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(Securities code: 6849)

June 6, 2018

To Shareholders with Voting Rights

Hirokazu Ogino
Representative Director, President and CEO
NIHON KOHDEN CORPORATION
31-4, Nishiochiai 1-chome, Shinjuku-ku,
Tokyo, Japan

NOTICE OF THE 67TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

You are cordially invited to attend the 67th Ordinary General Meeting of Shareholders of NIHON KOHDEN CORPORATION (the "Company") to be held as described below.

If you are unable to attend the meeting, we would appreciate it if you could review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by no later than 5:10 p.m. on Tuesday, June 26, 2018 (JST), via the internet, etc. or by posting the enclosed Voting Rights Exercise Form with indications of your vote for or against Company's proposals.

- 1. Date and Time:** Wednesday, June 27, 2018 at 10:00 a.m. (JST)
- 2. Venue:** Fourth floor hall, No. 1 building of the Company's head office,
31-4, Nishiochiai 1-chome, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 67th Fiscal Year (from April 1, 2017 to March 31, 2018), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
 2. Non-Consolidated Financial Statements for the Company's 67th Fiscal Year (from April 1, 2017 to March 31, 2018)

Proposals to be resolved:

- Proposal No. 1:** Distribution of Surplus
- Proposal No. 2:** Election of Nine Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No. 3:** Election of Three Directors Serving as Audit & Supervisory Committee Members
- Proposal No. 4:** Election of One Substitute Director Serving as an Audit & Supervisory Committee Member

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk for the General Meeting.
 - Any correction or update of Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statement and Financial Statement will be posted on the Company's website at the following URL: (<https://www.nihonkohden.co.jp/>)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Distribution of Surplus

With respect to allocation of profit, the Company adopts a basic policy of continuing stable dividend payments to shareholders over a long period while duly pursuing the assurance of internal reserves to fund activities necessary for future corporate growth such as research and development, capital investments, M&As, and human resource development.

Based on this policy, the Company hereby proposes the distribution of surplus as follows.

1. Matters related to the year-end dividend:

(1) Matters concerning allotment of dividend property to shareholders and total amount

18 yen per share of the Company's common stock

Total amount: 1,532,818,746 yen

Note: Combined with the interim dividend (17 yen per share), the total annual dividend for the fiscal year ended March 31, 2018 will be 35 yen per share.

(2) Effective date of distribution of surplus

June 28, 2018

2. Other matters related to distribution of surplus:

(1) Item of surplus increased and amount

General reserve	12,000,000,000 yen
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(2) Item of surplus decreased and amount

Retained earnings brought forward	12,000,000,000 yen
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Proposal No. 2: Election of Nine Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

The terms of office for all (eleven) Directors (excluding Directors serving as Audit & Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, and from the view point of further enhancement of management of the Company, the election of nine Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

The nomination of candidates for the Directors (excluding Directors serving as Audit & Supervisory Committee Members) was resolved by Board of Directors, after being reviewed by Nominating Committee and Compensation Committee, each of which was established, for the purpose of securing transparency and objectivity of the management, as an optional advisory body for the Board of Directors, and majority of members of each Committee was appointed from Outside Directors.

The candidates are as follows:

No.	Name	Current Position at the Company	Years served as Director
1	Hirokazu Ogino (Reappointment)	Representative Director	6 years
2	Takashi Tamura (Reappointment)	Representative Director	10 years
3	Tadashi Hasegawa (Reappointment)	Corporate Director	3 years
4	Kazuteru Yanagihara (Reappointment)	Corporate Director	3 years
5	Fumio Hirose (Reappointment)	Corporate Director	3 years
6	Eiichi Tanaka (Reappointment)	Corporate Director	1 year
7	Yasuhiro Yoshitake (Reappointment)	Corporate Director	1 year
8	Masaya Yamauchi (Reappointment) Candidate for Outside Director /Independent Director	Outside Director	8 years
9	Minoru Obara (Reappointment) Candidate for Outside Director / Independent Director	Outside Director	6 years

