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Securities code: 6915 March 10, 2017

To Shareholders with Voting Rights:

Mitsuaki Koike President CHIYODA INTEGRE CO., LTD. 4-5 Akashi-cho, Chuo-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE 61ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 61st Ordinary General Meeting of Shareholders of CHIYODA INTEGRE CO., LTD. (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. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:30 p.m. on Tuesday, March 28, 2017, Japan time.

1.	Date and Time:	Wednesday, March 29, 2017 at 10:00 a.m. Japan time (The date differs from the date corresponding to that of the previous ordinary general meeting of shareholders due to the change in fiscal year-end.)
2.	Place:	Hall 'PRIMAVERA,' 4th floor of Dai-Ichi Hotel Tokyo located at 1-2-6 Shimbashi, Minato-ku, Tokyo, Japan
3.	Meeting Agenda:	
	Matters to be reported:	 Business Report, Consolidated Financial Statements for the Company's 61st Fiscal Year (September 1, 2015 - December 31, 2016) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements Non-consolidated Financial Statements for the Company's 61st Fiscal Year (September 1, 2015 - December 31, 2016)
	Proposals to be resolved:	
	Proposal 1:	Appropriation of Surplus
	Proposal 2:	Partial Amendments to the Articles of Incorporation
	Proposal 3:	Election of Ten (10) Directors
~~~	Proposal 4:	Election of One (1) Substitute Audit & Supervisory Board Member

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception. Please bring this Notice with you to save resources.

Should the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements require revisions, they will be posted on the Company's website (http://www.chiyoda-i.co.jp/).

^O Please be advised that souvenirs are not prepared for attending shareholders.

Among all the documents to be attached to this Notice, Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements are posted on the Company's website (http://www.chiyoda-i.co.jp/) in accordance with provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation. Therefore, the Appendix of this Notice comprises a portion of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited when the Accounting Auditor prepared the Audit Report.

# **Reference Documents for the General Meeting of Shareholders**

## **Proposals and References**

Proposal 1: Appropriation of Surplus

The Company considers profit returns to shareholders an important management task and makes it a basic policy to aim for a dividend payout ratio of 35% or more for the three (3) years from the fiscal year ended December 31, 2016 to the fiscal year ending December 31, 2018.

Based on the above policy, the Company proposes the year-end dividend for this fiscal year to be \$90 per share as follows, which will render the dividend payout ratio to be 35.6%.

(1) Type of dividend property:

Cash

- (2) Matters regarding the allocation of dividend property to shareholders and the total amount thereof: ¥90 per share of common stock of the Company Total amount: ¥1,172,007,720
- (2) Effective date of distribution of surplus: March 30, 2017

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

- 1. Reasons for the proposal
- (1) The Company proposes to change the maximum number of Directors from nine (9) to eleven (11) for the purpose of adapting to changes in the business environment surrounding the Company as well as reinforcement of the functions of the Board of Directors through means such as increasing the number of Outside Directors. (Article 18 of the Articles of Incorporation)
- (2) In order to avoid any inconveniences caused by the annual election of substitute Audit & Supervisory Board Members, the effective term for the resolution of the election is to be amended to two (2) years. (Article 32 of the Articles of Incorporation)
- 2. Description of the amendment

Description of the amendment is as follows.

	(Amended parts are underlined.)
Current	Proposed amendment
(Number of Directors)	(Number of Directors)
Article 18. The number of Directors of the	Article 18. The number of Directors of the
Company shall not exceed <u>nine (9)</u> .	Company shall not exceed eleven (11).
(Term of Office of Audit & Supervisory Board	(Term of Office of Audit & Supervisory Board
Members)	Members)
Article 32. (Omitted)	Article 32. (Unchanged)
2. (Omitted)	2. (Unchanged)
(Newly added)	3. The effective terms for the resolution
	of the election of a substitute Audit &
	Supervisory Board Member pursuant
	to Article 329, Paragraph 3 of the
	Companies Act shall expire at the
	beginning of the ordinary general
	meeting of shareholders held with
	respect to the last fiscal year ending
	within two (2) years from his/her
	election.
