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June 8, 2017

**To Shareholders with Voting Rights:**

Hideaki Obata  
President  
Nissin Electric Co., Ltd.  
47, Umezu-Takase-cho, Ukyo-ku, Kyoto,  
Japan

**NOTICE OF  
THE 159TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 159th Annual General Meeting of Shareholders of Nissin Electric Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

(When you attend this Annual General Meeting of Shareholders, please submit the enclosed "Voting Rights Exercise Form" to the reception desk of the General Meeting of Shareholders.)

**If you are unable to attend the meeting, you can exercise your voting rights by methods described on the following page, either by "Mailing the Voting Rights Exercise Form" or "Via the Internet, etc." described in the "Guide to the Method of Exercising the Voting Rights." Please review the attached "Reference Documents for the Annual General Meeting of Shareholders" (pages 3 through 14) and exercise your voting rights by "4:50 p.m. on Monday, June 26, 2017, Japan time."**

**1. Date and Time:** Tuesday, June 27, 2017 at 10:00 a.m., Japan time

**2. Place:** Main conference room at the Head Office and Plant located at  
47, Umezu-Takase-cho, Ukyo-ku, Kyoto, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 159th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 159th Fiscal Year (April 1, 2016 - March 31, 2017)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Nine (9) Directors

## Guide to the Method of Exercising the Voting Rights



### If you are able to attend the General Meeting of Shareholders

**Date & Time of the Meeting** Tuesday, June 27, 2017 at 10:00 a.m., Japan time

Please submit the “Voting Rights Exercise Form” to the reception desk at the meeting. (Affixing of seal is not required.)

⟨If you are unable to attend the General Meeting of Shareholders⟩



### Voting by “Mailing the Voting Rights Exercise Form”

**Deadline for exercising voting rights** Received by 4:50 p.m. on Monday, June 26, 2017, Japan time

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form and send it by postal mail without affixing postage stamps thereto.



### Voting “Via the Internet, etc.”

**Deadline for exercising voting rights** 4:50 p.m. on Monday, June 26, 2017, Japan time

Please access the website for exercising voting rights (<http://www.web54.net>) and enter your vote for or against each proposal according to the instructions on the screen.

### Disclosure via the Internet

The following items (1) through (3) are posted on the Company’s website (<http://nissin.jp>) in accordance with laws and regulations and Article 18 of the Articles of Incorporation of the Company. Accordingly, they are not included in this “Notice of the Annual General Meeting of Shareholders.”

- (1) “Basic Policy concerning Establishment of Internal Control System of the Company in accordance with the Companies Act and outline of the Status of its Operation” in the Business Report
- (2) Notes to Consolidated Financial Statements
- (3) Notes to Non-consolidated Financial Statements

Item (1) above, as part of the Business Report, has been audited by Auditors when they prepared their Audit Report.

Items (2) and (3) above, as part of the consolidated and non-consolidated financial statements, have been audited by the Auditors and Accounting Auditor when they prepared their Audit Reports.

### Method of Notice in case of Revisions

Should the documents provided in this “Notice of the Annual General Meeting of Shareholders” (the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements) and the “Reference Documents for the General Meeting of Shareholders” require revisions by the day before the date of this Annual General Meeting of Shareholders, such notice will be posted on the Company’s website (<http://nissin.jp>) or by mailing.

Should the items (1) through (3) of “Disclosure via the Internet” above require revisions by the day before the date of this Annual General Meeting of Shareholders, such notice will be posted on the Company’s website (<http://nissin.jp>).

# Reference Documents for the General Meeting of Shareholders

## Proposal 1: Appropriation of Surplus

With regard to appropriation of surplus at the end of the 159th Fiscal Year, based on the business results of the Corporate Group (consolidated) including 18,395 million yen of ordinary income and 14,157 million yen of profit attributable to owners of parent as well as comprehensive consideration of the future business environment and business forecast, in addition to dividend pay-out ratio and internal reserve standard on the basis of maintaining stable dividends, we hereby propose the ordinary dividend of 11 yen per share (unchanged year-on-year).

