

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 7729)
June 6th, 2017

To Shareholders with Voting Rights:

Hitoshi Yoshida
President and CEO
Tokyo Seimitsu Co., Ltd.
2968-2, Ishikawa-machi, Hachioji, Tokyo

**NOTICE OF
THE 94TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 94th Annual General Meeting of Shareholders of Tokyo Seimitsu Co., Ltd. (the “Company”). The meeting will be held for the purposes described below.

If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights after reading “Guidance on Exercising Voting Rights” on the following page.

- 1. Date and Time:** Monday, June 26th, 2017 at 10 a.m. Japan time
- 2. Place:** “Sho-oh,” 5th Floor, Keio Plaza Hotel Hachioji
located at 14-1, Asahi-cho, Hachioji, Tokyo, Japan
*The room has been changed from the previous years.
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, the Consolidated Financial Statements for the Company’s 94th Fiscal Year (April 1st, 2016 – March 31st, 2017) and the results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. The Non-Consolidated Financial Statements for the Company’s 94th Fiscal Year (April 1st, 2016 – March 31st, 2017)

Proposals to be resolved:

- Proposal 1:** Dividends of Surplus
- Proposal 2:** Election of 11 Directors
- Proposal 3:** Election of 2 Auditors
- Proposal 4:** Entrusting the Board of Directors of the Company with the Determination of Subscription Requirements for the Issuance of Stock Acquisition Rights as Stock Options to Directors and Employees of the Company and Some Directors and Employees of Its Subsidiaries under Especially Favorable Conditions

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Modifications, if any, to the Reference Documents for the General Meeting of Shareholders, as well as the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements, will be posted on the Company's website (<http://www.accretech.jp/>).
- The Notes to the Consolidated Financial Statements and the Notes to the Non-Consolidated Financial Statements are provided to shareholders of the Company by being posted them on the Company's website (<http://www.accretech.jp/>) in accordance with laws and regulations and Article 16 of the Articles of Incorporation, and accordingly are not included in the Attachments of this convocation notice. The Consolidated Financial Statements and the Non-consolidated Financial Statements in the Attachment of this convocation notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements subject to audits when the Accounting Auditor prepared its Independent Auditor's Report and the Board of Auditors prepared its Audit Report.
- Please note that no informal gathering for discussion after the conclusion of the meeting is scheduled.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference

Proposal 1: Dividends of Surplus

We hereby propose to distribute the following year-end dividends for the 94th fiscal year based on a consolidated dividend payout ratio of approximately 30% set forth in “Policy for Profit Distribution to Shareholders.”

1. Type of property for dividends: Cash
2. Matters concerning allotment of dividend property to shareholders and the total amount thereof
The Company’s common shares: ¥38 per share
Total amount to be distributed: ¥1,575,470,956
3. Effective date for the dividends of surplus: June 27th, 2017

[Policy for Profit Distribution to Shareholders]

The Company believes the most important management task for the Company is to enhance its corporate value and constantly distribute profits to shareholders through a business model of providing World’s No. 1 products based on state-of-the-art technologies in the growing market.

The Company considers maintaining a core policy regarding the distribution of profits linked to the business performance of the Company and the Company aims to pay stable dividends targeting a consolidated dividend payout ratio of 30%. Also, considering the aim to provide stable and continuous dividend payments, the Company deems to maintain an annual dividend of ¥20 per share regardless of consolidated profits of the Company. However, it is at the discretion of the Board to review this basic policy if the Company experiences deficit in two consecutive years.

The Company’s normal operating procedure for dividends is to pay a dividend twice a year. The General Meeting of Shareholders determines the year-end dividend and the Company’s Board of Directors decides the interim dividend.

Internal reserves will be used effectively for the research and development and capital investment for state-of-the-art technologies, overseas development, sophistication of Information systems, new business development, and M&A investment. Also, since our product lines are greatly impacted by economic fluctuations, the Company considers it important to maintain and strengthen the soundness of our financial position and prepare for possible economic downturns.

The Company’s acquisition of its own outstanding stock is a flexible measure for the profit return that supplements its dividends from retained earnings. The Company will comprehensively analyze its cash flows and internal reserves before undertaking acquisition of its own stock.

Proposal 2: Election of 11 Directors

The terms of office of all 11 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, we hereby propose that 11 Directors be elected.

The candidates are as follows. Matters related to them are as described in pages 4 through 10.

