

## FUJI MACHINE MFG. CO., LTD.

19 Chausuyama, Yamamachi, Chiryu Aichi, Japan  
Nobuyuki Soga, President & CEO

### Notice of Convocation of the 71st Ordinary General Meeting of Shareholders

To Our Shareholders:

You are cordially invited to the 71st Ordinary General Meeting of Shareholders of the Company to be held as follows.

**If you are unable to attend the Meeting, you may exercise your rights to vote in writing. Please review the “Reference Material for the General Meeting of Shareholders” described below, indicate your approval or disapproval of the proposals on the enclosed Voting Card, then sign and return it so it will arrive by 6:00 p.m., Wednesday, June 28, 2017.**

#### Meeting Details

- 1. Date & Time:** 10:00 a.m. on Thursday, June 29, 2017 (Reception is scheduled to start at 9:00 a.m.)
- 2. Place:** Grand Hall, 7th floor of the Corporate Headquarters  
19 Chausuyama, Yamamachi, Chiryu, Aichi, Japan

#### 3. Objectives of Meeting:

##### Reporting:

1. Presentation of the Business Report, Consolidated Financial Statements and Findings of Audits on Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board for the 71st Business Period (from April 1, 2016, to March 31, 2017)
2. Presentation of the Non-consolidated Financial Statements for the 71st Business Period (from April 1, 2016, to March 31, 2017)

##### Agenda:

- Proposal 1:** Treatment of Surplus Earnings
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Eight Board Members
- Proposal 4:** Election of One Audit & Supervisory Board Member
- Proposal 5:** Election of One Substitute Audit & Supervisory Board Member

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- ⊙ When you attend the Meeting in person on the day, we kindly request you to submit the enclosed Voting Card to the reception desk at the meeting venue.
  - ⊙ Please note that any changes to the Reference Material for the General Meeting of Shareholders as well as the Business Report, Non-consolidated/Consolidated Financial Statements will be posted on the Company's website at <http://www.fuji.co.jp/>.

## Reference Material for the General Meeting of Shareholders

### Proposal 1: Treatment of Surplus Earnings

With regard to the Company's basic policy for profit sharing, we strive to maintain stable dividends, paying attention to capital demands for future business development as well as considering the continuous return of profits to shareholders as one of the most important management measures. In addition, retained earnings are used to develop products to meet market demands, to improve and strengthen the Company's business structure, including capital rationalization and investment, and to make strategic investments for future growth.

Based on the basic policy for profit sharing, we would like to announce the proposed treatment of surplus earnings for the 71st business period as follows.

#### Details of the year-end dividends

- (1) Type of assets distributed as dividends: Cash
- (2) Allocation of assets distributed as dividends and the total amount thereof: ¥15 per share of the Company's common stock.  
Please note that the total of the dividends will amount to ¥1,341,762,390.  
As a result, the annual dividend for the current fiscal year is ¥30 per share, including the interim dividend of ¥15.
- (3) Effective date of dividend distribution from surplus earnings: Friday, June 30, 2017

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

### 1. Reasons for the proposal

For the purpose of strengthening and establishing the Company's global brand as a company which supports global manufacturing, and with an aim to expand its business domain through deep cultivation and development of robot technology, the Company would like to change its trade name for the fiscal year 2018, at which point the Company will have been operating for a time of 60 years. Accordingly, the Company proposes to amend Article 1 (Company name) of the current Articles of Incorporation.

The effective date of the amendments to the Articles of Incorporation shall be on April 1, 2018 supplemented with the supplementary provision, which shall be deleted on the effective date.

### 2. Details of the amendments

Details of the proposed amendments are as shown below.

(The proposed amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Company name) Article 1. The Company will be called <u>Fuji Kikai Seizo Kabushiki Gaisha</u> , and in English, <u>FUJI MACHINE MFG. CO., LTD.</u>  (Newly established)	(Company name) Article 1. The Company will be called <u>Kabushiki Gaisha Fuji</u> , and in English, <u>FUJI CORPORATION</u> .  <u>Supplementary provision</u> <u>The amendments to Article 1 (Company name) of the Articles of Incorporation will take effect on April 1, 2018. This supplementary provision will be removed on the date the amendments take effect.</u>

### Proposal 3: Election of Eight Board Members

The term of office of all eight Board Members expires at the close of this ordinary general meeting of shareholders. Accordingly, the Company proposes the election of eight Board Members including two Outside Board Members.

Candidates for Board Members are as follows.