The Group was also able to mark its 100th anniversary in April 2017. On this occasion, we propose to pay a commemorative dividend of 8 yen per share, as a token of our appreciation to the shareholders who have supported the Company, and a year-end dividend of 19 yen per share (an increase of 8 yen year-on-year) as below.

Accordingly, the total annual dividend for the 159th Fiscal Year including the interim dividend (11 yen per share) will be 30 yen per share (an increase of 12 yen year-on-year).

### (1) Type of dividend assets

Cash

### (2) Allocation of dividend assets to each shareholder at the end of the 159th Fiscal Year and the total amount thereof

19 yen per share of the Company's common stock  
(11 yen of ordinary dividend and 8 yen of commemorative dividend)

Total amount 2,030,619,813 yen

### (3) Effective date of distribution of surplus

Wednesday, June 28, 2017

**Proposal 2: Election of Nine (9) Directors**

The terms of office of all nine (9) current Directors of the Company will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, it is proposed to appoint nine (9) Directors (including two (2) Outside Directors).

The candidates for Directors of the Company are as follows, and their career summary, reasons for nomination as a candidate for Director, and other information are as described on the following pages.

All nine (9) candidates from Candidate No. 1 through No. 9 are currently serving as Directors of the Company and are candidates for re-election (Candidates No. 8 and No. 9 are candidates for Outside Directors).

No.	Name	Current position in the Company
1	Hideaki Obata (Re-election)	President
2	Shigeo Saito (Re-election)	Senior Managing Director
3	Naoyuki Yamabayashi (Re-election)	Senior Managing Director
4	Masahide Nobu (Re-election)	Managing Director
5	Yasuhisa Hoshi (Re-election)	Managing Director
6	Tadashi Ueno (Re-election)	Managing Director
7	Michinaga Miyashita (Re-election)	Managing Director
8	Masahiro Yurino (Re-election) (Outside Director candidate) (Independent Director)	Outside Director
9	Sachiko Hirabayashi (Re-election) (Outside Director candidate) (Independent Director)	Outside Director

