

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.

Securities Code: 6432

May 7, 2019

To our shareholders:

Akio Takeuchi
President and Representative Director
TAKEUCHI MFG. CO., LTD.
205, Uwadaira, Sakaki-machi, Hanishina-gun, Nagano

Notice of the 57th Annual General Meeting of Shareholders

You are cordially invited to attend the 57th Annual General Meeting of Shareholders of TAKEUCHI MFG. CO., LTD. (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. on Tuesday, May 28, 2019 (JST).

1. Date and Time: Wednesday, May 29, 2019, at 10:00 a.m. (JST) (Reception opens at 9:15 a.m.)
(The venue “Santomyuze” opens its doors at 9:00 a.m. Please note that you cannot enter the building before that. As the reception desk becomes very crowded just prior to the starting time of the meeting, we request that you arrive a little earlier, within the time frame after the reception opens.)

2. Venue: Small Hall, Santomyuze (Ueda Performing Arts & Cultural Center)
3-15-15, Tenjin, Ueda-shi, Nagano

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 57th fiscal year (from March 1, 2018 to February 28, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 57th fiscal year (from March 1, 2018 to February 28, 2019)

Matters to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

- If you attend the meeting in person, please submit the enclosed voting form at the reception desk. Please note that anyone other than a shareholder who is entitled to exercise voting rights (e.g., non-shareholding proxy, person accompanying the shareholder) will not be allowed inside the venue.
- Among the documents to be provided with this Notice of the General Meeting of Shareholders, “Notes to the Consolidated Financial Statements” and “Notes to the Non-Consolidated Financial Statements” are published online on the Company’s website,* and thus not provided in the attached documents to this Notice of the General Meeting of Shareholders, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company.
Therefore, the documents attached to this Notice of the General Meeting of Shareholders make up only a part of what was audited for the Consolidated Financial Statements and the Non-consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee in the course of preparation of their audit report.
- If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements or the Consolidated Financial Statements, such changes will be posted on the Company’s website.*
- Shareholders attending the General Meeting of Shareholders will be handed a small gift from the Company as they leave. Please note that, regardless of the number of voting forms a shareholder brings, each shareholder attending the meeting can only receive one gift.
- This convocation notice is disclosed on the Company’s website* prior to it being sent out by postal mail from the standpoint of providing information contained therein at an early stage.

*The Company’s website (<http://www.takeuchi-mfg.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company regards the return of profit to its shareholders as one of its key management priorities. It maintains a basic policy of paying stable dividends on a continual basis while securing internal reserves necessary for putting the Company on a firmer footing and preparing for future business development.

In line with the aforementioned policy, the Company proposes to pay year-end dividends for the fiscal year as follows:

- Type of dividend property
To be paid in cash.
- Allotment of dividend property and their aggregate amount
The Company proposes to pay a dividend of ¥45 per common share of the Company.
In this event, the total dividends will be ¥2,148,531,390.
- Effective date of dividends of surplus
The effective date of dividends will be May 30, 2019.

Proposal No. 2 Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all three Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting.

In that regard, the Company proposes the election of five Directors, increasing the number of Directors by two to enhance the management system.

This proposal was reviewed by the Audit and Supervisory Committee, after being discussed by the Nomination Advisory Committee, and the committee did not find any matters requiring special mention.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Akio Takeuchi Reelection	President and Representative Director	16/16
2	Toshiya Takeuchi Reelection	Director and Vice President [Responsible for Production, Quality, General Affairs, Business Management, and Information System Departments]	16/16
3	Takahiko Watanabe Reelection	Director and General Manager of Purchasing Department [Responsible for the Production Control Department]	13/13
4	Clay Eubanks New election	Managing Executive Officer [Director and President of Takeuchi Mfg. (U.S.) Ltd.]	–
5	Osamu Kobayashi New election	Executive Officer and General Manager of Business Management Department	–