(Newly added)	4. When the substitute Audit &
	Supervisory Board Member
	mentioned above assumes office as an
	Audit & Supervisory Board Member,

Current	Proposed amendment
	the term of office shall expire at the
	same time as the resigned Audit &
	Supervisory Board Member.
	However, this shall not exceed the
	time of conclusion of the ordinary
	general meeting of shareholders held
	respect to the last fiscal year ending
	within four (4) years from his/her
	election.

### **Proposal 3:** Election of Ten (10) Directors

The terms of office of all the eight (8) Directors will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of ten (10) Directors upon increasing the maximum number of Directors by two (2) for the purpose of enhancement of future business expansion and the governance structure.

The effectuation of this proposal is subject to the approval of Proposal 2: Partial Amendments to the Articles of Incorporation.

The candidates for Director are as follows.

No.	Name (Date of birth)		Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	Mitsuaki Koike (January 5, 1951)	March 1969 September 1982	Joined the Company CHIYODA FELT CO. (S) PTE. LTD. (presently CHIYODA INTEGRE CO. (S) PTE. LTD.)	Shares
1		September 1990 November 1999	President, CHIYODA FELT CO. (S) PTE. LTD. Director, the Company	93,051
		November 2001 November 2002 March 1975	Managing Director President (to present) Joined the Company	
2	Akira Sato (April 2, 1956)	March 1973 March 2001 September 2008 November 2008 November 2010 November 2011 November 2013	President, CHIYODA INTEGRE CO. (S) PTE. LTD. General Manager, Overseas Department, the Company (to present) Director General Manager, Overseas Business (to present) Managing Director Senior Managing Director (to present)	31,280
3	Takumi Murasawa (July 21, 1960)	March 1983 September 2005 November 2006 September 2010 September 2011 November 2011 September 2012	Joined the Company General Manager, Japan Business (to present) Director General Manager, Development Center (to present) General Manager, Tokyo Branch Managing Director (to present) General Manger, Kanto Branch	10,000
4	Hiroyasu Kanabe (April 23, 1960)	March 1984 March 2002 April 2009 September 2011 January 2012 November 2012	Joined the Company General Manager, Toyohashi Branch General Manager, Tokyo Branch Chairman, CHIYODA INTEGRE (SUZHOU) CO., LTD. Area Manager, North China Area, Chairman of Local Subsidiaries, North China Area, the Company Director (to present) In charge of China Business (to present)	10,600
5	Hiroyuki Kato (September 14, 1960)	March 1983 September 2003 September 2012 September 2013 November 2014	Joined the Company General Manager, Osaka Branch General Manager, Sales Department General Manager, Kanto Branch (to present) Director (to present)	6,020

No.	Name (Date of birth)		Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
		October 1973 June 2005 April 2007	Joined TAIYO YUDEN CO., LTD. Director, Senior Managing Officer, Chief of Sales Headquarters Executive Director, Senior Managing Officer, Chief of Sales Headquarters	Shares
6	Katsumi Yanagisawa (January 2, 1949)	July 2007 July 2010 July 2011	Executive Director, Chief of Sales Headquarters Director and Senior Executive Operating Officer, in charge of Sales, Chief of Sales Headquarters Director, Senior Executive Operating Officer, in charge of	_
		June 2013 November 2013	Electronic Components Business Special Advisor Director, the Company (to present)	
7	Osamu Mashimo (July 13, 1963)	April 1986 June 2001 January 2005 March 2006 June 2012 June 2014 November 2015 February 2016	Joined Takara Co., Ltd. (presently TOMY Company, Ltd.) Board Director Board Director, Senior Executive Officer Board Director, TOMY Company, Ltd. Senior Managing Director, Head of Toy Business HQ Managing Executive Officer, in charge of Group Development Director, the Company (to present) Representative, Office Mashimo (to present)	
8	*Mitsuru Sekiguchi (January 13, 1961)	March 1983 March 2011 September 2012 April 2013	Joined the Company Area Manager, Southeast Asia (to present) President, CHIYODA INTEGRE CO. (S) PTE. LTD. (to present) President, CHIYODA INTEGRE (PHILIPPINES) CORPORATION President, CHIYODA INTEGRE (THAILAND) CO., LTD. (to present)	9,840
9	*Tomoharu Tsuji (May 5, 1959)	April 1982 June 2003 September 2007 March 2015	Joined RIVER ELETEC CORPORATION Director, General Manager, Sales Division Joined the Company General Manager, Sales Department, Kanto Branch (to present)	100
10	*Isao Murata (August 12, 1962)	March 1985 September 2012 October 2015	Joined the Company General Manager, Finance and Accounting Department (to present) Audit & Supervisory Board Member, SUNFELT CO., LTD. (to present)	3,180

(Notes)

