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Dear Shareholders:

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

Along with the delivery of the Notice of the 115th Annual General Meeting of Shareholders, please allow me to say a few words.

The SANYO DENKI Group launched its eighth Medium-Term Management Plan from April 2016. We are implementing specific measures aimed at the following four management targets:

- (1) Continue to develop **world-leading products** in terms of quality, performance, and reliability.
- (2) Establish a **borderless** sales system in which all Group companies operate under the same management policy to deliver products and services that boast uniform high quality to customers around the world.
- (3) Manage all information in **real time** to grasp all points of the current situation concerning business activities from anywhere in the world.
- (4) Build factory **automation** to improve production efficiency and quality as well as contribute effectively to inventory reduction and production management.

In new product development for the fiscal year under review, we succeeded in developing a number of new products as planned, and they are competitive with the best in the industry in terms of performance, energy saving and reliability, as described below.

Furthermore, we have been working to have the Group companies around the world perform the same functions as the parent company in Japan. Specifically, we have established technical centers at each base that are designed to provide technical assistance, training sessions after-sales services, and customized products to all our customers worldwide.

The Company's operating results for the fiscal year under review are described below.

Dividends at the end of the fiscal year under review will be 9 yen per share, the same as the previous year, if approved at this General Meeting of Shareholders.

Furthermore, interim dividends were 9 yen per share, and annual dividends shall be 18 yen.

We look forward to your continued support.

May 2017

Shigeo Yamamoto
Chief Executive Officer / President and Chief Operating Officer

NOTICE OF THE 115TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

1. Date and Time: Wednesday, June 14, 2017 at 10:00 a.m. Japan time

2. Place: Conference Room, 11th Floor
SANYO DENKI CO.,LTD.
JR Otsuka Minamiguchi Building
3-33-1, Minami-Otsuka,
Toshima-ku, Tokyo,

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 115th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company's 115th Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Consolidation of Shares
Proposal No. 3: Partial Amendments to Articles of Incorporation

- Proposal No. 4:** Election of 8 Directors
Proposal No. 5: Election of 1 Audit & Supervisory Board Member

When attending the meeting: Please submit the enclosed Voting Rights Exercise Form at the reception desk.
Please come wearing light clothing (“Cool Biz”).

- Any updates to the Reference Documents, the Business Report, the Non-consolidated Financial Statements and Consolidated Financial Statements for the General Meeting of Shareholders will be promptly posted on the Company’s website.
- Pursuant to laws and regulations and Article 16 of the Articles of Incorporation of the Company, the items below are posted on the Company’s website, and are not included in this convocation notice. As a result, these items are included in the financial statements audited by the Audit & Supervisory Board in preparation of the Audit Report and the Accounting Auditor in preparation of the Independent Auditor’s Report.
 - The Business Report The structure and policies of the Company, and the status of its operations
 - Consolidated Financial Statements Consolidated Statements of Changes in Net Assets and notes to the consolidated financial statements
 - Non-consolidated Financial Statements Non-consolidated Statements of Changes in Net Assets and notes to the non-consolidated financial statements
- The Company’s website is: <http://www.sanyodenki.co.jp/>

Exercise of Voting Rights

Voting rights may be exercised via the following methods.

When attending the meeting in person

Date of Annual General Meeting of Shareholders: Wednesday, June 14, 2017 at 10:00 a.m. Japan time
Please submit the enclosed Voting Rights Exercise Form at the reception desk

When exercising voting rights by writing

Exercise deadline: Arrive by Tuesday, June 13, 2017 at 5:00 p.m. Japan time
Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it without postage.

When using the Internet

Exercise deadline: Input by Tuesday, June 13, 2017 at 5:00 p.m. Japan time
Please indicate your vote for or against the proposals on the voting rights exercise website (<http://www.e-sokai.jp>). This voting rights exercise website can also be viewed via mobile phone.

When exercising voting rights, please be aware of the following:

- If you vote both in writing on the Voting Rights Exercise Form and via the Internet, the vote placed via the Internet, will be valid.
- In addition, if you submit your vote multiple times via the same method, the last vote will be valid.
- In the event that there is no indication of for or against, this will be considered voting for the proposal.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The fundamental policy of the Company is to pay dividends that correspond to our business results, while further strengthening our corporate structure to increase resistance against the intensifying competition for orders in the industry, and work towards attaining sufficient internal reserves, taking our future business expansion etc., into consideration.

Under this policy, concerning the appropriation of surplus for the fiscal year under review, the Company proposes the following.

Including the interim dividend of 9 yen per share, this amounts to full-year dividends of 18 yen per share.

1. Year-end dividend
9 yen per share of common stock of the Company
Total amount: 550,260,936 yen
2. Effective date of dividends
June 15, 2017

Proposal No. 2: Consolidation of Shares

1. Reasons the consolidation of shares is necessary

Japanese stock exchanges have decided to unify the trading units of common shares for all listed domestic companies at 100 shares, and therefore the Company shall change the number of shares constituting one trading unit of the Company's shares from the current 1,000 shares to 100 shares, and shall also conduct a consolidation of shares for the Company's shares, taking into consideration the investment unit level seen as desirable by the stock exchanges (50,000 yen or more and less than 500,000 yen).