Note: Since Takahiko Watanabe was newly appointed as Director on May 24, 2018, his record of attendance at Board of Directors meetings is different from that of the other candidates.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Akio Takeuchi (November 3, 1933) Reelection	Aug. 1963 Established the Company as President and Representative Director (current position) (Significant concurrent positions outside the Company) Director and Chairman of Takeuchi Mfg. (U.S.) Ltd. Director and President of Takeuchi Mfg. (U.K.) Ltd. Director and President of Takeuchi France S.A.S. Chairman of Takeuchi Qingdao Mfg. Co., Ltd. Representative Director of Takeuchi Scholarship Foundation	0 shares
		<p>[Reasons for nomination as candidate for Director] Since establishing the Company in 1963, Akio Takeuchi has served as the President and Representative Director of the Company and possesses excellent management skills based on many years of experience and ample achievements as a corporate manager. He has exercised strong leadership towards reinforcing the business foundation and promoting business strategies under the First Medium-term Management Plan (FY2016-2018), and achieved great results. As the Company expects him to draw on this experience and record of achievement to continue to fulfill a decision-making and supervisory role in management, it again nominated him as a candidate for Director.</p>	
2	Toshiya Takeuchi (January 9, 1963) Reelection	Apr. 1985 Joined the Company May 2004 Director and General Manager of Murakami Factory May 2008 Director and Vice President May 2011 Director and Vice President supervising Production, Quality, and Procurement Departments May 2014 Director and Vice President May 2016 Director and Vice President responsible for Production, Research & Development, and Quality Departments May 2017 Director and Vice President May 2018 Director and Vice President responsible for Production, Quality, General Affairs, Business Management, and Information System Departments (current position) (Significant concurrent positions outside the Company) Director of Takeuchi Mfg. (U.S.) Ltd. Director of Takeuchi Mfg. (U.K.) Ltd. Director of Takeuchi Qingdao Mfg. Co., Ltd.	3,895,253 shares
		<p>[Reasons for nomination as candidate for Director] Toshiya Takeuchi assumed the position of Director of the Company in 2004 and has been leading the strengthening of production and quality, mainly in the production departments. In addition, as the General Safety and Health Manager he has knowledge and experience on industrial safety and health measures of the Company. Going forward, as the Company expects him to draw on this experience and record of achievement to exert strong leadership towards achieving the goals set in the Second Medium-term Management Plan (FY2019-2021), and to continue to fulfill a decision-making and supervisory role in management, it again nominated him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
3	Takahiko Watanabe (April 28, 1960) Reelection	Apr. 2006 May 2016 June 2016 May 2018	Joined the Company Executive Officer and General Manager of Purchasing Control Department Executive Officer and General Manager of Purchasing Department Director and General Manager of Purchasing Department responsible for the Production Control Department (current position)	324 shares
		<p>[Reasons for nomination as candidate for Director] Since joining the Company in 2006, Takahiko Watanabe has worked in procurement departments throughout his career, has dedicated his efforts to consistently procuring fair-quality components at optimum price, contributing greatly to the improvement of the Company's business performance. As the Company expects him to draw on this experience and record of achievement to continue to fulfill a decision-making and supervisory role in management, it again nominated him as a candidate for Director.</p>		
4	Clay Eubanks (November 16, 1964) New election	Sept. 1984 Jan. 2000 Jan. 2003 May 2018	Joined Takeuchi Mfg. (U.S.) Ltd. Central Region Sales Manager Vice President and General Manager Director and President (current position) Managing Executive Officer of the Company (current position)	1,050 shares
		<p>(Significant concurrent positions outside the Company) Director and President of Takeuchi Mfg. (U.S.) Ltd.</p> <p>[Reasons for nomination as candidate for Director] Since joining the Company's U.S. sales subsidiary in 1984, Clay Eubanks has been in charge of sales departments for many years and currently as the president of this subsidiary, he is greatly contributing to opening up markets in the U.S. and increasing market share. As the Company expects him to fulfill the role as the Director in charge of Global Sales Promotion of the Group by drawing upon his many years of sales experience and record of achievement in management of the Company's subsidiary and to fulfill a decision-making and supervisory role in management, along with the fact he will bring an international viewpoint and diversity to the Board of Directors, it nominated him as a candidate for Director.</p>		
5	Osamu Kobayashi (May 14, 1959) New election	Oct. 2015 June 2016 May 2017 May 2018	Joined the Company, General Manager of the Internal Auditing Office General Manager of Production Control Department General Manager of Business Management Department Executive Officer and General Manager of Business Management Department (current position)	0 shares
		<p>[Reasons for nomination as candidate for Director] Osamu Kobayashi possesses business experience and knowledge from his previous work as a director in charge of administrative departments at a listed company, and since joining the Company in 2015, he has served as General Manager of the Internal Auditing Office, Production Control Department, and Business Management Department, contributing greatly to the development of the Company's management structure. As the Company expects him to draw on this experience and record of achievement to fulfill a decision-making and supervisory role in management, it nominated him as a candidate for Director.</p>		