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company (Position and representation of other companies)	Number of the Company's shares owned
1	Nobuyuki Soga (February 26, 1952)	<div>April 1975 Entered the Company</div> <div>April 1997 Manager, Planning and Management Office</div> <div>April 2006 Manager, Business Planning Office, Electronics Assembly Equipment Division</div> <div>June 2007 Board Member, Executive Officer</div> <div>June 2008 Board Member, Managing Executive Officer</div> <div>June 2009 President &amp; CEO (To present)</div>	22,981
(Reason for nomination as a candidate for Board Member) Nobuyuki Soga has properly supervised management and made decisions on important matters as President & CEO and has contributed to the expansion of business since 2009. In addition, he is currently working on enhancing corporate value by formulating and promoting the medium-term management plan; thereby he is re-nominated as a candidate for Board Member.			
2	Shinsuke Suhara (October 3, 1957)	<div>April 1981 Entered the Company</div> <div>April 2004 Manager, Development Department 1, Electronics Assembly Equipment Division</div> <div>June 2008 Executive Officer; Deputy General Manager, Electronics Assembly Equipment Division; Manager, General Engineering Department 1</div> <div>June 2010 Board Member, Executive Officer</div> <div>June 2012 Board Member, Managing Executive Officer</div> <div>June 2015 Board Member, Senior Managing Executive Officer; General Manager, Electronics Assembly Equipment Division (Currently Robotic Solutions Division) (To present)</div> <div>[Representation of Other Companies] Chairman, Kunshan Fuji Machine Mfg. Co., Ltd.</div>	3,690
(Reason for nomination as a candidate for Board Member) Shinsuke Suhara has served as Manager of Development Department, Manager of General Engineering Department, General Manager of Robotic Solutions Division, etc., and has extensive job experience in design and development. The Company believes that he will be able to utilize his experience and knowledge cultivated through his career in management of the Company; thereby he is re-nominated as a candidate for Board Member.			

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company (Position and representation of other companies)	Number of the Company's shares owned
3	Seigo Kodama (March 12, 1954)	<p>April 1979 Entered the Company</p> <p>April 2004 Manager, Software Development Department, Electronics Assembly Equipment Division</p> <p>June 2008 Executive Officer; Head, Technology Development Center</p> <p>June 2012 Board Member, Executive Officer</p> <p>June 2015 Board Member, Managing Executive Officer; Head, Development Center (To present)</p> <p>[Representation of Other Companies] President &amp; CEO, ADTEK FUJI Co., Ltd.</p>	9,690
<p>(Reason for nomination as a candidate for Board Member)</p> <p>Seigo Kodama has served as Manager of Software Development Department, Head of Technology Development Center, etc. and has extensive job experience in design and development. The Company believes that he will be able to utilize his experience and knowledge cultivated through his career in management of the Company; thereby he is re-nominated as a candidate for Board Member.</p>			
4	Takayoshi Kawai (July 14, 1954)	<p>April 1978 Entered the Company</p> <p>April 2004 Manager, Control Technology Development Department, Electronics Assembly Equipment Division</p> <p>June 2008 Executive Officer; Deputy General Manager, Electronics Assembly Equipment Division; Manager, General Engineering Department 2</p> <p>May 2010 President &amp; CEO, Edec Linsey System Co., Ltd.</p> <p>June 2013 Board Member, Executive Officer</p> <p>June 2015 Board Member, Managing Executive Officer; General Manager, Machine Tools Division; Factory Manager, Fujioka Factory (To present)</p>	8,890
<p>(Reason for nomination as a candidate for Board Member)</p> <p>Takayoshi Kawai has served as Manager of Control Technology Development Department, General Manager of Machine Tools Division, etc. and has extensive job experience in design and development. The Company believes that he will be able to utilize his experience and knowledge cultivated through his career in management of the Company; thereby he is re-nominated as a candidate for Board Member.</p>			