1. Those marked with an asterisk(*) are new candidates for Director.

2. There are no special interests between each candidate and the Company.

3. The Company has entered into an agreement with Mr. Katsumi Yanagisawa and Mr. Osamu Mashimo to limit their liability pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations. In case of re-election, this agreement will continue to be effective.

4. Mr. Katsumi Yanagisawa and Mr. Osamu Mashimo are candidates for Outside Director. In addition, they are independent directors prescribed by the Tokyo Stock Exchange.

5. Mr. Katsumi Yanagisawa has been providing valid opinions from a fair and objective standpoint as an Outside Director of the Company. The Company proposes his election as an Outside Director in the expectation that he will continue to provide appropriate supervision on the decision-making of the Board of Directors in the future. In addition, his term of office as an Outside Director of the Company will be three (3) years and four (4) months at the conclusion of this meeting.

6. Mr. Osamu Mashimo has been engaged in corporate management at a listed company and also possesses operational experience in manufacturing. The Company proposes his election as an Outside Director in the expectation that he will provide valuable advice to the Board of Directors as well as contribute to the enhancement of corporate governance. In addition, his term of office as an Outside Director of the Company will be one (1) year and four (4) months at the conclusion

of this meeting.7. In accordance with the approval of Partial Amendments to the Articles of Incorporation (amendment of fiscal year) in the 59th Ordinary General Meeting of Shareholders held on November 27, 2014, the terms of office of all Directors will expire at the conclusion of this meeting.

#### **Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for cases where the number of Audit & Supervisory Board Members falls below the number required by laws and regulations of three (3), the Company proposes the election of one (1) substitute Audit & Supervisory Board Member in advance.

The effect of the prior election in this proposal expires at the conclusion of the ordinary general meeting of shareholders to be held in two (2) years' time subject to the approval of Proposal 2: Partial Amendments to the Articles of Incorporation.

Consent has been obtained from the Audit & Supervisory Board regarding the submission of this proposal.

Name (Date of birth)		Career summary, positions and significant concurrent positions	Number of shares of the Company held
	December 2001	Registered as judicial scrivener	Shares
	February 2002	Partner, Harada Judicial Scrivener Office	
	February 2006	Established Iitsuka & Matsuda Judicial Scrivener Office	
Takanori Iitsuka	March 2007	Established Judicial Scrivener Corporation Iitsuka & Matsuda	
(January 13, 1975)		Office (presently Judicial Scrivener Corporation Iitsuka Legal	_
		Partners), Representative Partner (to present)	
	August 2007	Audit & Supervisory Board Member, I Knowledge Inc. (to	
		present)	

#### The candidate for substitute Audit & Supervisory Board Member is as follows.

(Notes)

1. There are no special interests between the candidate for substitute Audit & Supervisory Board Member and the Company.

- 2. In case Mr. Takanori Iitsuka assumes office as an Outside Audit & Supervisory Board Member, the Company will enter into an agreement with him to limit his liability pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.
- 3. Mr. Takanori Iitsuka is a candidate for External Audit & Supervisory Board Member. He satisfies the requirements for independent directors prescribed by the Tokyo Stock Exchange.
- 4. Although Mr. Takanori Iitsuka has not been directly involved in corporate management in the past, he possesses knowledge and operational experience in corporate legal affairs as a Representative Partner at a judicial scrivener corporation. In the expectation that he is capable of appropriately conducting auditing operations drawing on his expertise, the Company proposes his election as a substitute Outside Audit & Supervisory Board Member.