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(Stock Exchange Code 1969)
May 30, 2019

To Shareholders with Voting Rights:

Atsushi Ouchi
Chairman and Representative Director,
CEO
Takasago Thermal Engineering Co., Ltd.
6-27-30, Shinjuku, Shinjuku-ku, Tokyo

**NOTICE OF
THE 139TH ORDINARY 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 139th Ordinary General Meeting of Shareholders of Takasago Thermal Engineering Co., Ltd. (the “Company”).

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Tuesday, June 25, 2019, Japan time.

- 1. Date and Time:** Wednesday, June 26, 2019 at 10:00 a.m. Japan time (reception will start at 9:00 a.m.)
- 2. Place:** 5F, Conference room at Keidanren Kaikan located at 1-3-2, Otemachi, Chiyoda-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the Company’s 139th Fiscal Year (April 1, 2018 - March 31, 2019) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 - Proposals to be resolved:**
 - Proposal 1:** Distribution of Surplus
 - Proposal 2:** Election of Eleven (11) Directors
 - Proposal 3:** Election of One (1) Corporate Auditor

~~~~~ Notice ~~~~~

You can refer to this convocation notice and the appendix, as well as their English translations (partial), on the Company’s website (<https://www.tte-net.com>).

Of the documents to be submitted along with this convocation notice, the Company has published the

consolidated statements of changes in net assets and consolidated notes for the Consolidated Financial Statements and the statements of changes in net asset and individual notes for the Non-consolidated Financial Statements on the Company's website stated above under laws, regulations, and Article 18 of the Company's Articles of Incorporation; accordingly, those matters are not included in this convocation notice. The documents attached to this convocation notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Corporate Auditors when preparing the audit reports.

Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website stated above.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Distribution of Surplus

The Company positions the return of profits to its shareholders as one of the most important management issues. While enhancing profitability and capital efficiency, we strive for a stable dividend payout under our basic policy.

Based on this basic policy, the year-end dividend for the 139th fiscal year is proposed as below in consideration of performance for this fiscal year exceeding the planned figures and other such factors. As a result, the annual dividend will be ¥52, together with the interim dividend of ¥25 per share.

Matters related to year-end dividends

1. Type of dividend assets

Cash

2. Items relating to the allocation of dividend assets to shareholders and its total amount

¥27 per share of common stock of the Company

Total amount: ¥1,955,559,753

3. Effective date of payment of dividend from surplus

June 27, 2019

**Proposal 2:** Election of Eleven (11) Directors

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

Accordingly, for the purpose of a stronger management base, the election of eleven (11) Directors including the increase of one (1) Director and one (1) Outside Director is proposed in order to further strengthen the management structure and increase the diversity of the Board of Directors.

The candidates are as follows.

The Company determines the candidates for nomination at the Board of Directors' meeting after deliberation at the Nomination and Compensation Committee, which is composed of five members (the Chairman and Representative Director, CEO; the Representative Director and Senior Managing Executive Officer; and three Outside Directors) (hereinafter called the "Nomination and Compensation Committee"), by thoroughly taking into account such factors as a wealth of experiences and knowledge in the candidate's specialty fields, potential contribution to the Company's sustainable growth and enhancement of its mid- to long-term corporate value, as well as the optimal composition and size of the Board at this point.

| No. |                                                          | Name             | Current positions in the Company                              | Attendance at the Board of Directors' meetings |
|-----|----------------------------------------------------------|------------------|---------------------------------------------------------------|------------------------------------------------|
| 1   | Reelection                                               | Atsushi Ouchi    | Chairman and Representative Director, CEO                     | 12/12 meetings (100.0%)                        |
| 2   | Reelection                                               | Choichi Takahara | Representative Director and Senior Managing Executive Officer | 12/12 meetings (100.0%)                        |
| 3   | Reelection                                               | Yoshiyuki Hara   | Director and Managing Executive Officer                       | 12/12 meetings (100.0%)                        |
| 4   | Reelection                                               | Hiroshi Yamawake | Director and Managing Executive Officer                       | 12/12 meetings (100.0%)                        |
| 5   | New election                                             | Kazuhito Kojima  | Executive Officer                                             | — (—)                                          |
| 6   | New election                                             | Tadashi Kamiya   | Executive Officer                                             | — (—)                                          |
| 7   | New election                                             | Toshikazu Yokote | Executive Officer                                             | — (—)                                          |
| 8   | Reelection<br>Outside Director<br>Independent Director   | Kazuo Matsunaga  | Outside Director                                              | 12/12 meetings (100.0%)                        |
| 9   | Reelection<br>Outside Director<br>Independent Director   | Mitoji Yabunaka  | Outside Director                                              | 12/12 meetings (100.0%)                        |
| 10  | Reelection<br>Outside Director<br>Independent Director   | Kiyoshi Fujimura | Outside Director                                              | 10/10 meetings (100.0%)                        |
| 11  | New election<br>Outside Director<br>Independent Director | Yoko Seki        | —                                                             | — (—)                                          |

Notes:

1. The positions of the above candidates for Directors are those at the time of this General Meeting.
2. The attendance rate is given to one decimal place.
3. Because Mr. Kiyoshi Fujimura was newly elected as Director at the 138th Ordinary General Meeting of Shareholders held on June 26, 2018 and assumed office on that day, the attendance at the Board of Directors' meeting has been counted after his assumption.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                            |  |                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|--|----------------------------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Atsushi Ouchi (Date of birth: July 29, 1949)                               |  | Reelection                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Current position in the Company: Chairman and Representative Director, CEO |  |                            |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                            |  | Number of shares of the    |
| April 1975                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Joined the Company                                                         |  | Company held: 147,700      |
| April 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Executive Officer                                                          |  | (of the shares above,      |
| April 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Managing Executive Officer                                                 |  | number of shares to be     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Branch General Manager, Osaka Branch                                       |  | delivered subject to stock |
| June 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director and Managing Executive Officer                                    |  | compensation plan:         |
| April 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | President and Representative Director, CEO                                 |  | 44,967)                    |
| January 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | President and Representative Director, CEO                                 |  | Term of office as Director |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | In charge of Engineering Headquarters                                      |  | (at the conclusion of this |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | President and Representative Director, CEO                                 |  | Meeting): 11 years         |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Chairman and Representative Director, CEO                                  |  |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | To the present                                                             |  | Attendance at the Board of |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                            |  | Directors' meetings: 12/12 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                            |  | meetings (100.0%)          |
| Reason for nomination as a candidate for Director                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                            |  |                            |
| Mr. Atsushi Ouchi has served as President and Director from April 2010 and as Chairman and Director from April 2016 and has demonstrated leadership as the chief executive of the Company's management. The Company nominates him as a candidate, expecting that he would continue to enhance the Company's sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into the overall business of the Company. |                                                                            |  |                            |

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| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Choichi Takahara (Date of birth: March 13, 1954)                                                                                                                                                                                                  | Reelection                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Current position in the Company: Representative Director and Senior Managing Executive Officer                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                      |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                      |
| April 1972                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Joined the Company                                                                                                                                                                                                                                | <p>Number of shares of the Company held: 51,945 (of the shares above, number of shares to be delivered subject to stock compensation plan: 18,612)</p> <p>Term of office as Director (at the conclusion of this Meeting): 6 years</p> <p>Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)</p> |
| April 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Executive Officer<br>Branch General Manager, Kanto Branch                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                      |
| April 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Deputy General Manager, East Japan Headquarters; Group General Manager, Purchasing Group, East Japan Headquarters                                                                                                                                 |                                                                                                                                                                                                                                                                                                                      |
| June 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Director and Executive Officer                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                      |
| April 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Director and Managing Executive Officer                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                      |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | General Manager, East Japan Headquarters; General Manager, Tokyo Main Office, East Japan Headquarters                                                                                                                                             |                                                                                                                                                                                                                                                                                                                      |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Responsible for businesses in Japan; Chief Executive Officer of headquarters, East Japan Headquarters; General Manager, Tokyo Main Office, East Japan Headquarters                                                                                |                                                                                                                                                                                                                                                                                                                      |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Representative Director and Senior Managing Executive Officer<br>To the present<br>Chief Executive Officer, Business in Japan Headquarters; in charge of quality, environment and safety control                                                  |                                                                                                                                                                                                                                                                                                                      |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | In charge of domestic affiliates; in charge of Development Business Promotion Department                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                      |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Chief Executive Officer, Business Management Headquarters; in charge of quality, environment and safety control, Business Development Department, Property Development Management Department, and International Group Companies<br>To the present |                                                                                                                                                                                                                                                                                                                      |
| <p>Reason for nomination as a candidate for Director</p> <p>Since joining the Company, Mr. Choichi Takahara has accumulated a wealth of experience in design and installation fields and insight into overall technology. Also, as Branch General Manager, General Manager, and Chief Executive Officer of headquarters, and while responsible for business in Japan, he has achieved a satisfactory track record mainly in the Company's facilities installation business. The Company nominates him as a candidate, expecting that he would continue to enhance the Company's sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into branch and main office management in Japan, overseeing business in Japan and overall technology.</p> |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                      |

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| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Yoshiyuki Hara (Date of birth: August 12, 1957)                                                                                                                     | Reelection                                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Current position in the Company: Director and Managing Executive Officer                                                                                            |                                                                                                                                                                                                                                                                                                                         |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                     | <p>Number of shares of the Company held: 28,408<br/>(of the shares above, number of shares to be delivered subject to stock compensation plan: 8,842)</p> <p>Term of office as Director (at the conclusion of this Meeting): 4 years</p> <p>Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)</p> |