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company (Position and representation of other companies)		Number of the Company's shares owned
5	Mitsuji Tatsumi (April 12, 1958)	April 1982	Joined Dainippon Screen Mfg. Co., Ltd. (Currently SCREEN Holdings Co., Ltd.)	8,036
		December 2009	Entered the Company	
		April 2010	General Manager, Accounting Department, Management Division	
		July 2012	Executive Officer; General Manager, Accounting Department	
		June 2014	Board Member, Executive Officer; General Manager, Accounting Department (To present)	
(Reason for nomination as a candidate for Board Member) Mitsuji Tatsumi has served as General Manager of Accounting Department, etc. and based on his extensive job experience, he is engaged in management as a supervisor of finance and accounting departments. The Company believes that he will be able to utilize his experience and knowledge, especially accounting expertise cultivated through his career in management of the Company; thereby he is re-nominated as a candidate for Board Member.				
6	Hajime Ezaki (October 5, 1957)	April 1980	Joined Nichimen Co., Ltd (Currently Sojitz Corporation)	1,345
		November 2003	Entered the Company	
		April 2007	General Manager, International Sales Department No. 2, Electronics Assembly Equipment Division	
		June 2011	Executive Officer; Manager, Planning and Management Office	
		March 2014	Executive Officer; General Manager, Marketing and Strategic Planning Department	
		June 2015	Board Member, Executive Officer; General Manager, Marketing and Strategic Planning Department (To present)	
(Reason for nomination as a candidate for Board Member) Hajime Ezaki has served as General Manager of International Sales Department, Manager of Planning and Management Office, etc. and based on his extensive job experience, he is engaged in management as an officer in charge of marketing and strategic planning and public relations. The Company believes that he will be able to utilize his experience and knowledge cultivated through his career in management of the Company; thereby he is re-nominated as a candidate for Board Member.				

Candidate number	Name (Date of birth)	Career summary, position and responsibility in the Company (Position and representation of other companies)	Number of the Company's shares owned
7	Nobuyuki Matsui (May 7, 1943)  Outside Board Member Independent Director	<p>April 1985 Professor, Department of Electrical and Computer Engineering, Nagoya Institute of Technology</p> <p>January 2004 President, Nagoya Institute of Technology</p> <p>June 2010 Outside Board Member of the Company (To present)</p> <p>April 2012 Part-time Specially Appointed Professor to the Chairman of the Board of Trustees, Chubu University</p> <p>[Representation of Other Companies] Outside Director, Rinnai Corporation Outside Director, Aichi Tokei Denki Co., Ltd.</p>	345
<p>(Reason for nomination as a candidate for Outside Board Member)</p> <p>The Company believes that Nobuyuki Matsui will be able to adequately serve as a decision maker for management issues and as a supervisor for the performance of Company operations, taking advantage of his experience as a former university professor and president. Thereby, he is re-nominated as Outside Board Member.</p>			
8	Nobuko Kawai (December 5, 1961)  Outside Board Member Independent Director	<p>April 1992 Registered as a lawyer Joined Nishimura &amp; Sanada Law Office (Currently NISHIMURA &amp; ASAHI)</p> <p>January 1995 Joined Chujo Law Office</p> <p>April 1998 Established Nobuko Kawai Law Office (Representative) (To present)</p> <p>April 2002 Contract lawyer, The Japan Center for Settlement of Traffic Accident Disputes (To present)</p> <p>January 2004 Civil Conciliator, Nagoya Summary Court</p> <p>April 2009 Vice Chairman, Aichi Bar Association</p> <p>October 2009 Chairman, Kasugai City Equity Commission (To present)</p> <p>April 2012 Professor of the Law School, Nagoya University</p> <p>June 2015 Outside Board Member of the Company (To present)</p> <p>[Representation of Other Companies] Outside Director, IBIDEN CO., LTD. (To assume office on June 16, 2017)</p>	345
<p>(Reason for nomination as a candidate for Outside Board Member)</p> <p>The Company believes that Nobuko Kawai will be able to adequately serve as a decision maker for management issues and as a supervisor for the performance of Company operations, taking advantage of her expertise and experience as a lawyer. Thereby, she is re-nominated as Outside Board Member.</p>			

Notes:

- These candidates have no particular interests in the Company.
- Matters on candidates for Outside Board Members
  - Nobuyuki Matsui and Nobuko Kawai are candidates for Outside Board Members.
  - Nobuyuki Matsui and Nobuko Kawai are incumbent Outside Board Members of the Company. The length of service of Mr. Matsui and Ms. Kawai as Outside Board Members will be seven years and two years, respectively, at the close of this ordinary general meeting of shareholders.
  - Pursuant to Article 427, Paragraph 1, of the Companies Act, an agreement to limit the liability for damages set forth in, Article 423, Paragraph 1, of the said act is entered into between the Company and Nobuyuki Matsui and Nobuko Kawai. When Mr. Matsui and Ms. Kawai are reappointed, the Company

intends to continue the agreement with them. The limit of the liability for damages under the agreement will be the amount stipulated in applicable laws.

- (4) The Company has designated Nobuyuki Matsui and Nobuko Kawai as Independent Directors according to the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and has notified said Exchanges of that.
3. The number of the Company's shares owned by each candidate indicates the number of shares as of the end of the current fiscal year (March 31, 2017). In addition, the number presented includes the equities of the candidate in the Company's officer stock ownership.