Each candidate can properly perform duties of Directors; is excellent in dignity, ethics and insight, regardless of individual attributes such as sex and nationality; and well-informed about corporate management and operations of the Company.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<p style="text-align: center;">Reappointment</p> <p style="text-align: center;">Kunimasa Ota (February 16th, 1949)</p>	<p>April 1971 Joined the Fuji Bank, Limited</p> <p>April 1996 General Manager, Kobe branch of the Fuji Bank</p> <p>April 2001 Joined the Company</p> <p>June 2002 Director</p> <p>April 2003 President, Administration Company</p> <p>October 2004 Representative Director and CFO</p> <p>April 2011 President and CEO</p> <p>April 2015 Chairman</p> <p>April 2017 Chairman (to present)</p> <p>There is no special interest between the candidate and the Company.</p>	15,410
<p>[Reasons for nominating the candidate for Director]</p> <p>As Chairman, Mr. Kunimasa Ota appropriately explains proposals to be resolved and matters to be reported at the Board of Directors and fully plays roles in deciding important managerial matters and supervising business execution. Accordingly, we consider that he is suitable for continuing to supervise the Board of Directors and aiming for sustainable growth of the Company.</p>			
2	<p style="text-align: center;">Reappointment</p> <p style="text-align: center;">Hitoshi Yoshida (November 26th, 1959)</p>	<p>April 1983 Joined the Company</p> <p>April 2000 Leader, Multipurpose Measuring Instruments Group, Metrology Group, Tsuchiura Plant, Production Division</p> <p>April 2002 Executive Officer, Metrology Company</p> <p>April 2005 Managing Executive Officer, Metrology Company</p> <p>June 2005 Director</p> <p>October 2007 President, Metrology Company</p> <p>June 2011 Representative Director</p> <p>April 2015 President and CEO (to present)</p> <p style="text-align: center;">In charge of Metrology Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Chairman, Accrettech (China) Co., Ltd. The Company has a business relationship of selling its products to this company. • Outside Statutory Auditor, TSUGAMI CORPORATION <p>There is no special interest between the candidate and the Company.</p>	6,300
<p>[Reasons for nominating the candidate for Director]</p> <p>As President and CEO, Mr. Hitoshi Yoshida supervises the overall Group, takes command of management and sufficiently plays roles in deciding important managerial matters and supervising business execution. Accordingly, we consider that he is the right person for pushing ahead with global management with his strong leadership based on his extensive experience and track records as a Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p style="text-align: center;"><u>Reappointment</u></p> <p>Ryuichi Kimura (December 30th, 1962)</p>	<p>April 1986 Joined the Company</p> <p>April 2005 Executive Officer, Semiconductor Company Manager of the Tokyo Office and the Osaka Office, Sales Division</p> <p>June 2005 Director</p> <p>April 2007 Managing Executive Officer, Semiconductor Company</p> <p>August 2007 President, Semiconductor Company</p> <p>June 2011 Representative Director</p> <p>April 2015 Executive Vice President and COO (to present) In charge of Semiconductor Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Chairman, Accretech America Inc. • Chairman, Accretech (Europe) GmbH • Chairman, Accretech Taiwan Co., Ltd. <p>The Company has a business relationship of selling its products to each of these companies.</p> <p>There is no special interest between the candidate and the Company.</p>	2,812
<p>[Reasons for nominating the candidate for Director]</p> <p>As Executive Vice President and COO, Mr. Ryuichi Kimura takes command of the overall Group and fully plays roles in deciding important managerial matters and supervising business execution. Accordingly, we consider that he is the right person for realizing global management by leveraging his abundant experience in, and knowledge of, the semiconductor manufacturing equipment business, which is a principal business of the Group.</p>			
4	<p style="text-align: center;"><u>Reappointment</u></p> <p>Koichi Kawamura (October 5th, 1957)</p>	<p>April 1980 Joined the Fuji Bank, Limited</p> <p>April 2007 General Manager, Financial Institutions & Public Sector Promotion Department of the same bank</p> <p>April 2008 Joined the Company</p> <p>April 2009 Managing Executive Officer, Administration Company</p> <p>June 2009 Director</p> <p>April 2011 President, Administration Company</p> <p>April 2015 In charge of Administration Company (to present)</p> <p>June 2015 Representative Director and CFO (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • President, Tosei Systems Co., Ltd. <p>The Company entrusts this company with the development of software relative to its products.</p> <ul style="list-style-type: none"> • President, Accretech Finance Co., Ltd. <p>The Company receives the provision of financial services from this company.</p> <ul style="list-style-type: none"> • Chairman, Accretech Korea Co., Ltd. <p>The Company has a business relationship of selling its products to this company.</p> <p>There is no special interest between the candidate and the Company.</p>	5,300
<p>[Reasons for nominating the candidate for Director]</p> <p>As Representative Director and CFO, Mr. Koichi Kawamura takes command of the overall Group and fully plays roles in deciding important managerial matters and supervising business execution. Accordingly, we consider that he is the right person for realizing growth of each business, improvement of performance of the Group as a whole and financial strategies by making the most of his extensive experience and knowledge acquired at financial institutions.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<p style="text-align: center;"><u>Reappointment</u></p> <p style="text-align: center;">Akihiro Endo (January 10th, 1958)</p>	<p>April 1981 Joined the Oki Electric Industry Co., Ltd. Process Research Section #1, VLSI Research Center, ED Division</p> <p>October 2002 Joined the Company General Manager, Lithography System Group, Semiconductor Company</p> <p>October 2005 Leader, CMP Group; Executive Officer, Semiconductor Company</p> <p>April 2009 Managing Executive Officer, Semiconductor Company General Manager, Technology Division, Semiconductor Company (to present)</p> <p>April 2012 Senior Executive Officer, Semiconductor Company (to present)</p> <p>June 2012 Director (to present)</p> <p>There is no special interest between the candidate and the Company.</p>	2,500