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
1	Hideaki Obata (February 18, 1951)  [Re-election]	<p>April 1973      Joined Sumitomo Electric Industries, Ltd.</p> <p>June 1997      General Manager of Administration Division, Sumitomo Electric Industries, Ltd.</p> <p>March 2003     General Manager of HR Division, Sumitomo Electric Industries, Ltd.</p> <p>June 2004      Executive Officer, General Manager, HR &amp; Administration Division, Sumitomo Electric Industries, Ltd.</p> <p>June 2006      Managing Executive Officer of Sumitomo Electric Industries, Ltd., same as above</p> <p>June 2008      Managing Director, Vice General Manager of Manufacturing Management &amp; Engineering Unit, General Manager of HR &amp; Administration Division, Sumitomo Electric Industries, Ltd.</p> <p>December 2008   Managing Director, Vice General Manager of Manufacturing Management &amp; Engineering Unit, Sumitomo Electric Industries, Ltd.</p> <p>June 2009      Senior Managing Director of the Company</p> <p>June 2010      Representative Director &amp; Senior Managing Director of the Company</p> <p>June 2011      President of the Company to present</p>	69,600
<p>[Significant concurrent positions]</p> <p>Vice Chairman of Kyoto Employers' Association (in office from May 2016 to present)</p> <p>Vice Chairman of Kyoto Industrial Association Inc. (in office from May 2016 to present)</p> <p>Director (Outside Director) of Kyoto Environmental Preservation Public Corporation (in office from June 2016 to present)</p> <p>President of Nissin Electric Group Foundation for Social Contribution (in position from March 2017 to present)</p> <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Hideaki Obata has promoted the Group's medium- to long-term business plan "VISION 2015" as the Company's President since June 2011 in an effort to enhance earnings power and growth potential. He has also been actively pursuing management and business development with a view to achieving the new medium- to long-term business plan "VISION 2020" since April 2016. The Company hopes that based on such track record as a company executive, he will continue to use his abundant knowledge and experience in conducting management and business for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
2	Shigeo Saito (March 19, 1955)  [Re-election]	April 1979    Joined Sumitomo Electric Industries, Ltd. June 2008    General Manager of Electronic Wire Division, Sumitomo Electric Industries, Ltd. June 2010    Executive Officer, General Manager of Electronic Wire Division, Sumitomo Electric Industries, Ltd. June 2011    Same as above, Deputy General Manager of Electronics Business Unit, Sumitomo Electric Industries, Ltd. April 2013    Managing Executive Officer, General Manager of Electronic Wire & Polymer Business Unit, General Manager of Fine Polymer Division, Sumitomo Electric Industries, Ltd. June 2014    Managing Director, General Manager of Electronic Wire & Polymer Business Unit, General Manager of Fine Polymer Division, Sumitomo Electric Industries, Ltd. January 2015    Managing Director, General Manager of Electronic Wire & Polymer Business Unit, Sumitomo Electric Industries, Ltd. June 2016    Senior Managing Director, Senior Managing Executive Officer, General Manager of Environment Business Unit of the Company to present	9,100
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Shigeo Saito has been in charge of the environment business, including supervisory control systems for water treatment facilities, as Senior Managing Director of the Company and has served as a manager of this business since June 2016. He has served as a Managing Director at Sumitomo Electric Industries, Ltd. In addition, he has been a manager of businesses related to the Group, including electronics such as Electronic Wire and Polymer, for many years and has abundant knowledge and experience in these businesses. The Company hopes that he will continue to use such deep knowledge and experience as an executive and business manager for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
3	Naoyuki Yamabayashi (September 9, 1953)  [Re-election]	<p>April 1982      Joined Sumitomo Electric Industries, Ltd.</p> <p>June 2007      General Manager of Electronics &amp; Materials R&amp;D Laboratories, Sumitomo Electric Industries, Ltd.</p> <p>April 2008      General Manager of Materials Technologies R&amp;D Unit, same as above, General Manager of Semiconductor Technologies R&amp;D Laboratories, Sumitomo Electric Industries, Ltd.</p> <p>October 2008    General Manager of Flexible Printed Circuits Division, Sumitomo Electric Industries, Ltd.</p> <p>June 2009      Executive Officer of Sumitomo Electric Industries, Ltd., same as above</p> <p>June 2010      Managing Executive Officer, Vice General Manager of Electronics Business Unit, General Manager of Flexible Printed Circuits Division, Sumitomo Electric Industries, Ltd.</p> <p>June 2011      Managing Executive Officer, General Manager of Electronics Business Unit, Sumitomo Electric Industries, Ltd.</p> <p>June 2012      Managing Director, General Manager of Electronics Business Unit, Sumitomo Electric Industries, Ltd.</p> <p>June 2014      Senior Managing Director of the Company</p> <p>June 2015      Representative Director &amp; Senior Managing Director, Senior Managing Executive Officer, General Manager of R&amp;D Unit of the Company</p> <p>to present</p>	20,000
<p>[Significant concurrent position] Councilor of Nissin Electric Group Foundation for Social Contribution (in office from March 2017 to present)</p> <p>[Reasons for nomination as a candidate for Director] Mr. Naoyuki Yamabayashi has been in charge of the research and development department as Senior Managing Director of the Company since June 2014 and thereafter has been actively promoting research and development, which forms the foundation for continued growth of the Group, as manager of the Company's research and development department since June 2015. At Sumitomo Electric Industries, Ltd., he served as Managing Director, as well as was responsible for research and development related to electronics and materials technologies and served as business manager in these fields. The Company hopes that he will continue to use such abundant knowledge and experience as an executive and manager of business and research and development for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
4	Masahide Nobu (February 19, 1953)  [Re-election]	April 1977      Joined the Company June 1999      General Manager of Engineering Department, Public Systems Group, Substation & Control System Division of the Company June 2002      General Manager of Kyoto Sales Department, Social Environment Sales Department, System Solution Business Unit of the Company April 2006      Vice General Manager of Plant Division, Environment Business Unit of the Company February 2007    General Manager of Customer Service Center of the Company June 2008      Executive Officer of the Company, same as above April 2010      Executive Officer, General Manager of Customer Service Business Unit of the Company June 2011      Managing Director, Managing Executive Officer, General Manager of Customer Service Business Unit of the Company June 2016      Managing Director, Managing Executive Officer, General Manager of Power Supply System Business Unit of the Company to present	23,900
	<p>[Significant concurrent position]            Managing Director of Nissin Electric Group Foundation for Social Contribution (in office from March 2017 to present)</p> <p>[Reasons for nomination as a candidate for Director]            Mr. Masahide Nobu served as business manager of product installation, maintenance and inspection, repair and other operations after engaging in businesses related to substation and control systems for many years since joining the Company. He has served as Managing Director of the Company since June 2011 and thereafter as manager of the electric power system business, which forms the foundation of the Group business, since June 2016, in addition to being in charge of the corporate staff department which covers a wide range of fields such as corporate administration, human resources and human resource development. The Company hopes that he will continue to use such abundant knowledge and experience as an executive and manager of business for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>		