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The number of the Company's shares held by candidate for Director Akio Takeuchi is stated above as 0 shares. The Company was informed that, effective January 31, 2017, the 2,702,100 shares of the Company previously held by Mr. Takeuchi were donated to the Takeuchi Scholarship Foundation, of which he is the Representative Director.
 3. The number of the Company's shares held by each candidate includes the shares held through the Officer's Shareholding Association, with fractional shares rounded down.

(Reference)

Standards for Independence of Outside Directors of TAKEUCHI MFG. CO., LTD.

The Company has determined the following “Standards for Independence of Outside Directors” taking into account the independence standards established by Tokyo Stock Exchange, Inc., and judges that an outside Director or a candidate for outside Director is sufficiently independent if none of the following items applies to the individual:

1. A person who is currently or was in the past ten years a Director (excluding outside Director), Auditor (excluding outside Auditor), Executive Officer or any other employee of the Company or a subsidiary of the Company.
2. A person who currently falls under or in the past three years fell under any of the following (1) to (10):
 - (1) A party whose major client is the Company (*1) or an executive thereof
 - (2) A major client of the Company (*2) or an executive thereof
 - (3) A major lender (*3) of the Company or an executive thereof
 - (4) A consultant, accountant, legal or other professional who receives a large amount of monetary consideration (*4) or other property from the Company in addition to compensation as an officer
 - (5) A party belonging to the auditing firm that is the Accounting Auditor of the Company
 - (6) An executive of the lead managing underwriter of the Company
 - (7) A major shareholder (*5) of the Company or an executive thereof
 - (8) An executive of a company of which the Company is a major shareholder (*5)
 - (9) A recipient of substantial donations, etc. (*6) from the Company or an executive thereof
 - (10) An executive of a company involved in mutual dispatch to and from the Company
3. A spouse or relative within the second degree of kinship of a person who currently falls under or in the past one year fell under the following (1) or (2):
 - (1) Director (excluding outside Director), Auditor (excluding outside Auditor), Executive Officer or any other employee of the Company or a subsidiary of the Company
 - (2) A person who falls under any of the above 2.-(1) to 2.-(10), who is also an important person (*7)

*1: “A party whose major client is the Company” refers to a party for which the transaction amount with the Company has exceeded 2% of the party’s net sales in any of its last three fiscal years.

*2: “A major client of the Company” refers to a party from which the transaction amount with the Company has exceeded 2% of the Company’s net sales in any of the last three fiscal years.

*3: “Major lender” refers to one which has lent the Company an amount equivalent to over 2% of the Company’s total assets in any of the last three fiscal years.

*4: “Large amount of monetary consideration” refers to amounts that has exceeded ¥10 million annually in any of the last three fiscal years.

*5: “Major shareholder” refers to a shareholder whose ownership ratio of voting rights is 10% or higher.

*6: “Substantial donations, etc.” refers to amounts that has exceeded ¥10 million annually in any of the last three fiscal years.

*7: “Important person” refers to an employee that holds a senior management position such as executive director, executive, executive officer, general manager or above.