<p>[Reasons for nominating the candidate for Director] Mr. Akihiro Endo has engaged in the technology division of semiconductor manufacturing equipment, which is a principal business of the Group, for many years and sufficiently plays roles in deciding important managerial matters and supervising business execution as a Director, by leveraging his abundant experience and knowledge. Accordingly, we consider that he is the right person for realizing growth of business and technological strategies.</p>			
6	<p style="text-align: center;"><u>Reappointment</u></p> <p style="text-align: center;">Masahiro Tomoeda (May 4th, 1955)</p>	<p>April 1986 Joined the Company</p> <p>April 2001 Deputy Advisor, Sales Engineering and Marketing Department, Measurement Technology Sales, Sales Division</p> <p>October 2002 Executive Officer, Metrology Company; General Manager, Japan Sales Department III</p> <p>April 2005 Managing Executive Officer, Metrology Company</p> <p>April 2009 General Manager, Sales Division, Metrology Company (to present)</p> <p>April 2013 Senior Executive Officer, Metrology Company (to present)</p> <p>June 2014 Director (to present)</p> <p>There is no special interest between the candidate and the Company.</p>	2,900
<p>[Reasons for nominating the candidate for Director] Mr. Masahiro Tomoeda has engaged in the field of measuring instruments, which is a principal business of the Group, for many years and sufficiently plays roles in deciding important managerial matters and supervising business execution as a Director, by leveraging his extensive experience and knowledge. Accordingly, we consider that he is the right person for realizing growth of business and global sales strategies.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	<p style="text-align: center;"><u>Reappointment</u></p> <p>Takahiro Hokida (April 24th, 1962)</p>	<p>October 1995 Joined the Company</p> <p>April 2009 Leader, Prober System Group, Test Technology Department, Technology Division, Semiconductor Company (to present)</p> <p>April 2010 Executive Officer, Semiconductor Company</p> <p>April 2012 General Manager, Test Technology Department, Technology Division, Semiconductor Company (to present)</p> <p>April 2014 Managing Executive Officer, Semiconductor Company (to present)</p> <p>June 2015 Director (to present)</p> <p>October 2015 General Manager, Information System Department, Administration Company (to present)</p> <p>There is no special interest between the candidate and the Company.</p>	1,300
<p>[Reasons for nominating the candidate for Director]</p> <p>Mr. Takahiro Hokida has engaged in probing machines, among semiconductor manufacturing equipment, which are mainstay products of the Group, for many years and sufficiently plays roles in deciding important managerial matters and supervising business execution as a Director, by making the most of his abundant experience and knowledge. Accordingly, we consider that he is the right person for realizing growth of business, technological innovation and information strategies.</p>			
8	<p style="text-align: center;"><u>Reappointment</u></p> <p>Wolfgang Bonatz (December 21st, 1964)</p>	<p>October 1992 Joined the Tokyo Seimitsu Europe GmbH (currently Accretech (Europe) GmbH)</p> <p>April 1996 General Manager, Operation Department, Tokyo Seimitsu Europe GmbH</p> <p>November 1999 Director, Tokyo Seimitsu Europe GmbH</p> <p>October 2001 President, Tokyo Seimitsu Europe GmbH (to present)</p> <p>June 2002 Director of the Company (to present)</p> <p>[Significant concurrent positions]</p> <p>• President, Accretech (Europe) GmbH</p> <p>The Company has a business relationship of selling its products to this company.</p> <p>There is no special interest between the candidate and the Company.</p>	2,700
<p>[Reasons for nominating the candidate for Director]</p> <p>Mr. Wolfgang Bonatz has engaged in the management of an overseas subsidiary of the Company and fully plays roles in deciding important managerial matters and supervising business execution as a Director, by leveraging his abundant experience and knowledge. Accordingly, we consider that he is the right person for realizing growth strategies of the Group's overseas operations.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
9	<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">External Director</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Director</div> </div> <p>Hirokazu Matsumoto (September 28th, 1947)</p> <p>Rate of attendance at the Board of Directors meetings in FY2017/3 100% (18/18)</p>	<p>April 1976</p> <p>March 1983</p> <p>February 1988</p> <p>October 1995</p> <p>August 1997</p> <p>April 1999</p> <p>April 2001</p> <p>January 2007</p> <p>April 2008</p> <p>April 2013</p> <p>June 2013</p> <p>There is no special interest between the candidate and the Company.</p>	<p>Researcher, Optical Metrology Section, Department 1, National Research Laboratory of Metrology, Agency of Industrial Science and Technology</p> <p>Visiting Researcher, U.S. National Standards Bureau</p> <p>Chief, Optical Metrology Laboratory, Quantum Department, National Research Laboratory of Metrology, Agency of Industrial Science and Technology</p> <p>Research Planning Officer, Agency of Industrial Science and Technology</p> <p>Head, Research Sub-department, Quantum Department, Agency of Industrial Science and Technology</p> <p>Visiting Professor, Cooperative Graduate School, Tokyo University of Science</p> <p>Deputy Director and Chief, Length Measurement Section, Metrology Department, National Institute of Advanced Industrial Science and Technology</p> <p>Senior Researcher, Metrology Department, National Institute of Advanced Industrial Science and Technology</p> <p>Project Professor, Department of Precision Engineering, Graduate School of Engineering, University of Tokyo</p> <p>Project Researcher, Graduate School of Engineering, University of Tokyo (to present)</p> <p>External Director of the Company (to present)</p>	-