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
5	<p>Yasuhisa Hoshi (March 20, 1953)</p> <p>[Re-election]</p>	<p>April 1979      Joined the Company</p> <p>June 1999      President of NHV America Inc.</p> <p>October 2002    General Manager of Sales &amp; Marketing Department of the Company, same as above</p> <p>May 2003        General Manager of Sales &amp; Marketing Department of the Company, Director of NHV Corporation</p> <p>June 2008        Managing Director of NHV Corporation, Chairman of the Board and President of NHV Corporation Shanghai</p> <p>April 2009       Senior General Manager of the Company, same as above</p> <p>June 2009        Executive Officer of the Company, President of NHV Corporation</p> <p>June 2013        Managing Director, Managing Executive Officer, General Manager of Beam and Vacuum Technology Division of the Company, President of NHV Corporation</p> <p>to present</p>	20,100
	<p>[Significant concurrent positions]</p> <p>President of NHV Corporation (in office from June 2009 to present)</p> <p>Chairman of the Board of NHV Accelerator Technologies Shanghai (in office from June 2011 to present)</p> <p>Chairman of the Board of Nissin Advanced Coating (Shenyang) Co., Ltd. (in office from June 2013 to present)</p> <p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Yasuhisa Hoshi has engaged in businesses related to electron beam irradiation for many years since joining the Company, and has served as President of NHV Corporation, the Company's subsidiary that is engaged in such businesses, since June 2009. He has also served as manager of the beam and vacuum technology business in the capacity of Managing Director of the Company since June 2013, and has been actively developing ion implanters and thin-film coating business while being in charge of a subsidiary engaging in such business. The Company hopes that he will continue to use such abundant knowledge and experience as an executive and manager of business for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>		