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Hirokazu Ogino (May 28, 1970) (Reappointment)	April 1995 April 2007 April 2011 June 2011 June 2012 April 2013 June 2013 October 2013 June 2015 June 2017	Joined the Company President of Nihon Kohden Europe GmbH General Manager of Marketing Strategy Department Operating Officer Corporate Director and Operating Officer General Manager of International Operations Corporate Director and Senior Operating Officer CEO of Nihon Kohden America, Inc. Representative Director, President and COO Representative Director, President and CEO (current position)	21,500 shares
(Reason for candidacy as a Director, etc.) Mr. Hirokazu Ogino has abundant experience and proven performance record acquired through his career in the Company and its group companies, including management of a foreign sales subsidiary and the Company's divisions of marketing strategy and international sales. In addition, he has been engaged in management of the Company since 2015 as President, as well as increasing the corporate value through practicing the Company's mid-term business plan. We anticipate that he will make the most of his expertise and experience of management he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.				
2	Takashi Tamura (March 22, 1959) (Reappointment)	April 1983 April 2003 April 2007 June 2007 June 2008 April 2011 April 2013 April 2014 June 2015 April 2016 June 2017	Joined the Company President of Nihon Kohden Kansai Corporation General Manager of Sales Operations Operating Officer Corporate Director and Operating Officer General Manager of International Operations General Manager of Service Business Division General Manager of Customer Service Operations Corporate Director and Senior Operating Officer General Manager of Sales Operations (current position) Representative Director and Executive Operating Officer (current position) [Responsible for customer service]	21,200 shares
(Reason for candidacy as a Director, etc.) Mr. Takashi Tamura has abundant experience and proven performance record acquired through his career in the Company and its group companies including management of a domestic sales subsidiary, and the Company's divisions of international sales and customer service, adding to his current position in General Manager of Sales Operations. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.				