<p>[Reasons for nominating the candidate for External Director]</p> <p>Although he has no experience of having directly engaged in corporate management other than as an External Director of the Company, Mr. Hirokazu Matsumoto has professional expertise at administrative agencies, research institutes and universities, as well as abundant experience overseas and broad knowledge. We therefore ask shareholders to elect him as an External Director as he is providing valuable opinions and advice on the management of the Company.</p> <p>Mr. Hirokazu Matsumoto is a candidate for External Director. His term of office as an External Director of the Company will be four years at the conclusion of this Annual General Meeting of Shareholders. As he satisfies Standards for Independence of External Officers established by the Company (page13), the Company has appointed him as an Independent Director as prescribed in the regulations of Tokyo Stock Exchange, Inc. and intends to continue to appoint him as such. In addition, pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, Mr. Matsumoto entered into a liability limitation agreement with the Company to limit his liability for compensation for damages, which is stipulated in Article 423, Paragraph 1 of the Act. The Company intends to continue this agreement. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">External Director</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Director</div> Shozo Saito (July 9 th , 1950) Rate of attendance at the Board of Directors meetings in FY2017/3 100% (18/18)	June 2007 Executive Officer Corporate Senior Vice President, TOSHIBA CORPORATION June 2010 Executive Officer Corporate Executive Vice President, TOSHIBA CORPORATION June 2012 Director and Representative Executive Officer Corporate Senior Executive Vice President, TOSHIBA CORPORATION June 2013 Retired from Director of TOSHIBA CORPORATION External Corporate Director, IBIDEN CO., LTD. June 2015 External Director of the Company (to present) [Significant concurrent positions] • Representative Director/Chairman, Nippon Electronic Device Industry Association (NEDIA) • Chairman, Device & System Platform Development Center Co., Ltd. There is no special interest between the candidate and the Company.	-
10		<p>[Reasons for nominating the candidate for External Director]</p> <p>Mr. Shozo Saito is active in diverse fields by serving as the Chairman and President of several organizations in the semiconductor and electronic device industries. We therefore ask shareholders to elect him as an External Director as we anticipate that he will be able to provide valuable opinions and advice on the management of the Company and to nurture and improve our executives and employees through his excellent knowledge about different industries and experience in the corporate management of a large-scale corporation, which also will be highly useful in addressing the interests of our shareholders.</p> <p>Mr. Shozo Saito is a candidate for External Director. His term of office as an External Director of the Company will be two years at the conclusion of this Annual General Meeting of Shareholders. Although the Company has a business relationship of selling its products to TOSHIBA CORPORATION, where he served as a Director, the transaction amount accounts for less than 2% of consolidated net sales. As he satisfies Standards for Independence of External Officers established by the Company (page13), the Company has appointed him as an Independent Director as prescribed in the regulations of Tokyo Stock Exchange, Inc. and intends to continue to appoint him as such. In addition, pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, Mr. Saito entered into a liability limitation agreement with the Company to limit his liability for compensation for damages, which is stipulated in Article 423, Paragraph 1 of the Act. The Company intends to continue this agreement. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. He had served as Executive Officer and Director of TOSHIBA CORPORATION up to June 2013. In September 2015, the company submitted amendment reports in relation to its Annual Securities Reports for the fiscal year ended March 2010 through the fiscal year ended March 2014 due to improper accounting practices, and paid an administrative monetary penalty in January 2016. Also, in response to the request of its shareholders that the company file an action seeking liability against officers, the company sued its five former officers, including former presidents, for damages in November 2015 pursuant to a decision of the Audit Committee. Mr. Shozo Saito is not included in the five defendants.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
11	<p data-bbox="204 488 400 551"><u>New appointment</u> <u>External Director</u></p> <p data-bbox="185 613 419 676">Donglei Tang (November 27th, 1962)</p>	<p data-bbox="432 320 1286 376">November 2005 Joined TSUGAMI CORPORATION President, PRECISION TSUGAMI (CHINA) CORPORATION</p> <p data-bbox="432 383 1286 501">June 2010 Director, Managing Executive Officer, TSUGAMI CORPORATION Vice Chairman and CEO, PRECISION TSUGAMI (CHINA) CORPORATION (to present)</p> <p data-bbox="432 508 1286 539">June 2013 Director, Senior Advisor, TSUGAMI CORPORATION</p> <p data-bbox="432 546 1286 624">May 2015 Director, Precision Tsugami (Hong Kong) Limited (to present) CEO, Precision Tsugami (China) Corporation Limited (to present)</p> <p data-bbox="432 631 1286 687">February 2017 Retired from Director of TSUGAMI CORPORATION [Significant concurrent positions]</p> <ul data-bbox="432 694 1286 786" style="list-style-type: none"> • Vice Chairman and CEO, PRECISION TSUGAMI (CHINA) CORPORATION • Director, Precision Tsugami (Hong Kong) Limited • CEO, Precision Tsugami (China) Corporation Limited 	-
<p data-bbox="419 819 1118 846">There is no special interest between the candidate and the Company.</p> <p data-bbox="185 853 715 880">[Reasons for nominating the candidate for Director]</p> <p data-bbox="185 887 1458 1032">Mr. Donglei Tang has engaged in the management of local entities in China in the manufacturing industry for many years and has abundant managerial experience and deep insight especially into China. We therefore ask shareholders to elect him as an External Director as we consider that he will be able to provide extensive advice on overall management and China which is important in all businesses including measurement and semiconductor and his provision of advice will significantly contribute to the Company's management.</p> <p data-bbox="185 1039 1410 1158">Although the Company has a business relationship of selling its products to TSUGAMI CORPORATION, which is the parent company of PRECISION TSUGAMI (CHINA) CORPORATION where he serves concurrently, the transaction amount accounts for less than 2% of consolidated net sales. Furthermore, a candidate for Director, Mr. Hitoshi Yoshida, serves as Outside Statutory Auditor of TSUGAMI CORPORATION concurrently.</p> <p data-bbox="185 1187 1458 1330">Mr. Donglei Tang is a candidate for External Director. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into a liability limitation agreement with Mr. Tang to limit his liability for compensation for damages, which is stipulated in Article 423, Paragraph 1 of the Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>			