| April 1981                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Joined NIPPON LIFE INSURANCE COMPANY                                                                                                                                |                                                                                                                                                                                                                                                                                                                         |
| April 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Joined the Company                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                         |
| April 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Administration Officer; Deputy Group General Manager, Corporate Planning Group                                                                                      |                                                                                                                                                                                                                                                                                                                         |
| April 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Executive Officer                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                         |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Executive Officer                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deputy Group General Manager, Corporate Administration Group                                                                                                        |                                                                                                                                                                                                                                                                                                                         |
| June 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Director and Executive Officer                                                                                                                                      |                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deputy Group General Manager, Corporate Administration Group                                                                                                        |                                                                                                                                                                                                                                                                                                                         |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Director and Managing Executive Officer                                                                                                                             |                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | To the present                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Group General Manager, Corporate Administration Group                                                                                                               | Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)                                                                                                                                                                                                                                                 |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Chief Executive Officer, Corporate Operations Headquarters; General Manager, Corporate Planning Division; in charge of management strategy; in charge of compliance |                                                                                                                                                                                                                                                                                                                         |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | In charge of Management Strategy Headquarters, Corporate Operations Headquarters and Japanese Group Companies                                                       |                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | To the present                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                         |
| <p>Reason for nomination as a candidate for Director</p> <p>Mr. Yoshiyuki Hara has a wealth of experience in and insight into the financial business at financial institutions. Also, since joining the Company, as General Manager of the Corporate Planning Division, he has achieved a satisfactory track record in formulating the long-term management vision and business plans for single years and for the medium term as well as in responding to the Corporate Governance Code. The Company nominates him as a candidate, expecting that he would continue to enhance the Company's sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into corporate planning, financial affairs and overall corporate administration.</p> |                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                         |

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| 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Hiroshi Yamawake (Date of birth: April 16, 1957)                                                                          | Reelection                                                                                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Current position in the Company: Director and Managing Executive Officer                                                  |                                                                                                                                                |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                           |                                                                                                                                                |
| April 1982                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Joined the Company                                                                                                        | Number of shares of the Company held: 27,179 (of the shares above, number of shares to be delivered subject to stock compensation plan: 7,842) |
| April 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Deputy General Manager, Industrial Air Conditioning Headquarters                                                          |                                                                                                                                                |
| April 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Administration Officer; General Manager, Industrial Facilities Division, Engineering Headquarters                         |                                                                                                                                                |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Executive Officer                                                                                                         |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | General Manager, Engineering Division, Engineering Headquarters                                                           | Term of office as Director (at the conclusion of this Meeting): 4 years                                                                        |
| June 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Director and Executive Officer                                                                                            |                                                                                                                                                |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director and Managing Executive Officer                                                                                   | Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To the present                                                                                                            |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Group General Manager, Technology Group and in charge of quality, environment and safety                                  |                                                                                                                                                |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Chief Executive Officer, Business Innovation Headquarters; in charge of technology; in charge of new business development |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To the present                                                                                                            |                                                                                                                                                |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | In charge of Environmental Solutions Business Promotion Department                                                        |                                                                                                                                                |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | In charge of Technical and Business Creation Management Department                                                        |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To the present                                                                                                            |                                                                                                                                                |
| Reason for nomination as a candidate for Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                           |                                                                                                                                                |