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3	Tadashi Hasegawa (June 17, 1959) (Reappointment)	April 1983 June 2009 June 2011 June 2013 March 2014 April 2014 June 2014 June 2015	Joined Saitama Bank Ltd. Operating Officer of Saitama Resona Bank Limited Senior Operating Officer of Saitama Resona Bank Limited Corporate Director and Senior Operating Officer of Saitama Resona Bank Limited Retired as Corporate Director and Senior Operating Officer of Saitama Resona Bank Limited Joined the Company Operating Officer Corporate Director and Senior Operating Officer (current position) [Responsible for finance, legal affairs, compliance, human resources, and information systems]	6,700 shares
	(Reason for candidacy as a Director, etc.) Mr. Tadashi Hasegawa has plenty of knowledge of finance and accounting acquired through his carrier in banking institution. Additionally, in the Company, he has experienced the responsible position for internal auditing, adding to his current position of Operating Officer responsible for finance, legal affairs, compliance, human resource, and information systems. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.			
4	Kazuteru Yanagihara (January 22, 1957) (Reappointment)	April 1980 April 2009 April 2011 June 2011 April 2012 June 2012 April 2014 June 2015 June 2017	Joined the Company Deputy General Manager of Biomedical Instrument Technology Center General Manager of Technology Promotion Center Deputy General Manager of Biomedical Instrument Technology Center General Manager of Biomedical Instrument Technology Center Operating Officer General Manager of Strategic Technology Operations (current position) Corporate Director and Operating Officer Corporate Director and Senior Operating Officer (current position)	6,400 shares
	(Reason for candidacy as a Director etc.) Mr. Kazuteru Yanagihara has abundant experience and proven performance record primarily acquired through his career of product development adding to his current position in General Manager of Strategic Technology Operations. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Fumio Hirose (March 2, 1960) (Reappointment)	<p>April 1982 Joined the Company</p> <p>April 2003 President of Nihon Kohden Chushikoku Corporation</p> <p>April 2006 Chief Manager of Global Marketing Operations</p> <p>April 2009 General Manager of Corporate Planning Department</p> <p>June 2009 Operating Officer</p> <p>April 2013 General Manager of Ventilator & Anesthesia Device Business Operations (current position)</p> <p>June 2015 Corporate Director and Operating Officer</p> <p>June 2017 Corporate Director and Senior Operating Officer (current position)</p> <p>April 2018 General Manager of IVD Business Operations (current position) [Responsible for marketing strategy]</p>	8,600 shares
(Reason for candidacy as a Director, etc.)			
<p>Mr. Fumio Hirose has abundant experience and proven performance record acquired through his career in the Company and its group companies including management of a domestic sales subsidiary and the Company's divisions of marketing and corporate planning, adding to his current position in General Manager of Ventilator & Anesthesia Device Business Operations and IVD Business Operations. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.</p>			
6	Eiichi Tanaka (July 15, 1962) (Reappointment)	<p>April 1985 Joined the Company</p> <p>April 2002 General Manager of Marketing & Business Development Department</p> <p>October 2003 President of Nihon Kohden America, Inc.</p> <p>April 2008 General Manager of General Affairs and Human Resources Department</p> <p>June 2008 Operating Officer</p> <p>April 2011 General Manager of Accessories & Consumables Business Operations</p> <p>April 2013 Corporate Director & Senior Operating Officer of Nihon Kohden Tomioka Corporation</p> <p>April 2014 President of Nihon Kohden Tomioka Corporation</p> <p>April 2017 General Manager of Import Business Operations (current position)</p> <p>June 2017 Corporate Director and Operating Officer (current position)</p>	2,300 shares
(Reason for candidacy as a Director, etc.)			
<p>Mr. Eiichi Tanaka has abundant experience and proven performance record acquired through his career in the Company and its group companies including management of a foreign sales subsidiary, a domestic manufacturing subsidiary and the Company's divisions of marketing and business development and general affairs and human resources, adding to his current position in General Manager of Import Business Operations. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.</p>			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Yasuhiro Yoshitake (March 20, 1966) (Reappointment) Candidate for Outside Director / Independent Director	<p>April 1988 Joined the Company</p> <p>October 2003 President of Nihon Kohden Europe GmbH</p> <p>April 2007 General Manager of Sales Promotion Division, International Operations</p> <p>April 2008 Managing Director of Nihon Kohden Trading (Shanghai) Co., Ltd.</p> <p>April 2011 General Manager, China Operations</p> <p>June 2011 Operating Officer</p> <p>April 2013 General Manager, Asia and Middle East Operations</p> <p>April 2015 General Manager of International Operations (current position)</p> <p>June 2017 Corporate Director and Operating Officer (current position)</p>	1,900 shares
(Reason for candidacy as a Director, etc.)			
<p>Mr. Yasuhiro Yoshitake has abundant experience and proven performance record acquired through his career in the Company and its group companies including management of foreign sales subsidiaries and the Company's operations in China and in Asia and Middle East, adding to his current position in General Manager of International Operations. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated to continue in the position of Director.</p>			
8	Masaya Yamauchi (March 20, 1960) (Reappointment) Candidate for Outside Director / Independent Director	<p>April 1988 Registered as an attorney (Tokyo Bar Association)</p> <p>September 1993 Established Nakagawa & Yamauchi Law Office</p> <p>August 2001 Integrated into Hibiki-Sogo Law Office (current position)</p> <p>June 2010 Outside Director (current position)</p>	0 shares
(Reason for candidacy as an Outside Director, etc.)			
<p>Mr. Masaya Yamauchi is a candidate for Outside Director.</p> <p>(1) Although Mr. Masaya Yamauchi has not been engaged in corporate management in any capacity other than as an Outside Director, he is closely acquainted with corporate legal affairs as an attorney. We anticipate that in his work he will make the most of the expertise and experience he has accumulated to date for providing objective and neutral advices to and for independent supervisory of the Company's management. Accordingly, we propose that he be nominated to continue in the position of Outside Director. He will have been in office as Outside Director of the Company for eight years at the conclusion of this General Meeting of Shareholders.</p> <p>(2) The Company has concluded a liability limitation agreement with Mr. Masaya Yamauchi to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his re-election is approved, we will continue the liability limitation agreement with him.</p> <p>(3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Masaya Yamauchi is an independent director as provided by the Exchange, because he satisfies the requirements therefor. No material conflict of interest exists between the Company and Hibiki-Sogo Law office where Mr. Masaya Yamauchi holds office.</p>			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
9	Minoru Obara (September 29, 1947)	April 1986	Associate Professor at Dept. of Electrical Engineering, Faculty of Science and Technology, Keio University	0 shares
	(Reappointment) Candidate for Outside Director / Independent Director	April 1993	Professor at Dept. of Electrical Engineering (current Dept. of Electronics and Electrical Engineering), Faculty of Science and Technology, Keio University	
		June 2012	Outside Director (current position)	
		April 2013	Professor Emeritus at Keio University (current position)	
(Reason for candidacy as an Outside Director, etc.) Mr. Minoru Obara is a candidate for Outside Director. (1) Although Mr. Minoru Obara has not been engaged in corporate management in any capacity other than as an Outside Director, we anticipate that in his work he will make the most of his knowledge and experience as a university professor specialized in electronics engineering and laser medical treatment for providing objective and neutral advices to and for independent supervisory of the Company's management. Accordingly, we propose that he be nominated to continue in the position of Outside Director. He will have been in office as Outside Director of the Company for six years at the conclusion of this General Meeting of Shareholders. (2) The Company has concluded a liability limitation agreement with Mr. Minoru Obara to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his re-election is approved, we will continue the liability limitation agreement with him. (3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Minoru Obara is an independent director as provided by the Exchange, because he satisfies the requirements therefor. The Company has business relationship with and has been making contribution to Keio University where Mr. Minoru Obara belongs as a professor emeritus. The Company's business with the university has been primarily occupied by its hospitals and the contribution has been primarily made to fields of education, study, and improvement of medical environment. With regard to 67th fiscal year, the amount of the transaction with the university is less than 1% of the Company's consolidated sales and the amount of the contribution to the university is less than JPY 10 millions.				