Proposal 3: Election of 2 Auditors

The terms of office of one Auditor will expire at the conclusion of this Annual General Meeting of Shareholders, and External Auditor Mr. Yoshiharu Kikuchi submitted a resignation notice to the effect that he will resign from office at this Annual General Meeting of Shareholders due to personal reasons. Accordingly, we hereby propose that two Auditors be elected.

The Board of Auditors has previously given its consent to this proposal.

The candidates are as follows.

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
1	<p style="text-align: center;"> Reappointment External Auditor Independent Auditor </p> <p>Naomi Inoue (November 6th, 1950)</p> <p>Rate of attendance at the Board of Directors meetings in FY2017/3 94% (17/18)</p> <p>Rate of attendance at the Board of Auditors meetings in FY2017/3 100% (6/6)</p>	<p>April 2007 Executive Managing Director, Mizuho Bank Ltd. June 2008 Retired from Director of Mizuho Bank Ltd. June 2013 President and Director, Joban Kosan., Ltd. (to present) June 2013 External Auditor of the Company (to present)</p> <p>[Significant concurrent positions] • President , Joban Kosan., Ltd.</p> <p>There is no special interest between the candidate and the Company.</p>	-
<p>[Reasons for nominating the candidate for External Auditor]</p> <p>The term of office of Mr. Naomi Inoue as an External Auditor of the Company will be four years at the conclusion of this Annual General Meeting of Shareholders. During his term of office, he has monitored overall management appropriately and provided extensive and useful advice based on abundant experience and broad knowledge as a corporate manager. Furthermore, he chairs Information and Opinion Exchange Meeting of External Officers which consists of External Directors and External Auditors, and is making efforts to incorporate the functions of External Officers into the management of the Company, by actively providing advice which contributes to the management and actively encouraging other External Officers to provide their opinions. We therefore ask shareholders to elect him as an External Auditor to reflect his track records to further strengthen the audit system of the Company.</p> <p>Furthermore, As he satisfies Standards for Independence of External Officers established by the Company (page13), the Company has appointed him as an Independent Auditor as prescribed in the regulations of Tokyo Stock Exchange, Inc. and intends to continue to appoint him as such.</p> <p>Pursuant to the provision of Article 427, Paragraph 1 of the companies Act, the Company and Mr. Naomi Inoue intend to continue this liability limitation agreement to limit his liability for compensation for damages, which is stipulated in Article 423, Paragraph 1 of the Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>			

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
2	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">New appointment</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">External Auditor</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Auditor</div> <p>Masahiro Maeda (July 15th, 1957)</p>	<p>March 1981 Joined Tohmatsu Aoki & Co January 1991 Joined Tadashi Furumoto Certified public Accounting and Tax Office</p> <p>January 2000 Representative, Masahiro Maeda Certified Public Accounting and Tax Office (to present)</p> <p>February 2000 Representative, Mas Tax Consulting Co., Ltd. (to present)</p> <p>February 2005 CEO, Revival Support Co. Ltd. (to present)</p> <p>June 2015 External Corporate Auditor, JAPAN PILE CORPORATION (currently ASIA PILE HOLDINGS CORPORATION) (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative, Masahiro Maeda Certified Public Accounting and Tax Office • Representative, Mas Tax Consulting Co., Ltd. • CEO, Revival Support Co. Ltd. • External Corporate Auditor, ASIA PILE HOLDINGS CORPORATION <p>There is no special interest between the candidate and the Company.</p>	-
<p>[Reasons for nominating the candidate for External Auditor]</p> <p>Mr. Masahiro Maeda has been working as a certified public accountant and certified tax accountant for many years, and possesses expertise on accounting and tax affairs as well as managerial knowledge. We therefore ask shareholders to elect him as an External Auditor, as we consider that he will be able to reflect the aforementioned expertise and knowledge in performing audits of the Company.</p> <p>Furthermore, as he satisfies Standards for Independence of External Officers established by the Company (page13), the Company intends to appoint him as an Independent Auditor as prescribed in the regulations of Tokyo Stock Exchange, Inc. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company and Mr. Masahiro Maeda intend to enter into a liability limitation agreement to limit his liability for compensation for damages, which is stipulated in Article 423, Paragraph 1 of the Act. The limit amount of the liability for compensation for damages under such an agreement is determined to be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>			

[Standards for Independence of External Officers]

In the event that an External Director or External Auditor falls under all of the following items, the Company shall deem the said External Director or External Auditor to have independence.