| Since joining the Company, Mr. Hiroshi Yamawake has accumulated a wealth of experience in design and installation fields and insight into overall technology. Also, as General Manager, Chief Executive Officer of headquarters, etc., he has achieved a satisfactory track record in the Company's industrial facilities installation and engineering businesses as well as in areas such as quality, environment, and safety. The Company nominates him as a candidate, expecting that he would continue to enhance the Company's sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into overall technology. |                                                                                                                           |                                                                                                                                                |



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| 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Kazuhito Kojima (Date of birth: September 6, 1961)                                       | New election                                                                                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Current position in the Company: Executive Officer                                       |                                                                                                                                                  |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                          | Number of shares of the Company held: 6,131<br>(of the shares above, number of shares to be delivered subject to stock compensation plan: 2,157) |
| April 1984                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Joined the Company                                                                       |                                                                                                                                                  |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Administration Officer; Branch General Manager, Yokohama Branch, East Japan Headquarters |                                                                                                                                                  |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Executive Officer                                                                        |                                                                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | To the present                                                                           |                                                                                                                                                  |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Branch General Manager, Osaka Branch                                                     |                                                                                                                                                  |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Chief Executive Officer, Management Strategy Headquarters                                |                                                                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | To the present                                                                           |                                                                                                                                                  |
| Reason for nomination as a candidate for Director<br>Since joining the Company, Mr. Kazuhito Kojima has accumulated a wealth of experience in design and installation fields and insight into overall technology. Also, as Branch General Manager, he has achieved a satisfactory track record mainly in the Company's facilities installation business. The Company nominates him as a candidate, expecting that he would enhance the Company's sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into branch management and overall technology. |                                                                                          |                                                                                                                                                  |

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| 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Tadashi Kamiya (Date of birth: October 19, 1963)                                                                   |  | New election                                                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Current position in the Company: Executive Officer                                                                 |  |                                                                                                                                               |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                    |  | Number of shares of the Company held: 4,587 (of the shares above, number of shares to be delivered subject to stock compensation plan: 1,301) |
| April 1986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Joined the Company                                                                                                 |  |                                                                                                                                               |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Administration Officer; General Manager, Engineering Division, Engineering Headquarters                            |  |                                                                                                                                               |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Executive Officer<br>To the present                                                                                |  |                                                                                                                                               |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Deputy Chief Executive Officer, Business Management Headquarters; in charge of work style reform<br>To the present |  |                                                                                                                                               |
| Reason for nomination as a candidate for Director<br>Since joining the Company, Mr. Tadashi Kamiya has accumulated a wealth of experience in design and installation fields and insight into overall technology. Also, as General Manager, he has achieved a satisfactory track record mainly in the Company’s industrial facilities installation business and engineering business. The Company nominates him as a candidate, expecting that he would enhance the Company’s sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into headquarters management and overall technology. |                                                                                                                    |  |                                                                                                                                               |

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| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Toshikazu Yokote (Date of birth: March 29, 1961)                                                      | New election                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Current position in the Company: Executive Officer                                                    |                                                                                                                                                |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                       | Number of shares of the Company held: 14,787 (of the shares above, number of shares to be delivered subject to stock compensation plan: 1,301) |
| April 1985                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Joined the Company                                                                                    |                                                                                                                                                |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Administration Officer; Branch General Manager, Hiroshima Branch                                      |                                                                                                                                                |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Executive Officer                                                                                     |                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | To the present                                                                                        |                                                                                                                                                |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Chief Executive Officer; Corporate Operations Headquarters; in charge of compliance<br>To the present |                                                                                                                                                |
| Reason for nomination as a candidate for Director<br>Since joining the Company, Mr. Toshikazu Yokote has accumulated a wealth of experience in design and installation fields and insight into overall technology. Also, as Branch General Manager, he has achieved a satisfactory track record mainly in the Company’s facilities installation business. The Company nominates him as a candidate, expecting that he would enhance the Company’s sustainable growth and its mid- to long-term corporate value and strengthen the function of the Board of Directors by drawing on his insight into branch management and overall technology. |                                                                                                       |                                                                                                                                                |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                         |                                                                                 |
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| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Kazuo Matsunaga (Date of birth: February 28, 1952)                                                      | Reelection<br>Outside Director<br>Independent Director                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Current position in the Company: Outside Director                                                       |                                                                                 |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                         |                                                                                 |
| April 1974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry) | Number of shares of the Company held: 0                                         |
| June 2004                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director, Nuclear and Industrial Safety Agency                                                          |                                                                                 |
| September 2005                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Director-General for Policy Planning and Coordination, Minister's Secretariat                           | Term of office as Outside Director (at the conclusion of this Meeting): 6 years |
| July 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Deputy Vice-Minister of Economy, Trade and Industry, Minister's Secretariat                             |                                                                                 |
| July 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director-General, Economic and Industrial Policy Bureau                                                 | Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)         |
| July 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Vice-Minister of Economy, Trade and Industry                                                            |                                                                                 |
| August 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Advisor to Ministry of Economy, Trade and Industry                                                      |                                                                                 |
| June 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Outside Director, the Company                                                                           |                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | To the present                                                                                          |                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | [Significant concurrent positions]                                                                      |                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Outside Director, Sony Corporation                                                                      |                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Outside Director, HASHIMOTO SOGYO HOLDINGS CO., LTD.                                                    |                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Representative Chairman of the Board, Mitsubishi Fuso Truck and Bus Corporation                         |                                                                                 |
| Reason for nomination as a candidate for Outside Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                         |                                                                                 |
| <p>Mr. Kazuo Matsunaga has a wealth of experience and insight into the fields of public administration and economics. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an independent perspective by drawing on his experiences. Although he has not participated in corporate management except as an outside director or outside corporate auditor, the Company has judged that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management, due to the above reasons.</p> <p>He served as a part-time advisor from July 2012 to June 2013, when he was elected as the Company's Outside Director at the Ordinary General Meeting of Shareholders, based on the premise that he would assume office as an Outside Director of the Company. As the advisory services he provided consisted of offering advice from the standpoint of an independent outsider, and as the advisory compensation paid to him was not a large amount (less than 10 million yen), the Company has judged that his independence as Outside Director is secured. The Company's criteria of independence for Outside Directors are as stated below in Note 3.</p> |                                                                                                         |                                                                                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                   |                                                                                                                                                                                                                      |
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| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Mitoji Yabunaka (Date of birth: January 23, 1948) | Reelection<br>Outside Director<br>Independent Director                                                                                                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Current position in the Company: Outside Director |                                                                                                                                                                                                                      |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                   |                                                                                                                                                                                                                      |
| <p>April 1969      Joined Ministry of Foreign Affairs of Japan</p> <p>December 2002      Director-General, Asian and Oceanian Affairs Bureau</p> <p>January 2005      Deputy Minister for Foreign Affairs (Economy)</p> <p>January 2007      Deputy Minister for Foreign Affairs (Political affairs)</p> <p>January 2008      Vice-Minister for Foreign Affairs</p> <p>August 2010      Advisor to Ministry of Foreign Affairs</p> <p>June 2014      Outside Director, the Company</p> <p>                    To the present</p> <p>[Significant concurrent positions]</p> <p>Outside Director, Mitsubishi Electric Corporation</p> <p>Outside Director, KOMATSU LTD.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                   | <p>Number of shares of the Company held: 0</p> <p>Term of office as Outside Director (at the conclusion of this Meeting): 5 years</p> <p>Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%)</p> |
| <p>Reason for nomination as a candidate for Outside Director</p> <p>Mr. Mitoji Yabunaka has a wealth of experience and insight into the fields of diplomacy and public administration. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an independent perspective by drawing on his experiences. Although he has not participated in corporate management except as an outside director or outside corporate auditor, the Company has judged that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management, due to the above reasons.</p> <p>He served as a part-time advisor from April 2012 to June 2014, when he was elected as the Company's Outside Director at the Ordinary General Meeting of Shareholders, based on the premise that he would assume office as an Outside Director of the Company. As the advisory services he provided consisted of offering advice from the standpoint of an independent outsider, and as the advisory compensation paid to him was not a large amount (less than 10 million yen), the Company has judged that his independence as Outside Director is secured. The Company's criteria of independence for Outside Directors are as stated below in Note 3.</p> |                                                   |                                                                                                                                                                                                                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                    |                                                                                                                                                                                                              |
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| 10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Kiyoshi Fujimura (Date of birth: November 3, 1949)                                                                 | Reelection<br>Outside Director<br>Independent Director                                                                                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Current position in the Company: Outside Director                                                                  |                                                                                                                                                                                                              |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                    |                                                                                                                                                                                                              |
| April 1972                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Joined Mitsubishi Corporation                                                                                      | Number of shares of the Company held: 0<br><br>Term of office as Outside Director (at the conclusion of this Meeting): 1 year<br><br>Attendance at the Board of Directors' meetings: 10/10 meetings (100.0%) |
| February 2002                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Director and President, Mitsubishi Corporation Financial & Management Services (Japan) Ltd.                        |                                                                                                                                                                                                              |
| June 2003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Corporate Auditor (full-time), Mitsubishi Corporation                                                              |                                                                                                                                                                                                              |
| June 2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Executive Officer, Corporate Functional Officer (CIO), Mitsubishi Corporation                                      |                                                                                                                                                                                                              |
| April 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Executive Vice President, Corporate Functional Officer (CIO), Mitsubishi Corporation                               |                                                                                                                                                                                                              |
| April 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Director and Executive Vice President, Corporate Functional Officer (CIO), Mitsubishi Corporation                  |                                                                                                                                                                                                              |
| April 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Director and Executive Vice President, officer in charge of auditing and internal controls, Mitsubishi Corporation |                                                                                                                                                                                                              |
| June 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Resigned from Mitsubishi Corporation                                                                               |                                                                                                                                                                                                              |
| June 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Outside Director, the Company                                                                                      |                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | To the present                                                                                                     |                                                                                                                                                                                                              |
| [Significant concurrent positions]<br>Outside Corporate Auditor, TDK Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                    |                                                                                                                                                                                                              |
| Reason for nomination as a candidate for Outside Director<br>Mr. Kiyoshi Fujimura has a wealth of experience and insight as a director and CIO of a general trading company. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an independent perspective by drawing on his experiences and that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management.<br>Although the Company has a normal business relationship, including installation work orders and equipment procurement, etc. with Mitsubishi Corporation, the company to which Mr. Fujimura belonged, the Company has judged that his independence as Outside Director is secured as the amount of trading with that company is nominal, accounting for 0.13% (truncated to the second decimal place) of the net sales of the Company. The Company's criteria of independence for Outside Directors are as stated below in Note 3. |                                                                                                                    |                                                                                                                                                                                                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                   |                                                          |
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| 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Yoko Seki (Date of birth: August 30, 1970)                                                                        | New Election<br>Outside Director<br>Independent Director |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Current position in the Company: none                                                                             |                                                          |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                   | Number of shares of the<br>Company held: 0               |
| April 1994                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Passed Certified Public Accountant Examination                                                                    |                                                          |
| September 2000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Passed National Bar Examination                                                                                   |                                                          |
| October 2002                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Registered as attorney                                                                                            |                                                          |
| December 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Joined Ginza Prime Law Office                                                                                     |                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                    |                                                          |
| June 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Outside Corporate Auditor, Mitsui Life Insurance Company Ltd. (currently<br>TAIJU LIFE INSURANCE COMPANY LIMITED) |                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                    |                                                          |
| November 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Supervisory Director, AEON REIT Investment Corporation                                                            |                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                    |                                                          |
| April 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Professor at Kokushikan University                                                                                |                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                    |                                                          |
| July 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Outside Corporate Auditor, NIPPON VIEW HOTEL Co., Ltd.                                                            |                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                    |                                                          |
| [Significant concurrent positions]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                   |                                                          |
| Outside Corporate Auditor, TAIJU LIFE INSURANCE COMPANY LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                   |                                                          |
| Supervisory Director, AEON REIT Investment Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                   |                                                          |
| Outside Corporate Auditor, NIPPON VIEW HOTEL Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                   |                                                          |
| Reason for nomination as a candidate for Outside Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                   |                                                          |
| Ms. Yoko Seki has a wealth of experience and insight as an attorney and certified public accountant. The Company nominates her as a candidate, expecting that she would supervise the management and execute the checking function from an independent perspective by drawing on her experiences. Although she has not participated in corporate management except as an outside director or outside corporate auditor, the Company has judged that she would appropriately perform her duties as Outside Director, including the provision of valuable suggestions and opinions to the Company’s management, due to the above reasons. The Company’s criteria of independence for Outside Directors are as stated below in Note 3. |                                                                                                                   |                                                          |

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. The attendance rate is given to one decimal place.
3. The Company's criteria of independence for Outside Directors are as follows.
  - (1) They are not a party that considers the Company a major business partner (Note) or an individual who executes business of such a party.  
Note: "Major business partner" here is defined as a corporation that in the previous fiscal year and three past fiscal years (the "fiscal years of interest") has conducted transactions in any of the fiscal years of interest that total, as a rule, 2% or more of its net sales.
  - (2) They are not a party that the Company considers a major business partner (Note) or an individual who executes business of such a party.  
Note: "Major business partner" here is defined as a corporation that in the previous fiscal year and three past fiscal years (the "fiscal years of interest") has conducted transactions in any of the fiscal years of interest that total, as a rule, 2% or more of the Company's net sales.
  - (3) They are not a consultant, accounting specialist, or legal specialist that receives large amounts of monetary or other assets (Note) from the Company aside from executive compensation (in the case that the party receiving the assets is a legal entity or association, this applies to individuals who belong thereto).  
Note: "Large amounts of monetary or other assets" here is defined as assets valued in total, as a rule, at 10 million yen or greater over the course of a single fiscal year.
  - (4) They are not a party or an individual that recently would fall under the following 1) to 4).
    - 1) A party or an individual that would fall under (1), (2), or (3).
    - 2) An individual who executes business or non-executive director of the Company's parent company.
    - 3) A corporate auditor of the Company's parent company (applicable only when Outside Corporate Auditors are selected as independent officers).
    - 4) An individual who executes business of a fellow subsidiary company.
  - (5) They are not a close relative (Note) to an individual that would fall under the following 1) to 8) (however, not applicable when the individual is not a significant person (Note)).