2. Ratio of consolidation

The Company proposes to consolidate 5 shares of the Company's common stock into 1 share.

Furthermore, if fractions constituting less than one share arise as a result of the consolidation of shares, such shares shall be subject to bulk disposal by the Company, and the Company shall distribute the proceeds of the disposal to the shareholders for which fractions arise in proportion to their respective fractional ratios.

3. Effective date of the consolidation of shares

October 1, 2017

4. Total number of authorized shares as of the effective date

50,000,000 shares

5. Other

The consolidation of shares in this proposal shall be dependent upon the condition that Proposal No. 3 "Partial Amendments to Articles of Incorporation" is approved as proposed. The Company requests that any other procedural issues that may need to be addressed be entrusted to the Board of Directors.

Proposal No. 3: Partial Amendments to Articles of Incorporation

1. Reasons for the proposal

Subject to the approval of Proposal No. 2 “Consolidation of Shares,” the Company shall amend Article 6 of the current Articles of Incorporation to reduce the total number of authorized shares in accordance with the consolidation ratio as of October 1, 2017, and shall also amend Article 8 of the current Articles of Incorporation to change the number of shares constituting one unit from 1,000 shares to 100 shares.

2. Effective date of the amendments

October 1, 2017

3. Content of the amendments

The content of the amendments is as follows.

(Amended parts are underlined)	
Current Articles of Incorporation	Proposed amendment
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>250,000,000</u> shares.	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>50,000,000</u> shares.
(Number of Shares Constituting One Unit of Shares) Article 8 The number of shares constituting one unit of shares of the Company shall be <u>one thousand (1,000)</u> shares.	(Number of Shares Constituting One Unit of Shares) Article 8 The number of shares constituting one unit of shares of the Company shall be <u>one hundred (100)</u> shares.

Proposal No. 4: Election of 8 Directors

The terms of office of all 7 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed.

The candidates are as follows:

No.	Name of candidate		Position in the Company
1	Shigeo Yamamoto	Reappointment	Chief Executive Officer President and Operating Officer
2	Kaoru Tamura	Reappointment	Director Senior Executive Operating Officer
3	Nobumasa Kodama	Reappointment	Director Senior Executive Operating Officer
4	Yoshimasa Matsumoto	Reappointment	Director Executive Operating Officer
5	Shigejiro Miyata	New candidate	Executive Operating Officer
6	Yuichiro Miyake	Reappointment Candidate for Outside Director Candidate for Independent Director	Director
7	Toru Suzuki	Reappointment Candidate for Outside Director Candidate for Independent Director	Director
8	Hiroshi Suwa	Reappointment Candidate for Outside Director Candidate for Independent Director	Director

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions		Number of shares of the Company held
1	<u>Reappointment</u> Shigeo Yamamoto (Dec. 1, 1950)	Apr. 1983	Joined the Company	570,859 shares
		Jun. 1987	Director	
		Jun. 1991	Managing Director	
		Jun. 1994	President and Chief Executive Officer	
		Jun. 1999	Chief Executive Officer (current position) President and Operating Officer (current position)	
2	<u>Reappointment</u> Kaoru Tamura (May 24, 1952)	Apr. 1977	Joined the Company	63,110 shares
		Apr. 1998	General Manager, International Sales Department	
		Apr. 1999	Deputy General Manager, Cooling Systems Division	
		Jun. 1999	Operating Officer	
		Jun. 2002	Executive Operating Officer	
		Jun. 2004	Director (current position)	
		Jun. 2008	General Manager, Purchasing Headquarters (current position)	
		Apr. 2014	Senior Executive Operating Officer (current position) Currently in charge of Purchasing and General Manager, Purchasing Headquarters	
3	<u>Reappointment</u> Nobumasa Kodama (Dec. 22, 1954)	Apr. 1978	Joined the Company	16,000 shares
		Oct. 1997	General Manager, Design Department, Cooling Systems Division	
		Apr. 2002	General Manager, Cooling Systems Division	
		Jun. 2002	Operating Officer	
		Jul. 2003	Executive Operating Officer	
		Jun. 2004	Director (current position)	
		Apr. 2014	Senior Executive Operating Officer (current position) Currently supervising Business Division and in charge of Technical Development	
4	<u>Reappointment</u> Yoshimasa Matsumoto (Jan. 12, 1960)	Apr. 1983	Joined the Company	10,000 shares
		Apr. 2000	General Manager, International Sales Department	
		Apr. 2002	Deputy General Manager, Sales Headquarters	
		Apr. 2004	Operating Officer	
		Feb. 2009	General Manager, Sales Headquarters (current position)	
		Apr. 2009	Executive Operating Officer (current position)	
		Jun. 2011	Director (current position) Currently in charge of Sales Division, General Manager, Sales Headquarters, and in charge of International Sales Bases	
5	<u>New Candidate</u> Shigejiro Miyata (Jun. 26, 1956)	Sep. 1978	Joined the Company	19,000 shares
		Jun. 1999	General Manager, Design Department I, Servo Systems Division	
		Jan. 2005	General Manager, Servo Systems Division	
		Apr. 2005	Operating Officer	
		Apr. 2007	Executive Operating Officer (current position)	
		Dec. 2013	General Manager, Power Systems Division Currently in charge of Quality Control and in charge of Medium-Term Strategy	