1. Not having been an executive (*1) of the Tokyo Seimitsu Group (hereinafter the “Accretech Group”) in the past 10 years
2. Not being a major shareholder (*2) or an executive of the major shareholder
3. Not having been an executive of a corporation, etc., which falls under any of the following cases, in the past two years
 - (1) An entity for which the Accretech Group is a major business partner (*3)
 - (2) A major business partner (*3) of the Accretech Group
 - (3) A major lender (*4) for the Accretech Group
4. Not being a certified public accountant who belongs to the audit firm that serves as the Accounting Auditor of the Accretech Group
5. Not being a professional, such as consultant, accountant, tax accountant, lawyer, judicial scrivener or patent attorney, who receives a large amount of money (*5) and/or other property from the Accretech Group
6. Other
 - (1) Not being a person from a listed company that has a relationship of interlocking directorate of external officers (*6) with the Accretech Group
 - (2) The spouse, relatives within the second degree of kinship or closer, relatives who live together or persons who depend on the said person for their livelihood not falling under Items 1. through 5. above
 - (3) Not having an important interest in the Accretech Group

Notes:

- *1. Executive: Executive director, operating officer, executive officer and employees who are equivalent to such persons
- *2. Major shareholder: A person who holds 10% or more of the total voting rights directly or indirectly
- *3. Major business partner: A business partner who accounts for 2% or more of consolidated annual net sales in the most recent business year
- *4. Major lender: A lender against whom a borrowing balance accounts for 2% or more of the consolidated total assets in the most recent business year
- *5. A large amount of money: ¥10 million or more on an average of the past three years (excluding compensations received as officers of the Company)
- *6. Interlocking directorate of external officers: To receive external officers to the Company from companies where persons from the Accretech Group serve as external officers

Proposal 4: Entrusting the Board of Directors of the Company with the Determination of Subscription Requirements for the Issuance of Stock Acquisition Rights as Stock Options to Directors and Employees of the Company and Some Directors and Employees of Its Subsidiaries under Especially Favorable Conditions

Shareholders are asked to give approval for entrusting the Board of Directors of the Company with determining the subscription requirements for the issuance of stock acquisition rights as stock options to Directors (exclusive of External Directors) and employees of the Company and some Directors (exclusive of External Directors) and employees of its subsidiaries under especially favorable conditions in accordance with the provisions of Articles 236, 238 and 239 of the Companies Act, as described below.

- I. Reason for the need to invite subscribers to stock acquisition rights under especially favorable conditions
The Company intends to issue stock acquisition rights as stock options to its Directors (exclusive of External Directors) and employees and some Directors (exclusive of External Directors) and employees of its subsidiaries, without consideration, with the aim of motivating them and raising their morale to improve the Company's business performance on a consolidated basis and further promoting shareholder-oriented management.
- II. The maximum number of the stock acquisition rights for which the subscription requirements can be determined based on the matters determined by this Annual General Meeting of Shareholders, and the necessity of money payment therefor are as follows.
 1. The maximum number of the stock acquisition rights for which the subscription requirements can be determined based on the entrustment
The maximum number of the stock acquisition rights, which are described in Item III. below, shall be 900 units.
The maximum number of shares that may be allotted upon exercise of the stock acquisition rights shall be 90,000 common shares of the Company. If the number of shares allotted (hereinafter defined) is adjusted as determined in Item III. 1. below, the maximum limit shall be the "number of shares allotted after adjustment" multiplied by the maximum number of the stock acquisition rights above.
 2. No payment of money shall be required with regard to the stock acquisition rights for which the subscription requirements can be determined based on the entrustment.
- III. The nature of the stock acquisition rights for which the subscription requirements can be determined based on the matters determined by this Annual General Meeting of Shareholders is as follows.
 1. Type and number of shares to be issued upon exercise of the stock acquisition rights
The type of shares to be issued upon exercise of the stock acquisition rights shall be the Company's common shares, and the number of shares per unit of stock options to be issued upon exercise of the stock acquisition rights (hereinafter, the "Number of Shares Allotted") shall be 100 shares.
Provided, however, that if a stock split (including a gratis allotment of the Company's common shares; hereinafter, the same regarding the description of a stock split) or a stock consolidation is performed by the Company on or after the day on which subscription of stock acquisition rights is resolved at the Board of Directors meeting of the Company (hereinafter, the "Resolution Date"), the Number of Shares Allotted shall be adjusted according to the following formula, and any fractional shares arising as a result of said adjustment shall be truncated.

$$\text{Number of Shares Allotted after adjustment} = \text{Number of Shares Allotted before adjustment} \times \text{Stock split or consolidation ratio}$$

With regard to the date on which the Number of Shares Allotted after adjustment is applied, the provisions in Item 3. (2) 1) shall apply correspondingly.

Furthermore, in addition to the above, in cases where the Company conducts a merger or a company split or in any other cases similar thereto where any adjustment of the Number of Shares Allotted is required on or after the Resolution Date, the Company may adjust the Number of Shares Allotted within reasonable boundaries.

In the case where the Number of Shares Allotted is to be adjusted, the Company shall make a public notice or notify the holders of stock acquisition rights recorded on the stock acquisition rights register (hereinafter, the "Stock Acquisition Rights Holders") of any important matters by the day preceding the date on which the Number of Shares Allotted after adjustment is applied. Provided, however, that if the Company is unable to make such public notice or notification by the day preceding such

applicable date, such public notice or notification shall be made promptly thereafter.