#### Proposal 4: Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Shigeki Matsuda expires at the close of this ordinary general meeting of shareholders. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member.

This proposal has been approved by the Audit & Supervisory Board.

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

Name (Date of birth)	Career summary, position in the Company (Position and representation of other companies)	Number of the Company's shares owned
Shigeki Matsuda (May 21, 1961)  Outside Audit & Supervisory Board Member Independent Auditor	October 1986    Joined Marunouchi & Co. (Currently Deloitte Touche Tohmatsu LLC) March 1990    Registered as a Certified Public Accountant December 1993 Registered as a Certified Tax Accountant January 1994    Established Matsuda Public Accounting Firm (Representative) (To present) January 2004    Established Aiki Tax Accounting Corporation (Representative) (To present) April 2012    Auditor, Nagoya Institute of Technology June 2013    Outside Audit & Supervisory Board Member of the Company (To present) [Representation of Other Companies] External Audit & Supervisory Board Member, Roland DG Corporation	6,381
(Reason for nomination as a candidate for Outside Audit & Supervisory Board Member) The Company believes that Shigeki Matsuda will be able to utilize his expertise and experience as a Certified Public Accountant and Certified Tax Accountant to reinforce the auditing system of the Company; thereby he is re-nominated as Outside Audit & Supervisory Board Member.		

Notes:

1. This candidate has no particular interests in the Company.
2. Matters on the candidate for Outside Audit & Supervisory Board Member
  - (1) Shigeki Matsuda is a candidate for Outside Audit & Supervisory Board Member.
  - (2) Shigeki Matsuda is an incumbent Outside Audit & Supervisory Board Member of the Company. The length of service of Mr. Matsuda as Outside Audit & Supervisory Board Member will be four years, at the close of this ordinary general meeting of shareholders.
  - (3) Pursuant to Article 427, Paragraph 1, of the Companies Act, an agreement to limit the liability for damages set forth in, Article 423, Paragraph 1, of the said act is entered into between the Company and Shigeki Matsuda. When Mr. Matsuda is reappointed, the Company intends to continue the agreement with him. The limit of the liability for damages under the agreement will be the amount stipulated in applicable laws.
  - (4) The Company has designated Shigeki Matsuda as Independent Auditor according to the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and has notified said Exchanges of that.
3. The number of the Company's shares owned by the candidate indicates the number of shares as of the end of the current fiscal year (March 31, 2017). In addition, the number presented includes the equities of the candidate in the Company's officer stock ownership.

**Proposal 5: Election of One Substitute Audit & Supervisory Board Member**

The Company proposes that one Substitute Audit & Supervisory Board Member be elected in case of a vacancy in the statutory number of Audit & Supervisory Board Members.

As long as it occurs before he assumes office, the election of this Substitute Audit & Supervisory Board Member can be nullified by a resolution of the Board of Directors, with the consent of the Audit & Supervisory Board.

This proposal has been approved by the Audit & Supervisory Board.

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

Name (Date of birth)	Career summary, position in the Company (Position and representation of other companies)	Number of the Company's shares owned
Masaaki Abe (October 31, 1960)  Substitute Outside Audit & Supervisory Board Member  Independent Auditor	April 1990 Registered as a Certified Public Accountant April 1992 Established Masaaki Abe Certified Public Accountant Office (Representative) (To present)  November 1992 Registered as a Certified Tax Accountant Established Masaaki Abe Certified Tax Accountant Office (Representative)  December 2011 Established Abe Certified Tax Accounting Corporation (Representative) (To present)	—
(Reason for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member) The Company believes that Masaaki Abe will be able to utilize his expertise and experience as a Certified Public Accountant and Certified Tax Accountant to reinforce the auditing system of the Company; thereby he is re-nominated as Substitute Audit & Supervisory Board Member.		

**Notes:**

1. This candidate has no particular interests in the Company.
2. Matters on the candidate for Substitute Outside Audit & Supervisory Board Member
  - (1) Masaaki Abe is a candidate for Substitute Outside Audit & Supervisory Board Member.
  - (2) Pursuant to Article 427, Paragraph 1, of the Companies Act, the Company will conclude an agreement to limit the liability for damages set forth in Article 423, Paragraph 1, of the said act with Masaaki Abe if he assumes the office of Audit & Supervisory Board Member. The limit of the liability for damages under the agreement will be the amount stipulated in applicable laws.
  - (3) Masaaki Abe satisfies the qualifications for Independent Auditor according to the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange.