four fiscal years of the subject period in (ii).	320 million yen in total
(iv)	Method of acquisition of our shares	From disposal of treasury stock or acquisition from an exchange market (including off-floor trading)

(v)	Maximum total number of points to be granted to (i) eligible persons	40,000 points per fiscal year
(vi)	Criteria for granting points	Points are awarded based on position and achievement of performance targets, etc.
(vii)	(i) Timing of delivery of the Company's shares to the Target Company	In principle, at the time of retirement

2) Maximum amount of money to be contributed by the Company

The initial trust period of the Trust will be approximately 4 years, and during the subject period, the Company will contribute a total of up to 320 million yen as compensation to the Directors in office during the subject period to fund the acquisition of the Company shares necessary to be delivered to the Directors under the Plan, and will establish the Trust with the Directors who will acquire beneficial interests as described in (3) (iii) below as beneficiaries. The Trust will acquire the Company's shares from the Company's treasury stock or from the stock exchange (including off-floor trading) using the money entrusted by the Company as the source of funds.

Note: In addition to the funds for acquisition of the Company's shares mentioned above, necessary expenses such as trust fees and trust administrator fees will also be entrusted. In addition, by decision of the Board of Directors of the Company, the subject period may be extended for a period not exceeding four (4) fiscal years, as determined on a case-by-case basis, and the trust period of the Trust may be extended accordingly (including extending the trust period substantially by transferring the trust assets of the Trust to a trust established by the Company for the same purpose as the Trust; the same shall apply hereinafter. The same shall apply hereinafter). The same shall apply hereinafter), and this system may be continued. In this case, during the period covered by the extension, the Company will make an additional contribution to the Trust in an amount up to 80 million yen multiplied by the number of fiscal years covered by the extension, as funds for additional acquisition of the Company shares necessary to deliver the Company shares to the Directors under the Plan, and will continue to grant points and deliver the Company shares as described in 3) below.

In addition, even if the Plan is not continued by extending the period of eligibility as described above, if there are directors who have already been granted points but have not yet retired at the expiration of the trust period, the trust period of the Trust may be extended until such directors retire and the delivery of the Company shares is completed.

3) Calculation method and maximum number of shares of the Company's stock to be issued to directors

(i) Method of Granting Points to Directors, etc.

In accordance with the Share Delivery Regulations established by the Board of Directors of the Company, the Company will grant points to each Director on the point grant date stipulated in the Share Delivery Regulations during the trust period in proportion to his/her position and achievement of performance targets, etc.

However, the total number of points to be granted to directors by the Company shall not exceed 40,000 points per fiscal year.

(ii) Delivery of the Company's shares in proportion to the number of points granted

Directors shall receive the Company's shares in proportion to the number of points granted in (i) above, in accordance with the procedure described in (iii) below. However, in the event that a director retires for personal reasons, etc., all or part of the points granted up to that point will be forfeited, and the director will not receive shares of the Company in proportion to the number of points forfeited.

One point is equal to one share of the Company's stock. However, in the event of a stock split, a reverse stock split or any other case where it is deemed reasonable to adjust the number of shares to be delivered, the number of shares to be delivered per point shall be adjusted in accordance with the ratio of such stock split or reverse stock split.

(iii) Delivery of the Company's shares to directors

Each Director shall, in principle, acquire the beneficiary right of the Trust by following the prescribed procedures upon his/her retirement, and as a beneficiary of the Trust, shall receive from the Trust the Company shares mentioned in (ii) above.

However, a certain percentage of the Company's shares may be sold and converted into cash by the Trust for the purpose of the Company withholding funds for the payment of withholding taxes, etc., and then delivered in cash in place of the Company's shares. In addition, in the event that the Company shares in the Trust are converted into cash, such as when the Company shares in the Trust are tendered to a tender offer and settled, the Company shares may be delivered in cash in place of the Company shares.

4) Exercise of voting rights

Voting rights pertaining to the Company's shares in the Trust will not be exercised uniformly based on the instructions of the Trust Manager, who is independent of the Company and its officers. By using this method, the Company intends to ensure neutrality toward the Company's management with respect to the exercise of voting rights pertaining to the Company's shares in the Trust.

5) Handling of Dividends

Dividends on the Company's shares in the Trust will be received by the Trust and will be used to pay for the acquisition of the Company's shares and the trustee's trust fees related to the Trust.