

Note: This document has been translated from part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for any direct, indirect or any other forms of damages arising from this translation.

(Stock Exchange Code 9682)  
June 3, 2016

**To Shareholders with Voting Rights:**

Koichi Nishida  
Representative Director and President  
DTS CORPORATION  
6-19-13, Shimbashi  
Minato-ku, Tokyo

**NOTICE OF  
THE 44TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

**You are cordially invited to attend the 44th Annual General Meeting of Shareholders of DTS CORPORATION (the “Company”). The meeting will be held for the purposes as described below.**

**If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc.** Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights.

**Exercise of Voting Rights by Mail**

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5 p.m., Wednesday, June 22, 2016.

If there is no indication for or against any proposal, the vote will be deemed to have been cast for such proposal.

**Exercise of Voting Rights via the Internet, etc.**

If exercising your voting rights via the Internet, etc., please refer to the attached “Notes Regarding Exercise of Voting Rights via the Internet, etc.” (pp.3-4), and exercise your voting rights by 5 p.m., Wednesday, June 22, 2016.

If you submit your vote multiple times via the Internet, only the last vote will be valid.

If you vote both in writing using the Voting Rights Exercise Form and via the Internet, only your vote placed via the Internet will be valid.

- 1. Date and Time:** Thursday, June 23, 2016 at 10:00 a.m.(reception will open at 9:00 a.m.)
- 2. Venue:** Conference room on the ninth floor of Corporate Headquarters of the Company located at 6-19-13, Shimbashi, Minato-ku, Tokyo
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 44th Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 44th Fiscal Year (April 1, 2015 - March 31, 2016)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of One (1) Director
- Proposal 4:** Election of Two (2) Corporate Auditors
- Proposal 5:** Payment of Bonuses to Officers
- Proposal 6:** Revision of the Amount of Remuneration, etc. for Directors

**4. Other matters regarding the convocation of the General Meeting of Shareholders**

If you wish to make a diverse exercise of your voting rights, please notify the Company of your intention of making a diverse exercise of voting rights and the reasons thereof by three (3) days prior to the General Meeting of Shareholders.

- 
- (Request) When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this Notice of Convocation with you.
  - (Notice) Should the Reference Documents for the General Meeting of Shareholders and the Appendix require revision, the revised versions will be posted on the Company's website (<http://www.dts.co.jp>).

## Notes Regarding Exercise of Voting Rights via the Internet, etc.

When exercising voting rights via the Internet, etc., please be aware of the following matters.

### 1. About the voting rights exercise website

Exercise of voting rights via the Internet is only possible via the voting rights exercise website designated by the Company below.

Voting rights exercise website: <http://www.web54.net>

### 2. System requirements

To exercise voting rights via the Internet, please confirm the following system requirements:

- (1) Screen resolution of 800 (horizontal) x 600 (vertical) pixels (SVGA) or higher.
- (2) The following applications should be installed.
  - 1) Microsoft® Internet Explorer Ver. 5.01 SP2 or later
  - 2) Adobe® Acrobat® Reader® Ver4.0 or later, or Adobe® Reader® Ver.6.0 or later
    - \* Internet Explorer is a registered trademark, trademark, or product name of Microsoft Corporation in the United States and other countries, and Adobe® Acrobat® Reader® and Adobe® Reader® are registered trademarks, trademarks, or product names of Adobe Systems Incorporated in the United States and other countries.
    - \* All of these software products are distributed at no charge from the websites of the respective companies.
- (3) If “popup blocker” functions are enabled in the web browser or its add-in tools, please disable (or temporarily disable) these functions while also approving “Cookies” for the website in the privacy settings.
- (4) If a connection to the above website cannot be established, it is possible that transmissions with the Internet may be restricted due to a firewall, proxy server, or security software, etc. Please confirm the contents of these settings.

### 3. Handling of voting rights

- (1) If exercising voting rights via the Internet, please use the “voting rights exercise code” and “password” written on the enclosed Voting Rights Exercise Form, and follow the on-screen instructions to enter your vote for or against the proposals.
- (2) Due to the circumstances required for tabulating votes, please exercise your voting rights via the Internet by 5 p.m., Wednesday, June 22, 2016.
- (3) If voting rights are exercised via the Internet multiple times, the last exercise of voting rights will be deemed valid.
- (4) If voting rights are exercised both via the Internet and via the Voting Rights Exercise Form, the exercise of voting rights via the Internet will be deemed valid.
- (5) Internet service provider and telecommunications carrier fees (connection fees, etc.) when accessing the voting rights exercise website shall be borne by the shareholder.

### 4. Handling of passwords

- (1) The password is an important means to identify if the person exercising voting rights is a shareholder. Please handle the password with due care, as if it were an official stamp or PIN.
- (2) If a password is entered incorrectly more than a certain number of times, it will become unusable. If reissuance of the password is required, please follow the on-screen guidance procedures.
- (3) The voting rights exercise code written on the Voting Rights Exercise Form is valid only for this General Meeting.

### 5. Contact information for inquiries on the use of personal computers, etc.

For any inquiries on how to use a personal computer, etc. in exercising voting rights via the website, please contact the following.