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
6	Tadashi Ueno (September 14, 1956)  [Re-election]	<p>April 1980      Joined Sumitomo Electric Industries, Ltd.</p> <p>January 2004    Chief of Accounting Department, Sumitomo Electric Industries, Ltd.</p> <p>January 2006    General Manager of Itami Group, Accounting Department, Sumitomo Electric Industries, Ltd.</p> <p>July 2007        General Manager of Global Accounting Promotion Office, Accounting Department, Sumitomo Electric Industries, Ltd.</p> <p>June 2008       Senior General Manager, General Manager of Financial &amp; Accounting Department of the Company</p> <p>June 2011       Executive Officer, General Manager of Corporate Planning Department of the Company</p> <p>June 2013       Managing Director, Managing Executive Officer, General Manager of Corporate Planning Department of the Company</p> <p>June 2014       Managing Director, Managing Executive Officer of the Company to present</p>	15,500
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Tadashi Ueno has served as a manager of accounting and corporate planning at the Company since June 2008 and thereafter has been in charge of departments in a wide range of fields, such as corporate planning, accounting, procurement and information systems, as Managing Director of the Company since June 2013. The Company hopes that he will continue to use such abundant knowledge and experience as an executive and an officer and manager in charge of the corporate staff department for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
7	Michinaga Miyashita (May 24, 1954)  [Re-election]	April 1978    Joined Sumitomo Electric Industries, Ltd. June 2002    General Manager of Administration Division, Sumitomo Electric Industries, Ltd. January 2004    General Manager of Itami Works, Sumitomo Electric Industries, Ltd. June 2007    Senior General Manager, General Manager of Corporate Administration & Human Resources Department of the Company June 2010    Executive Officer, General Manager of Corporate Administration & Human Resources Department of the Company June 2012    Executive Officer, General Manager of Transformer Division, Power Equipment Business Unit of the Company June 2014    Managing Director, Managing Executive Officer, General Manager of Renewable Energy & Environment Business Unit of the Company June 2016    Managing Director, Managing Executive Officer, General Manager of Customer Service Business Unit of the Company to present	20,500
[Reasons for nomination as a candidate for Director] Mr. Michinaga Miyashita has served as a manager of corporate administration and human resources and businesses related to transformers for power system equipment at the Company since June 2007 and thereafter has served as a manager of the renewable energy and environment business, including power conditioners for photovoltaic systems, and businesses such as product installation, maintenance and inspection, and repair, in the capacity of Managing Director of the Company since June 2014. The Company hopes that he will continue to use such abundant knowledge and experience as an executive and manager of business for management of the Group. For these reasons, we nominate him as a candidate for Director of the Company.			

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned														
8	Masahiro Yurino (June 20, 1949)  [Re-election] [Outside Director candidate] [Independent Director]	<table border="0"> <tr> <td data-bbox="427 304 544 331">April 1985</td> <td data-bbox="628 304 1182 360">Assistant Professor of Doshisha University Faculty of Commerce</td> </tr> <tr> <td data-bbox="427 367 544 394">April 2000</td> <td data-bbox="628 367 1198 394">Professor of Doshisha University Faculty of Commerce</td> </tr> <tr> <td data-bbox="427 400 544 427">April 2003</td> <td data-bbox="628 400 1174 456">Professor of Doshisha University Graduate School of Commerce</td> </tr> <tr> <td data-bbox="427 463 544 490">April 2012</td> <td data-bbox="628 463 1275 546">Professor of Doshisha University Graduate School of Commerce, Director of Doshisha University Institute for Study of Humanities and Social Sciences</td> </tr> <tr> <td data-bbox="427 553 544 580">June 2012</td> <td data-bbox="628 553 1230 580">Auditor (Outside Auditor) of the Company, same as above</td> </tr> <tr> <td data-bbox="427 586 544 613">April 2013</td> <td data-bbox="628 586 1206 642">Auditor (Outside Auditor) of the Company, Professor of Doshisha University Graduate School of Commerce</td> </tr> <tr> <td data-bbox="427 649 544 676">June 2014</td> <td data-bbox="628 649 1219 732">Director (Outside Director) of the Company, Professor of Doshisha University Graduate School of Commerce to present</td> </tr> </table>	April 1985	Assistant Professor of Doshisha University Faculty of Commerce	April 2000	Professor of Doshisha University Faculty of Commerce	April 2003	Professor of Doshisha University Graduate School of Commerce	April 2012	Professor of Doshisha University Graduate School of Commerce, Director of Doshisha University Institute for Study of Humanities and Social Sciences	June 2012	Auditor (Outside Auditor) of the Company, same as above	April 2013	Auditor (Outside Auditor) of the Company, Professor of Doshisha University Graduate School of Commerce	June 2014	Director (Outside Director) of the Company, Professor of Doshisha University Graduate School of Commerce to present	0
	April 1985	Assistant Professor of Doshisha University Faculty of Commerce															
April 2000	Professor of Doshisha University Faculty of Commerce																
April 2003	Professor of Doshisha University Graduate School of Commerce																
April 2012	Professor of Doshisha University Graduate School of Commerce, Director of Doshisha University Institute for Study of Humanities and Social Sciences																
June 2012	Auditor (Outside Auditor) of the Company, same as above																
April 2013	Auditor (Outside Auditor) of the Company, Professor of Doshisha University Graduate School of Commerce																
June 2014	Director (Outside Director) of the Company, Professor of Doshisha University Graduate School of Commerce to present																
<p>[Significant concurrent position]            Professor of Doshisha University Graduate School of Commerce (in office from April 2003 to present)            [Reasons for nomination as a candidate for Director (Outside Director)]            After entering the master's program at Doshisha University Graduate School of Commerce in April 1973, Mr. Masahiro Yurino has worked consistently on research and case studies related to accounting and auditing. In addition, since becoming professor of Doshisha University Graduate School of Commerce in April 2003 after becoming professor of Doshisha University Faculty of Commerce in April 2000, he has been engaged in research at the Graduate School and education at the Faculty of Doshisha University. He is a leading researcher in Japan working consistently and actively at the forefront of accounting and auditing. The Company believes that he will use such professional knowledge, experience and insight for management of the Group and properly execute duties as an Outside Director of the Company, and therefore nominates him as a candidate for Outside Director of the Company.</p>																	