    - 1) A party or an individual that would fall under (1) to (4).
    - 2) An accounting counselor of the Company. (In the case that the accounting counselor is a legal entity, this includes individuals who conduct that entity's duties. This clause also applies to the following items.) (Applicable only when Outside Corporate Auditors are selected as independent officers.)
    - 3) An individual who executes business of a subsidiary company of the Company.
    - 4) A director or accounting counselor of a subsidiary company of the Company who is not an individual who executes business (applicable only when Outside Corporate Auditors are selected as independent officers).
    - 5) An individual who executes business or non-executive director of the Company's parent company.
    - 6) A corporate auditor of the Company's parent company (applicable only when Outside Corporate Auditors are selected as independent officers).
    - 7) An individual who executes business of a fellow subsidiary company.
    - 8) A party who has recently fallen under 3) or 4) above, or who has recently been an individual who executes business of a listed company (including non-executive directors in the case that Outside Corporate Auditors are selected as independent officers).  
Notes: "Significant person" here is defined in the case of an individual who executes business in (1) and (2) as an officer or division director of the company or business partner referred to, and in the case of parties in (3) as certified public accountants belonging to audit firms referred to and attorneys (including "associates") belonging to law offices referred to. "Close relative" here is defined as a relative within two degrees.
4. The Company has concluded liability limitation agreements with each of Mr. Kazuo Matsunaga, Mr. Mitoji Yabunaka and Mr. Kiyoshi Fujimura to limit their liabilities for damages to the aggregated amount set out in each item of Article 425, Paragraph 1 of the Companies Act, concerning the liabilities under Article 423, Paragraph 1 of the Companies Act, if gross negligence has not been committed and they perform their duties in good faith. If each of them is reelected as Director and assumes office, the Company plans to continue such agreements with each of them. Additionally, if Ms. Yoko Seki is elected as Director and assumes office, the Company plans to conclude a similar agreement with her.
5. If the proposal of the election of Mr. Kazuo Matsunaga, Mr. Mitoji Yabunaka, Mr. Kiyoshi Fujimura and Ms. Yoko Seki is approved, Mr. Kazuo Matsunaga, Mr. Mitoji Yabunaka and Mr. Kiyoshi Fujimura will continue to be designated, and Ms. Yoko Seki will be newly designated, as independent officers stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange. The Company plans to report such designation to the Tokyo Stock Exchange.
6. In March 2014, when Mr. Mitoji Yabunaka was an Outside Director for Kawasaki Kisen Kaisha, Ltd., the company was found to have acted in violation of antitrust laws regarding the transportation of vehicles and other cargo and was thus delivered a cease and desist order by the Fair Trade Commission alongside a monetary penalty payment order, accepted a



plea bargain in September 2014 agreeing to pay a fine to the US Department of Justice for the same violation, and was ordered to pay a fine in December 2015 by the Chinese National Development and Reform Commission for the same violation. While Mr. Yabunaka was not previously aware of this violation, he had frequently expressed the importance of compliance with laws and regulations at meetings of the Board of Directors, and following the discovery of this violation has conducted a thorough investigation and given instructions to prevent a recurrence of such an action. Additionally, in January 2016, when Mr. Mitoji Yabunaka was an Outside Director for Mitsubishi Electric Corporation, the company was fined by the EU General Court for violating EU competition policy regarding sales of gas-insulated switchgears in Europe. Though these actions occurred prior to Mr. Yabunaka's election to his position, he has since made specific comments and given opinions regarding compliance with laws and regulations and has also given advice regarding the prevention of a recurrence of such actions. Also, in February 2016, when Mr. Mitoji Yabunaka was an Outside Director for Mitsubishi Electric Corporation, the company was ordered to take corrective measures and was levied with a charge by the Korea Fair Trade Commission for violating Korean antitrust regulations in connection with the bidding on automotive starter motors. Though these actions occurred prior to Mr. Yabunaka's election to his position, he has since made specific comments and given opinions regarding compliance with laws and regulations and has also given advice regarding the prevention of a recurrence of such actions. Additionally, in April 2017, when Mr. Mitoji Yabunaka was an Outside Director for Mitsubishi Electric Corporation, the company was levied with a charge by the Ontario Court of Justice for violating Canadian competition laws in connection with transactions involving automotive alternators and ignition coils. Though these actions occurred prior to Mr. Yabunaka's election to his position, he has since made specific comments and given opinions regarding compliance with laws and regulations and has also given advice regarding the prevention of a recurrence of such actions.