Dedicated line for Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited  
[Telephone] 0120 (652) 031 (Toll free within Japan)  
(Open from 9:00 a.m. to 9:00 p.m.)

### 6. Use of the electronic voting rights exercise platform (For institutional investors)

Nominal shareholders (including standing proxies) such as management trust banks, etc. can use the electronic voting rights exercise platform operated by ICJ, Inc. if application for participation in the platform is made in advance.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

Regarding the appropriation of surplus, the Company proposes the following.

Matters concerning year-end dividends

The Company recognizes the return of profits to shareholders as its most important management issue, and believes that the enhancement of corporate value over the medium to long term will serve as the greatest source of the return of profits. Moving forward, the Company will consider required internal reserves for business expansion, and upon comprehensively accounting for trends in business results and financial conditions, the Company believes that continuously conducting a stable dividend policy will contribute to the return of profits to shareholders over the medium to long term.

(1) Matters concerning the allotment of dividend assets and the total amount

Amount per share of common stock:	40 yen
Total amount:	928,986,920 yen

(2) Effective date of distribution of surplus

June 24, 2016

**Proposal 2: Partial Amendments to the Articles of Incorporation**

The Company proposes the partial amendment of the current Articles of Incorporation as shown in the proposed amendments to the Articles of Incorporation below.

1. Reasons for the Amendment

In line with the promulgation of the “Act for Partial Revision of the Companies Act” (Act No. 90 of 2014) on June 27, 2014, Article 427, Paragraph 1 of the Companies Act was amended, and to allow for Directors and Corporate Auditors, with whom it is newly possible to conclude liability limitation agreements, to adequately fulfill their expected duties, the Company proposes partial amendments to Article 26 (Liability limitation agreements with Outside Directors) and Article 33 (Liability limitation agreements with Outside Corporate Auditors) of the current Articles of Incorporation.

All Corporate Auditors have given their consent to the amendments to Article 26 (Liability limitation agreements with Outside Directors) of the current Articles of Incorporation.

2. Description of the amendments

Description of the amendments is as follows:

(Underlined text indicates the changes relating to the resolution of this proposal.)

Current	Proposed amendment
<p>Article 1 to Article 25 (Omitted)</p> <p>Article 26 (Liability limitation agreements with <u>Outside Directors</u>) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with <u>Outside Directors</u> to limit their liabilities as specified by Article 423, Paragraph 1 of the same Act (provided that they have acted in good faith and without gross negligence). However, the limit of liability under the agreement shall be the higher of a predetermined amount that is 1.00 million yen or more, or an amount stipulated by laws and regulations.</p>	<p>Article 1 to Article 25 (Unchanged)</p> <p>Article 26 (Liability limitation agreements with <u>Directors</u>) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with <u>Directors (excluding Executive Directors, etc.)</u> to limit their liabilities as specified by Article 423, Paragraph 1 of the same Act (provided that they have acted in good faith and without gross negligence). However, the limit of liability under the agreement shall be the higher of a predetermined amount that is 1.00 million yen or more, or an amount stipulated by laws and regulations.</p>
<p>Article 27 to Article 32 (Omitted)</p> <p>Article 33 (Liability limitation agreements with <u>Outside Corporate Auditors</u>) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with <u>Outside Corporate Auditors</u> to limit their liabilities as specified by Article 423, Paragraph 1 of the same Act (provided that they have acted in good faith and without gross negligence). However, the limit of liability under the agreement shall be the higher of a predetermined amount that is 1.00 million yen or more, or an amount stipulated by laws and regulations.</p>	<p>Article 27 to Article 32 (Unchanged)</p> <p>Article 33 (Liability limitation agreements with <u>Corporate Auditors</u>) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may conclude agreements with <u>Corporate Auditors</u> to limit their liabilities as specified by Article 423, Paragraph 1 of the same Act (provided that they have acted in good faith and without gross negligence). However, the limit of liability under the agreement shall be the higher of a predetermined amount that is 1.00 million yen or more, or an amount stipulated by laws and regulations.</p>
<p>Article 34 to Article 39 (Omitted)</p>	<p>Article 34 to Article 39 (Unchanged)</p>

**Proposal 3:** Election of One (1) Director

Director Tatsumi Ito resigned as of March 31, 2016. Accordingly, the election of one (1) Director is proposed (if this Proposal is approved and resolved, there will be ten (10) Directors including incumbent Directors).

The candidate for Director is as follows:

Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
Hirotoishi Kobayashi (September 4, 1960)  New candidate	Apr. 1980 Apr. 2003 Jun. 2005 Apr. 2006 Apr. 2008 Apr. 2010 Jun. 2012 Apr. 2013 Apr. 2014  Mar. 2016 Apr. 2016	Joined the Company General Manager, Social Business Department-4 Director, KYUSHU DTS CORPORATION General Manager, Business Department-1, Industrial System Business Division General Manager, Planning Department, Corporate Staff Division Executive Officer (current position) General Manager, Management Service Business Division Director, DATALINKS CORPORATION General Manager, iCT Business Division Director, YOKOGAWA DIGITAL COMPUTER CORPORATION Director, ART System Co., Ltd. President & CEO, Digital Technologies Corporation (current position) General Manager, General Administration Department (current position)	3,800

(Note) There are no special interests between Mr. Hirotoishi Kobayashi and the Company.