2. The value of assets to be contributed upon exercise of the stock acquisition rights
 The value of assets to be contributed upon exercise of each stock acquisition right shall be determined by multiplying the amount to be paid for one share to be delivered upon exercise of said stock acquisition rights (hereinafter, the “Exercise Price”) by the Number of Shares Allotted.
 The Exercise Price shall be equal to 1.025 times the average closing price of the Company’s shares (hereinafter, the “Closing Price”) on the Tokyo Stock Exchange in regular trading on each day (excluding days on which no trading takes place) of the month preceding the month in which the day on which the stock acquisition rights are allotted (hereinafter, the “Allotment Date”) falls (with fractional amounts less than one yen being rounded up to the nearest yen), or the Closing Price on the day preceding the Allotment Date (if no such Closing Price exists on that day, then the Closing Price on the most recent day on which trading took place), whichever is higher. Provided, however, that the Exercise Price shall be subject to the adjustments set forth in 3. below.
3. Adjustment of the Exercise Price
 - (1) If the Company conducts matters described in 1) or 2) below for the Company’s common shares on or after the Allotment Date, the Exercise Price shall be adjusted in accordance with the following formula (hereinafter, the “Exercise Price Adjustment Formula”), and fractional amounts less than one yen resulting from the adjustment shall be rounded up to the nearest yen.

- 1) In the case where the Company performs a stock split or consolidation

$$\text{Post-adjustment Exercise Price} = \text{Pre-adjustment Exercise Price} \times \frac{1}{\text{Stock split or consolidation ratio}}$$

- 2) In the event of any new share issuance or treasury stock disposal below the market price (excluding any share issuance or treasury stock disposal for the Company’s common shares (excluding cases such as the sales of treasury stock under Article 194 of the Companies Act, that is, demand for sale of shares less than one unit by shareholders who hold shares in a number less than one unit); the conversion of securities or convertible securities that may be converted into the Company’s common shares; or the exercise of stock acquisition rights (inclusive of those attached to the convertible bonds) with which issuance of the Company’s common shares can be requested)

$$\text{Post-adjustment Exercise Price} = \text{Pre-adjustment Exercise Price} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of shares already issued} + \text{Number of newly issued shares}}$$

- i) In the Exercise Price Adjustment Formula, “Number of shares already issued” shall be equal to the total number of the Company’s issued shares on the day if there is a record date and on the day one month before the applicable date in other cases, less the number of shares of treasury stock owned by the Company.
 - ii) In the case of the disposal of treasury stock, “Number of newly issued shares” in the Exercise Price Adjustment Formula shall be read as “Number of shares of treasury stock to be disposed.”
- (2) The date on which the Post-adjustment Exercise Price is applied shall be determined as follows:
 - 1) The Post-adjustment Exercise Price in the case where adjustment is made in accordance with Item (1) 1) above shall be applied on or after the day following the record date (the effective date, if no record date is specified) in case of a share split, or on or after the effective date in case of a share consolidation. Provided, however, that in the case where a stock split is conducted on the condition that a proposal to increase capital stock or legal capital surplus by reducing surplus shall be approved at a general meeting of shareholders of the Company, and in the case where the record date of such stock split is set for a day prior to the date of

conclusion of said general meeting of shareholders, the Post-adjustment Exercise Price shall be applied retroactively on the day following the date of conclusion of said general meeting of shareholders and thereafter to the day following such record date.

In case of the proviso above, the number of shares delivered to the Stock Acquisition Rights Holders who exercise their stock acquisition rights (The number of shares obtainable through the exercise of related stock acquisition rights is hereinafter referred to as the “Pre-stock-split Exercise Share Number.”) during the period from the day following the record date for the stock split through the date of conclusion of said general meeting of shareholders shall be adjusted in accordance with the following formula, and any fractional shares arising as a result of said adjustment shall be truncated.

$$\text{Number of newly issued share} = \frac{(\text{Pre-adjustment Exercise Price} - \text{Post-adjustment Exercise Price}) \times \text{Pre-stock-split Exercise Share Number}}{\text{Post-adjustment Exercise Price}}$$

- 2) The Post-adjustment Exercise Price in the case where adjustment is made in accordance with Item (1) 2) above shall apply on or after the day following the payment date (if the payment term is set, the last day of such payment term) for the relevant share issuance or disposal (in the case where there is a record date, on or after the day following such record date).
- (3) In addition to the cases described in (1) 1) and 2) above, in the event of circumstances in which the Exercise Price needs to be adjusted such as in cases where the Company conducts a gratis allotment of other class shares to common shareholders or a distribution of dividends to common shareholders who hold shares of any other company after the Allotment Date, the Company may adjust the Exercise Price within reasonable boundaries by taking into account conditions such as those for said allocation or dividends.
- (4) In the case where the Exercise Price is to be adjusted, the Company shall make a public notice or notify the Stock Acquisition Rights Holders of any important matters by the day preceding the applicable date. Provided, however, that if the Company is unable to make such public notice or notification by the day preceding the applicable date, such public notice or notification shall be made promptly thereafter.
4. Exercise period of the stock acquisition rights
Period commencing two years after the Allotment Date and ending June 30th, 2024
5. Matters concerning capital stock and legal capital surplus in the event of issuance of shares upon exercise of the stock acquisition rights
 - (1) The amount of capital stock to be increased when shares are issued upon exercise of the stock acquisition rights shall be one half of the maximum amount of capital stock, etc., to be increased calculated in accordance with the provisions of Article 17, Paragraph 1 of the Corporate Accounting Regulations of Japan, and a fraction of less than one yen arising as a result of the calculation shall be rounded up to the nearest one yen.
 - (2) The amount of legal capital surplus to be increased when shares are issued upon exercise of the stock acquisition rights shall be calculated by subtracting the amount of increase in capital stock stipulated in (1) above from the maximum increase amount of capital stock, etc., stated in (1) above.
6. Restriction on acquisition of the stock acquisition rights through transfer
Acquisition of the stock acquisition rights through transfer shall be subject to approval by resolution of the Board of Directors of the Company.
7. Terms and conditions of acquisition of the stock acquisition rights
If any of the proposals (1) through (5) below is approved at a general meeting of shareholders of the Company (or if resolved by the Board of Directors of the Company or determined by a Representative Executive Officer if a resolution at a general meeting of shareholders is not required), the Company may acquire the stock acquisition rights without consideration on the day separately determined by the Board of Directors.