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
6	<div>Reappointment</div> <div>Candidate for Outside</div> <div>Director</div> <p>Yuichiro Miyake (Aug. 8, 1947)</p>	<p>Apr. 1972 Registered as an attorney (Tokyo Bar Association), Established business</p> <p>Jun. 1995 Audit & Supervisory Board Member of the Company</p> <p>Jun. 1999 Director (current position)</p> <p>Jun. 2003 Audit & Supervisory Board Member, Shindengen Electric Manufacturing Co., Ltd. (current position)</p> <p>Jun. 2008 Audit and Supervisory Board Member, TADANO LTD. (current position)</p> <p>Jun. 2014 Director, Asahi Organic Chemicals Industry Co., Ltd. (currently ASAHI YUKIZAI CORPORATION) (current position)</p> <p>Reason for selection as candidate for Outside Director and reason the Company judged that the candidate will be able to appropriately execute his duties as Outside Director</p> <p>Mr. Yuichiro Miyake has specialized knowledge and experience as an attorney, and the Company would like to utilize this in its management, and thus requests his election as Outside Director. His term of office as Outside Director will be 18 years as of the close of this General Meeting of Shareholders.</p>	109,000 shares
7	<div>Reappointment</div> <div>Candidate for Outside</div> <div>Director</div> <p>Toru Suzuki (Oct. 23, 1956)</p>	<p>Oct. 1992 Joined Meiwa & Co. (currently GYOSEI & CO.)</p> <p>Mar. 1997 Established Certified Public Accountant business</p> <p>Jul. 1997 Established Certified Tax Accountant business</p> <p>Jul. 2000 Entered employment at Meiwa & Co. (currently GYOSEI & CO.)</p> <p>Jun. 2001 Audit & Supervisory Board Member of the Company</p> <p>Jun. 2007 Director (current position)</p> <p>Jul. 2009 Representative Employee, Meiwa & Co. (currently GYOSEI & CO.)</p> <p>Reason for selection as candidate for Outside Director and reason the Company judged that the candidate will be able to appropriately execute his duties as Outside Director</p> <p>Mr. Toru Suzuki has specialized knowledge and experience as a certified public accountant and certified tax accountant, and the Company would like to utilize this in its management, and thus requests his election as Outside Director. He was an Outside Audit & Supervisory Board Member of the Company for five years before his election as Outside Director after a gap of one year. His term of office as Outside Director will be 10 years as of the close of this General Meeting of Shareholders.</p>	19,000 shares

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
8	<div>Reappointment</div> <div>Candidate for Outside</div> <div>Director</div> Hiroshi Suwa (Jun. 19, 1954)	Apr. 1977 Joined The Sanwa Bank, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.) Jun. 1997 General Manager, Hachioji Branch Nov. 2001 Head of Research, Credit Department 4 Jan. 2003 General Manager, Harbor Corporate Sales Department Aug. 2006 Joined Osaka Vacuum, Ltd. Mar. 2007 Director Jun. 2015 Director of the Company (current position) Reason for selection as candidate for Outside Director and reason the Company judged that the candidate will be able to appropriately execute his duties as Outside Director Mr. Hiroshi Suwa has knowledge and experience in his many years at financial institutions, and the Company would like to utilize these views as Director of other companies, and thus requests his election as Outside Director. His term of office as Outside Director will be 2 years as of the close of this General Meeting of Shareholders.	3,000 shares

- (Notes)
1. There are no special interests between the Company and Messrs. Shigeo Yamamoto, Kaoru Tamura, Nobumasa Kodama, Yoshimasa Matsumoto, Shigejiro Miyata, Yuichiro Miyake, Toru Suzuki, and Hiroshi Suwa.
 2. Messrs. Yuichiro Miyake, Toru Suzuki, and Hiroshi Suwa are candidates for Outside Director, and the Company has submitted them as Independent Directors to the Tokyo Stock Exchange.

Proposal No. 5: Election of 1 Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Sakon Hatanaka will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidate is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions			Number of shares of the Company held
<div>Reappointment</div> <div>Sakon Hatanaka</div> <div>(Sep. 11, 1942)</div>	Apr.	1965	Joined the Company	44,000 shares
	Jul.	1995	General Manager, Finance Department	
	Jun.	1997	Director	
	Jun.	1999	Operating Officer	
	Jun.	2002	Trustee	
	Oct.	2004	Advisor	
	Jun.	2005	Audit & Supervisory Board Member (Full-time) (current position)	
	(Note) There is no special interest between the Company and Mr. Sakon Hatanaka.			