**Proposal 4:** Election of Two (2) Corporate Auditors

Corporate Auditor Mr. Akira Hattori resigned as of March 31, 2016, and the term of office of Corporate Auditor Mr. Seiki Saga will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of two (2) Corporate Auditors is proposed. (If this Proposal is approved and resolved, there will be four (4) Corporate Auditors, including incumbent Corporate Auditors.)

The Board of Corporate Auditors has given its consent to this Proposal.

The candidates are as follows:

No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
1	Seiki Saga (October 20, 1946)	Apr. 1980 Registered as Attorney (Daini Tokyo Bar Association) Dec. 1982 President, Saga Law Office Jul. 1997 Legal Advisor, Daiwa Securities Co., Ltd. (currently Daiwa Securities Group Inc.) (current position) Apr. 2000 Conciliation Committee Member, Tokyo Summary Court Jun. 2006 Vice Chairman, Disciplinary Enforcement Committee, Daini Tokyo Bar Association Jan. 2008 President, Shin-Hanzomon Sogo Law Office Jun. 2008 Corporate Auditor, the Company (current position) Dec. 2010 Outside Corporate Auditor, Pokelabo, Inc. Aug. 2015 Partner, Hope Law Office (current position)	-
2	Kenji Yukimoto (April 10, 1949)  New candidate	Sep. 1974 Joined PriceWaterhouse Certified Public Accountant Firm Mar. 1977 Registered as Certified Public Accountant Jan. 1992 Representative Partner, Aoyama Audit Corporation Apr. 2000 Representative Partner, ChuoAoyama PricewaterhouseCoopers May 2007 Senior Partner, Ernst & Young ShinNihon Jul. 2010 President, Yukimoto Kenji Certified Public Accountant Office (current position) Aug. 2010 Director, Alpha Profession Group (current position) Mar. 2013 Outside Corporate Auditor, Kyodo Public Relations (current position)	-

(Notes)

1. There are no special interests between each candidate for Corporate Auditor and the Company.
2. The Company has entered into an agreement with Mr. Seiki Saga to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. Under the agreement, liability is limited to the higher of 1.00 million yen or an amount stipulated in Article 425, Paragraph 1 of the Companies Act. If his reappointment is approved, the Company intends to maintain the said liability limitation agreement with him. The Company also plans to conclude a similar liability limitation agreement with Mr. Kenji Yukimoto if his election is approved. In addition, if Proposal 2 is approved and resolved, the Company plans to conclude a similar liability limitation agreement with Corporate Auditor Mr. Kazuyuki Murai.
3. Messrs. Seiki Saga and Kenji Yukimoto are candidates for Outside Corporate Auditors. The Company has notified the Tokyo Stock Exchange that Mr. Seiki Saga is an Independent Officer, and plans to notify the Tokyo Stock Exchange that Mr. Kenji Yukimoto is an Independent Officer.
4. The Company has elected Messrs. Seiki Saga and Kenji Yukimoto as candidates for Outside Corporate Auditor for the following reasons:  
Mr. Seiki Saga is certified as an attorney, and in order to utilize his legal knowledge, experience, and insights, etc., in the audit structure of the Company, his election as an Outside Corporate Auditor is requested. His term of office as an Outside Corporate Auditor will be eight (8) years as of the conclusion of this Annual General Meeting of Shareholders. Mr. Kenji Yukimoto is certified as a certified public accountant, and in order to utilize his knowledge, experience, and insights, etc., regarding finance and accounting in the audit structure of the Company, his election as an Outside Corporate Auditor is requested.

**Proposal 5:** Payment of Bonuses to Officers

To reward the service of Directors (excluding Outside Directors) during the fiscal year under review, the Company proposes to pay bonuses of 52,700 thousand yen in total to each of the five (5) Directors in office as of the end of the fiscal year under review, in consideration of this year's profits, the amount of bonuses previously paid to officers, and other various factors.

Additionally, the Company requests that amounts for each Director be entrusted to the Board of Directors.

**Proposal 6:** Revision of the Amount of Remuneration, etc. for Directors

The maximum amount of remuneration for Directors of the Company was approved to be within 150,000 thousand yen per annum (excluding salaries as employees) at the 31st Annual General Meeting of Shareholders held on June 25, 2003, and such amount has continued to this day. However, the Company proposes to revise the amount of remuneration for Directors, in consideration of various factors such as changes in economic conditions and increased responsibility of Directors due to an expansion of the Company's business. The Company proposes to revise the maximum amount of remuneration, etc. including bonuses up to 300,000 thousand yen per annum (including 40,000 thousand yen for Outside Directors).

The amount of remuneration, etc. for Directors, as before, does not include the portion of salaries as employees for Directors who concurrently serve as employees.

If Proposal 3 is approved and resolved as originally proposed, the number of Directors will be ten (10) (including four (4) Outside Directors).