

(Securities Code: 5946)

March 1, 2018

**To our shareholders:**

Kazuhiro Hashimoto  
President  
**Chofu Seisakusho Co., Ltd.**  
2-1, Chofu Ogi-machi, Shimonoseki-shi, Yamaguchi

## **Notice of the 64th Annual General Meeting of Shareholders**

You are cordially invited to attend the 64th Annual General Meeting of Shareholders of Chofu Seisakusho Co., Ltd. (the “Company”), which will be held as described below.

Note that if you are not able to attend on the day of the meeting, your voting rights can be exercised in writing. In this case, please refer to the subsequent Reference Documents for General Meeting of Shareholders, indicate whether you agree or not to the proposals on the enclosed Voting Form, and return it so that it arrives by 6:00 p.m. on Thursday, March 22, 2018 (JST).

- 1. Date and Time: Friday, March 23, 2018, at 10:00 a.m. (JST)**
- 2. Venue: Head Office of the Company  
2-1, Chofu Ogi-machi, Shimonoseki-shi, Yamaguchi**

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. The Business Report, the Consolidated Financial Statements, and report on the result of the audit by the Financial Auditor and Audit and Supervisory Committee on the Consolidated Financial Statements for the 64th term (January 1, 2017 to December 31, 2017)
2. The Non-Consolidated Financial Statements for the 64th term (January 1, 2017 to December 31, 2017)

#### **Matters to be resolved:**

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus  |
| <b>Proposal No. 2</b> | Election of Eight Directors (Excluding Audit and Supervisory Committee Members) |
| <b>Proposal No. 3</b> | Election of Three Directors Who Are Audit and Supervisory Committee Members     |

- If attending, please bring the enclosed Voting Form and submit it at the reception desk on the day of the meeting.
- Note that if there are any modifications in the Reference Documents for General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements, they will be posted on our website (<https://www.chofu.co.jp/>).

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1      Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

##### Year-end dividends

The Company views the provision of appropriate profit returns to shareholders as one of the most important management issues, and our basic policy is to pay stable dividends while working to establish a sustainable and profitable structure for the entire Group, providing for investments aimed at growth, and strengthening the financial position.

In accordance with the above basic policy, the Company proposes to pay year-end dividends for the current fiscal year as follows:

1.    Type of dividend property  
      To be paid in cash.
2.    Allotment of dividend property and their aggregate amount  
      ¥16 per common share of the Company  
      In this event, the total dividends will be ¥555,837,296.
3.    Effective date of dividends of surplus  
      March 26, 2018

**Proposal No. 2** Election of Eight Directors (Excluding Audit and Supervisory Committee Members)

The terms of office of all eight Directors (excluding Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eight Directors (excluding Audit and Supervisory Committee Members).

In addition, the Audit and Supervisory Committee has no particular statement for this proposal.

Candidates for election as Directors (excluding Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Yasuo Kawakami (December 21, 1946)	Feb. 1971 Joined the Company Mar. 1985 Director and General Manager of Tokyo Sales Office Mar. 1987 Director and Plant Manager of Utsunomiya Plant Dec. 1997 President Mar. 2012 Chairman (current position)	317,510 shares
2	Kazuhiro Hashimoto (March 1, 1952)	Apr. 1975 Joined the Company Mar. 2004 Director and Plant Manager of Shiga Plant May 2009 Director and Executive General Manager of Production Department Apr. 2010 Managing Director Mar. 2012 President (current position)	7,400 shares
3	Kiyotaka Taneda (February 3, 1955)	Mar. 1979 Joined the Company Mar. 2008 Director and General Manager of Engineering Department Apr. 2014 Managing Director (current position)	3,200 shares
4	Shuichi Nakamura (September 26, 1955)	Mar. 1978 Joined the Company Mar. 2010 Director and General Manager of Sales Department at Shiga Plant Apr. 2010 Director and Plant Manager of Shiga Plant Mar. 2014 Director and Plant Manager of Utsunomiya Plant Apr. 2014 Managing Director (current position)	3,200 shares
5	Takeshi Wada (April 28, 1957)	Mar. 1982 Joined the Company Mar. 2013 Director and General Manager of Sales Department Mar. 2015 Director, General Manager of Sales Department, and General Manager of Fukuoka Branch Office Mar. 2016 Director and General Manager of Sales Department (current position)	3,000 shares
6	Yoshiaki Egawa (October 8, 1957)	Jan. 1982 Joined the Company Mar. 2014 Director and General Manager of Production Department Apr. 2014 Director and Executive General Manager of Production Department (current position)	1,900 shares
7	Tetsuro Hayashi (August 21, 1960)	Apr. 1985 Joined the Company Mar. 2014 Director and General Manager of Tokyo Branch Office (current position)	2,900 shares
8	Yasuhiro Kawakami (July 1, 1962)	Oct. 2004 Joined the Company Mar. 2014 Director and General Manager of Corporate Administration Department Feb. 2017 Director and Plant Manager of Shiga Plant (current position)	5,200 shares

Note: There is no special interest between any of the candidates and the Company.

**Proposal No. 3** Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes to elect three Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

Candidates for the role of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	* Akira Oeda June 16, 1956	Mar. 1979      Joined the Company Mar. 2012      General Manager of Business Operations Department June 2016      Department Manager of Business Operations Department (current position)	4,600 shares
2	Hiroshi Yamamoto (March 1, 1958)	Apr. 1985      Registered as an attorney at law Apr. 1988      Opened Hiroshi Yamamoto Law Office, Director (current position) Jan. 1998      Legal advisor to the Company Mar. 2000      Audit & Supervisory Board Member Mar. 2016      Outside Director (Audit and Supervisory Committee Member) (current position)	0 shares
3	* Takeshi Yoshimura (April 3, 1960)	Apr. 1983      Joined The Yamaguchi Bank, Ltd. June 2009      Director June 2016      President (current position) June 2016      President of Yamaguchi Financial Group, Inc. (current position)	0 shares

- Notes:
1. New candidates are indicated by an asterisk (\*).
  2. There is no special interest between any of the candidates and the Company.
  3. Hiroshi Yamamoto and Takeshi Yoshimura are candidates for outside Director.
  4. Hiroshi Yamamoto is currently an outside Director, and at the conclusion of this meeting, his tenure will have been two years. The reason for electing him as a candidate for outside Director is that we have determined that he would be able to appropriately fulfill the duties of an outside Director who is an Audit and Supervisory Committee Member, as he has abundant experience and a track record as an attorney at law, despite having no experience of direct involvement with corporate business operations.
  5. The reason for electing Takeshi Yoshimura as a candidate for outside Director is that we have determined that he would be able to appropriately fulfill the duties of an outside Director who is an Audit and Supervisory Committee Member, as he has abundant experience and broad insight in financial institutions.
  6. The Company has submitted notification to the Tokyo Stock Exchange, Inc., that Hiroshi Yamamoto has been appointed as an independent officer, and he will continue to serve as an independent officer if he is appointed according to the proposal. Please note that Takeshi Yoshimura will also serve as an independent officer.