- Notes: 1. No material conflict of interest exists between the Company and each candidate.
2. Present responsibilities of each candidate at the Company are described in [].

Proposal No. 3: Election of Three Directors Serving as Audit & Supervisory Committee Members

The terms of office for all (three) Directors serving as Audit & Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of three Directors serving as Audit & Supervisory Committee Members is proposed.

The Audit & Supervisory Committee has consented to this proposal.

The candidates are as follows:

No.	Name	Current Position at the Company	Years served as Director
1	Kazuhiko Ikuta (Reappointment)	Corporate Director (serving as a standing Audit & Supervisory Committee Member)	2 years
2	Masahiro Kawamura (Reappointment) Candidate for Outside Director /Independent Director	Outside Director (serving as an Audit & Supervisory Committee Member)	2 years
3	Shigeru Kawatsuhara (Reappointment) Candidate for Outside Director /Independent Director	Outside Director (serving as an Audit & Supervisory Committee Member)	2 years

Note: Mr. Masahiro Kawamura had been in office as Outside Audit & Supervisory Board Member of the Company for 6 years before he assumed office as Outside Director serving as an Audit & Supervisory Committee Member of the Company.

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
	Kazuhiko Ikuta (May 29, 1956) (Reappointment)	April 1980 April 2006 April 2009 June 2009 June 2016	Joined the Company Senior Manager of Finance Department, General Administrative Division General Manager of Finance Department Operating Officer Corporate Director (serving as a standing Audit & Supervisory Committee Member) (current position)	15,400 shares
1	(Reason for candidacy as a Director serving as an Audit & Supervisory Committee Member, etc.) Mr. Kazuhiko Ikuta has abundant experience and plenty of knowledge of finance and accounting primarily acquired through his career of Company's business in finance, accounting, and affairs relating to information system adding to his former position of General Manager of Finance Department. We anticipate in his work with the Company's audit system he will make the most of his expertise and experience he has accumulated to date for supervision of the Board of Directors from the view point of non-managing Director. Accordingly, we propose that he be nominated to continue in the position of Director serving as an Audit & Supervisory Committee Member.			
	Masahiro Kawamura (August 19, 1949) (Reappointment) Candidate for Outside Director / Independent Director	June 1977 March 1979 August 1979 June 2010 June 2016 June 2016	Registered as a Tax Account Registered as a Certified Public Accountant Joined Kawamura Tax Accounting Office (current position) Outside Audit & Supervisory Board Member Outside Director (serving as an Audit & Supervisory Committee Member) (current position) Outside Director (serving as an Audit & Supervisory Committee Member) of Daitogyorui Co., Ltd (current position)	0 shares
2	(Reason for candidacy as an Outside Director serving as an Audit & Supervisory Committee Member, etc.) Mr. Masahiro Kawamura is a candidate for Outside Director. (1) Although Mr. Masahiro Kawamura has not been engaged in corporate management in any capacity other than as an Outside Director or Outside Audit & Supervisory Board Member, we anticipate that in his work with the Company's audit system he will make the most of the expertise and experience acquired through his affairs of accountant to date for independent supervision of the Company's management. Accordingly, we propose that he be nominated to continue in the position of Outside Director serving as an Audit & Supervisory Committee Member. He had been in office as Outside Audit & Supervisory Board Member of the Company for six years before he assumed office as Outside Director serving as Audit & Supervisory Committee Member and will have been in office as Outside Director serving as an Audit & Supervisory Committee Member of the Company for two years at the conclusion of this General Meeting of Shareholder. (2) The Company has concluded a liability limitation agreement with Mr. Masahiro Kawamura to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his re-election is approved, we will continue the liability limitation agreement with him. (3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Masahiro Kawamura is an independent director as provided by the Exchange, because he satisfies the requirements therefor. No material conflict of interest exists between the Company and Kawamura Tax Accounting Office and Daitogyorui Co., Ltd. where he holds offices.			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	Shigeru Kawatsuhara (February 14, 1952) (Reappointment) Candidate for Outside Director / Independent Director	April 1975 Joined Toko, Inc. April 2002 Senior Manager of Sales Department 1, Sales Operations, Toko, Inc. April 2004 General Manager of Sales Center, Toko, Inc. June 2005 Corporate Director and General Manager of Sales Center, Toko, Inc. April 2008 President of Toko, Inc. May 2014 Chairman of Toko, Inc. March 2015 Senior Advisor of Toko, Inc. April 2016 Part-time Advisor of Toko, Inc. June 2016 Outside Director (serving as an Audit & Supervisory Committee Member) (current position)	0 shares
3	(Reason for candidacy as an Outside Director serving as an Audit & Supervisory Committee Member, etc.) Mr. Shigeru Kawatsuhara is a candidate for Outside Director. (1) We anticipate that in his work with the Company's audit system he will make the most of his excellent expertise and abundant experience of the management of a company acquired through his carrier in Toko, Inc. for independent supervision of the Company's management. Accordingly, we propose that he be nominated to continue in the position of Outside Director serving as an Audit & Supervisory Committee Member. He will have been in office as Outside Director serving as an Audit & Supervisory Committee Member of the Company for two years at the conclusion of this General Meeting of Shareholder. (2) The Company has concluded a liability limitation agreement with Mr. Shigeru Kawatsuhara to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his re-election is approved, we will continue the liability limitation agreement with him. (3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Shigeru Kawatsuhara is an independent director as provided by the Exchange, because he satisfies the requirements therefor.		