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of the Company's shares owned
9	<p>Sachiko Hirabayashi (September 19, 1948)</p> <p>[Re-election] [Outside Director candidate] [Independent Director]</p>	<p>April 1971      Joined Kyoto Chuo Shinkin Bank</p> <p>March 1988      Manager of Public Relations Division, Information Development Office, Kyoto Chuo Shinkin Bank</p> <p>April 1991      Deputy Manager of Information Development Office, Kyoto Chuo Shinkin Bank</p> <p>February 1995      Chief Secretary of Kyoto Chuo Shinkin Bank</p> <p>June 1998      Director of Kyoto Chuo Shinkin Bank</p> <p>July 2002      Managing Director of Kyoto Chuo Shinkin Bank</p> <p>May 2008      Senior Executive Director of Kyoto Chuo Shinkin Bank</p> <p>June 2014      Vice President of Kyoto Chuo Shinkin Bank</p> <p>June 2016      Director (Outside Director) of the Company, Vice President of Kyoto Chuo Shinkin Bank to present</p>	0
<p>[Significant concurrent positions]</p> <p>Vice President of Kyoto Chuo Shinkin Bank (in office from June 2014 to present)</p> <p>Member of the Kyoto Prefecture Public Safety Commission (in office from October 2013 to present)</p> <p>[Reasons for nomination as a candidate for Director (Outside Director)]</p> <p>Since joining Kyoto Chuo Shinkin Bank in April 1971, Ms. Sachiko Hirabayashi has served as Manager of Public Relations Division, Deputy Manager of Information Development Office, Chief Secretary, Director, Managing Director and Senior Executive Director, and currently serves as Vice President. She has wide knowledge and experience in management, finance and accounting, and the Company hopes that she will use such abundant knowledge and experience for management of the Group. For these reasons, we nominate her as a candidate for Outside Director of the Company.</p>			

(Notes)