- (1) a proposal for the approval of a merger agreement, under which the Company will cease to exist;
- (2) a proposal for the approval of a company split agreement or an incorporation-type company split plan, under which the Company will become a split company;
- (3) a proposal for the approval of a share exchange agreement or a share transfer plan, under which the Company will become a wholly owned subsidiary;
- (4) a proposal for approval of an amendment to the Articles of Incorporation to add a provision to the effect that, as a feature of all shares the Company issues, the approval of the Company for the acquisition of said shares through a transfer is required; or
- (5) a proposal for approval of an amendment to the Articles of Incorporation to add a provision to the effect that, as a feature of shares to be issued upon exercise of the Stock Acquisition Rights, the approval of the Company for acquisition of said shares through a transfer is required, or the Company shall acquire all of said class shares by resolution at a general meeting of shareholders.

8. Policy on determining the nature of stock acquisition rights issued by the restructured company upon organizational restructuring

If the Company is to engage in a merger (limited to cases where the Company is to be dissolved as a result of the merger), an absorption-type company split or an incorporation-type company split (both limited to cases where the Company is to be a split company), or a share exchange or a share transfer (both limited to cases where the Company is to be a wholly owned subsidiary) (all of which are collectively referred to as a “Restructuring Transaction”), the stock acquisition rights in the entity specified under Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (such entity hereinafter the “Restructured Company”) shall be issued to the Stock Acquisition Rights Holders who hold the stock acquisition rights remaining in effect immediately prior to the effective date of the Restructuring Transaction (hereinafter respectively referring to the effective date of the absorption-type merger in case of an absorption-type merger, the date of formation of a new company incorporated by the merger in case of a consolidation-type merger, the effective date of the absorption-type company split in case of an absorption-type company split, the date of formation of a new company in case of an incorporation-type company split, the effective date of the share exchange in case of a share exchange and the date of the formation of a wholly owning parent company in case of a share transfer) (such rights hereinafter the “Remaining Stock Acquisition Rights”). Provided, however, that the granting of such rights shall be subject to provisions of issuing the stock acquisition rights of the Restructured Company in an absorption-merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement or a share transfer plan in accordance with the respective following conditions.

- (1) The number of the stock acquisition rights of the Restructured Company to be issued
The same number of the stock acquisition rights as the number of the Remaining Stock Acquisition Rights held by respective Stock Acquisition Rights Holders shall be issued.
- (2) The class of shares of the Restructured Company to be issued upon exercise of the stock acquisition rights
The class of shares of the Restructured Company to be issued upon exercise of the stock acquisition rights shall be the common shares of the Restructured Company.
- (3) The number of shares of the Restructured Company to be issued upon exercise of the stock acquisition rights
The number of shares of the Restructured Company to be issued upon exercise of the stock acquisition rights shall be determined in accordance with the provisions in Item 1. above, taking into account the conditions and other factors concerning the Restructuring Transaction.
- (4) The value of assets to be contributed upon exercise of the stock acquisition rights
The value of assets to be contributed upon exercise of each stock acquisition right to be issued shall be the amount obtained by multiplying the Exercise Price after restructuring, which is obtained through adjustment of the Exercise Price as determined in Item 2. above taking into account the conditions for the Restructuring Transaction, by the number of shares of the Restructured Company to be issued upon exercise of said stock acquisition rights, which is determined in accordance with Item (3) above.
- (5) Exercise period of the stock acquisition rights
The exercise period of the stock acquisition rights shall begin on the date of commencement of the exercise period stipulated in Item 4. above or the effective date of the Restructuring Transaction, whichever is later, and end on the closing date of the exercise of said stock

- acquisition rights as determined in accordance with Item 4. above.
- (6) Matters concerning capital stock and legal capital surplus in the event of the issuance of shares upon exercise of the stock acquisition rights
It shall be determined in accordance with Item 5. above.
 - (7) Restriction on acquisition of the stock acquisition rights through transfer
Acquisition of the stock acquisition rights through transfer shall be subject to approval by resolution of the Board of Directors of the Restructured Company.
 - (8) Terms and conditions of acquisition of the stock acquisition rights
It shall be determined in accordance with Item 7. above.
 - (9) Other conditions for the exercise of the stock acquisition rights
It shall be determined in accordance with Item 10. below.
9. Treatment of fractional shares upon exercise of the stock acquisition rights
A fractional portion of less than one share in the number of shares delivered to the Stock Acquisition Rights Holders shall be truncated upon exercise of the stock acquisition rights.
10. Other conditions for the exercise of the stock acquisition rights
Should any Stock Acquisition Rights Holders forfeit his/her stock acquisition rights, said stock acquisition rights cannot be exercised.

—End of document—