Note: No material conflict of interest exists between the Company and each candidate.

Proposal No. 4: Election of One Substitute Director Serving as an Audit & Supervisory Committee Member

The election of One Director serving as an Audit & Supervisory Committee Member is proposed in order to prepare for the contingency that the number of Directors serving as Audit & Supervisory Committee Members falls below the required number stipulated by laws and regulations.

If this election is approved, the effectiveness of the election may be cancelled by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee only before the newly elected Substitute Director serving as an Audit & Supervisory Committee Member assumes office as Director serving as an Audit & Supervisory Committee Member.

The Audit & Supervisory Committee has consented to this proposal.

The candidate is as follow:

Name (Date of birth)	Career summaries, positions, and significant concurrent positions		Number of shares of the Company held
Sumio Moriwaki (March 3, 1957) Candidate for Outside Director	April 1981	Registered as an attorney (Daini Tokyo Bar Association) Joined Ishii Law Office	0 shares
	April 1991	Partner, Ishii Law Office (current position)	
	June 2007	Member of the Independent Committee of the Company	
	June 2011	Substitute Audit & Supervisory Board Member	
	June 2016	Substitute Director (serving as an Audit & Supervisory Committee Member) (current position)	
	June 2017	Outside Audit & Supervisory Board Member of JSR Corporation (current position) Outside Director of Topy Industries, Limited (current position)	
<p>(Reason for candidacy as a Substitute Outside Director serving as an Audit & Supervisory Committee Member, etc.)</p> <p>Mr. Sumio Moriwaki is a candidate for Substitute Outside Director serving as an Audit & Supervisory Committee Member.</p> <p>(1) Although Mr. Sumio Moriwaki has not been directly engaged in corporate management in any capacity other than as an Outside Director or Outside Audit & Supervisory Board Member, he is closely acquainted with corporate legal affairs as an attorney. We anticipate that in his work with the Company's audit system he will make the most of the expertise and experience he has accumulated to date for independent supervision of the Company's management. Accordingly, we propose that he be elected as Substitute Audit & Supervisory Committee Member.</p> <p>(2) If Mr. Sumio Moriwaki assumes office as Outside Director serving as an Audit & Supervisory Committee Member, the Company intends to conclude a liability limitation agreement with him to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.</p> <p>(3) No material conflict of interest exists between the Company and JSR Corporation and Topy Industries, Limited where Mr. Sumio Moriwaki holds offices.</p>			

Note: No material conflict of interest exists between the Company and Mr. Sumio Moriwaki.