1. Mr. Hideaki Obata, candidate No. 1, serves as Outside Director of Kyoto Environmental Preservation Public Corporation to which the Company commissions industrial waste treatments. However, the transaction amount (commission fees) is insignificant.  
Mr. Hideaki Obata also serves as President of Nissin Electric Group Foundation for Social Contribution which was established by the Company on March 9, 2017. The Company has contributed 50 million yen in assets to the Foundation.  
Mr. Naoyuki Yamabayashi, candidate No. 3, serves as councilor of the Foundation, and Mr. Masahide Nobu, candidate No. 4, serves as Managing Director of the Foundation, respectively.
2. Mr. Yasuhisa Hoshi, candidate No. 5, serves as Chairman of the Board of Nissin Advanced Coating (Shenyang) Co., Ltd., the Company's subsidiary in China, and the Company grants a non-exclusive license of thin-film coating technology to said company and receives royalty for such technology from said company.
3. Additional information about Mr. Masahiro Yurino, candidate No. 8, is as follows:
  - (1) Mr. Yurino is a candidate for Outside Director.
  - (2) Mr. Yurino served as Outside Auditor of the Company for about two (2) years until the conclusion of the 156th Annual General Meeting of Shareholders of the Company (June 24, 2014) after he assumed office as Outside Auditor at the conclusion of the 154th Annual General Meeting of Shareholders (June 26, 2012). Thereafter, Mr. Yurino has been serving as Outside Director of the Company up to present since he assumed office as Outside Director at the conclusion of the 156th Annual General Meeting of Shareholders, and the number of years in office as Outside Director from his inauguration will be about three (3) years at the conclusion of this Annual General Meeting of Shareholders.
  - (3) The Company has entered into a liability limitation agreement with Mr. Yurino in accordance with Article 427, Paragraph 1 of the Companies Act. Subject to approval of his election as Director in this proposal and in case he assumes office as Outside Director of the Company, the Company will continue to conclude such agreement with him, and the maximum amount of liability based on such agreement shall be the minimum amount of liability as defined by laws and regulations.
  - (4) One of the members of Mr. Yurino's family in relation to the second degree serves as an advisor of a "subsidiary of the Company's parent" relevant to a specified related business operator as stipulated in Article 2, Paragraph 3, Item 19 of the Ordinance for Enforcement of the Companies Act.
  - (5) Mr. Yurino is an Independent Director to be secured for protection of general shareholders pursuant to Article 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. Subject to approval of his election as Director in this proposal and in case he assumes office as Outside Director of the Company, he will continue to serve as an Independent Director.
  - (6) As a major transaction between the Company and Doshisha University where Mr. Yurino has a significant concurrent position, the Company has been contracting a commission research to the University until the period of March 31, 2016, but the consideration (transaction amount) is insignificant, much less than the standard amount under the "Independence Standards for Outside Directors and Outside Auditors" in the "Corporate Governance Guidelines" set out by the Company in May 2016.
4. Additional information about Ms. Sachiko Hirabayashi, candidate No. 9, is as follows:
  - (1) Ms. Sachiko Hirabayashi is a candidate for Outside Director.
  - (2) Ms. Hirabayashi has been serving as Outside Director of the Company to present since she assumed office as Outside Director at the conclusion of the 158th Annual General Meeting of Shareholders of the Company (June 22, 2016), and the number of years in office as Outside Director from her inauguration will be about one (1) year at the conclusion of this Annual General Meeting of Shareholders.
  - (3) Kyoto Chuo Shinkin Bank where Ms. Hirabayashi has a significant concurrent position holds 140,000 shares in the Company. However, its stockholding ratio to the total outstanding shares in the Company (excluding the Company's treasury stock) is insignificant (0.13%). In addition, although the Company made deposits at the Bank as one of the financial institutions for the Company's deposits under normal deposit terms until June 30, 2016, the Company has no borrowings from the Bank.
  - (4) The Company has entered into a liability limitation agreement with Ms. Hirabayashi in accordance with Article 427, Paragraph 1 of the Companies Act. Subject to approval of her election as Director in this proposal and in case she assumes office as Outside Director of the Company, the Company will continue to conclude such agreement with her, and the maximum amount of liability based on such agreement shall be the minimum amount of liability as defined by laws and regulations.
  - (5) Ms. Hirabayashi is an Independent Director to be secured for protection of general shareholders pursuant to Article 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. Subject to approval of her election as Director in this proposal and in case she assumes office as Outside Director of the Company, she will continue to serve as an Independent Director.
5. There is no special interest including transactions between the Company and other candidates for Director.