7. In July 2016, when Mr. Kiyoshi Fujimura was an Outside Director for TDK Corporation, the company was subject to an on-site inspection under antitrust laws by the Fair Trade Commission with regard to its HDD suspension business, and in February 2018, the company was delivered a cease and desist order and a monetary penalty payment order pursuant to the provisions of antitrust laws. He has made specific comments and given opinions regarding compliance with laws and regulations and has also given advice regarding the prevention of a recurrence of such actions.
8. The number of shares of the Company held by each candidate includes the number of shares actually owned under the name of the officers' shareholding association and the number of shares to be delivered to officers (shown in parentheses in each Director's profile information) when they leave office pursuant to the stock compensation plan.

Details of shares of the Company to be delivered under stock compensation plan

The Company discontinued stock compensation type stock options and introduced a stock compensation plan (the "Plan") to its officers, etc. (excluding Outside Directors and overseas residents; the same applies below) from fiscal year 2018. The number of shares to be delivered to candidates under the Plan includes the number of shares of the Company equivalent to the number of points to be granted on June 1, 2019 as well as the number of shares of the Company equivalent to the number of points granted under the Plan on October 1, 2018 in accordance with the number of shares that were subject to waived stock acquisition rights upon the commencement of the Plan as a measure for transitioning from the stock compensation type stock options. The actual delivery of shares to officers will be made when they leave office. Voting rights for shares to be delivered under the Plan will not be exercised until the shares are actually delivered to each of the candidates in the future. The Company plans to sell the number of shares equivalent to 30% of the shares to be delivered on the market in order to secure funds for tax payments and plans to pay the candidates from the proceeds of the shares sold.

**Proposal 3:** Election of One (1) Corporate Auditor

The terms of office of Corporate Auditor Mr. Yukitoshi Yamamoto will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the election of one (1) Corporate Auditor is proposed.

The candidate is as follows.

The Board of Corporate Auditors has already given consent to this proposal.

The Company determines the candidate for nomination at the Board of Directors' meeting after deliberation at the Nomination and Compensation Committee by thoroughly taking into account such factors as the candidate possessing a wealth of experiences and knowledge in his specialty fields and the expectation that the candidate would supervise the management and execute the checking function.

|                                                                                                                                                                                                                                                                                                                   | Yukitoshi Yamamoto (Date of birth: November 23, 1951)                                                                                   | Reelection                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                   | Current position in the Company: Full-time Corporate Auditor                                                                            |                                                                         |
| Past experience, positions, responsibilities and significant concurrent positions                                                                                                                                                                                                                                 |                                                                                                                                         | Number of shares of the Company held: 25,656                            |
| April 1974                                                                                                                                                                                                                                                                                                        | Joined the Company                                                                                                                      | Term of office as Director (at the conclusion of this Meeting): 4 years |
| April 2007                                                                                                                                                                                                                                                                                                        | Technical First General Manager, Tokyo Main Office; General Manager, Quality and Environment Division; General Manager, Safety Division |                                                                         |
| April 2011                                                                                                                                                                                                                                                                                                        | General Manager, General Affairs Headquarters, Human Resource Development Division                                                      |                                                                         |
| April 2012                                                                                                                                                                                                                                                                                                        | Executive Officer                                                                                                                       |                                                                         |
| April 2013                                                                                                                                                                                                                                                                                                        | Managing Executive Officer; Deputy General Manager, Management Headquarters; General Manager, Human Resource Development Division       | Attendance at the Board of Directors' meetings: 12/12 meetings (100.0%) |
| April 2014                                                                                                                                                                                                                                                                                                        | Deputy Group General Manager, Corporate Administration Group; General Manager, Human Resource Development and General Affairs           | Attendance at the Board of Corporate Auditors' meetings: 13/13 (100.0%) |
| April 2015                                                                                                                                                                                                                                                                                                        | Advisor                                                                                                                                 |                                                                         |
| June 2015                                                                                                                                                                                                                                                                                                         | Full-time Corporate Auditor                                                                                                             |                                                                         |
|                                                                                                                                                                                                                                                                                                                   | To the present                                                                                                                          |                                                                         |
| Reason for nomination as a candidate for Corporate Auditor                                                                                                                                                                                                                                                        |                                                                                                                                         |                                                                         |
| The Company nominates Mr. Yukitoshi Yamamoto as a candidate, expecting that he would continue to supervise and check business management by using his knowledge of construction, overall technology such as technological administration, and general administration such as general affairs and human resources. |                                                                                                                                         |                                                                         |

(Notes)

1. There are no special interests between the candidate for Corporate Auditor and the Company.
2. The number of shares of the Company held by the candidate includes the number of shares actually owned under the name of the officers' shareholding association.

END