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Securities Code: 6432

May 2, 2022

To our shareholders:

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

Notice of the 60th Annual General Meeting of Shareholders

You are hereby notified of the 60th 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 24, 2022 (JST).

- 1. Date and Time:** Wednesday, May 25, 2022, 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 then.)
- 2. Venue:** Large Hall, Santomyuze (Ueda Performing Arts & Cultural Center)
3-15-15, Tenjin, Ueda-shi, Nagano
(Please note that although the meeting will be held at the same venue as last year, the location has been changed to the Large Hall.)

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 60th fiscal year (from March 1, 2021 to February 28, 2022), 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 60th fiscal year (from March 1, 2021 to February 28, 2022)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Election of Three Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 5 | Election of One Substitute Director Who Is an Audit and Supervisory Committee Member |

- 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) may not attend the meeting.
- 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 Consolidated Financial Statements or the Non-consolidated Financial Statements, such changes will be posted on the Company’s website.*
- This convocation notice of Annual General Meeting of Shareholders 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 (<https://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 aggregate amount thereof
The Company proposes to pay a dividend of ¥68 per common share of the Company.
In this event, the total dividends will be ¥3,246,665,304.
- Effective date of dividends of surplus
The effective date of dividends will be May 26, 2022.

Proposal No. 2 Amendment to the Articles of Incorporation

1. Reasons for the Proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 15, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 15, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Provision for documents for AGM to be disclosed on the Internet (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Content of Amendments

Details of the proposed amendments are as follows:

(Underlining denotes change)

Current Articles of Incorporation	Proposed amendments
<p><u>(Provision for documents for AGM to be disclosed on the Internet)</u> <u>Article 15</u> <u>In convening the General Meeting of Shareholders, the Company may disclose relevant information in reference documents, business reports, financial statements and consolidated financial statements by using the Internet in accordance with Ordinances passed by the Ministry of Justice and in so doing the information will be deemed to have been provided to the shareholders.</u> (Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>(Measures, etc. for providing information in electronic format)</u> <u>Article 15</u> <u>1. In convening the General Meeting of Shareholders, the Company shall take measures for providing information that constitutes the content of reference documents, etc. in electronic format.</u> <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Supplementary Provisions (Newly established)</p>	<p>Supplementary Provisions <u>(Transitional measures for providing informational materials for AGM in electronic format)</u></p> <p><u>3. The amendment to the Articles of Incorporation pertaining to Article 15 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p><u>4. Notwithstanding the provision of the preceding paragraph, Article 15 of the Articles of Incorporation (Provision for documents for AGM to be disclosed on the Internet) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p><u>5. Paragraphs 3 to 5 of these Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal No. 3 Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all six Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of six Directors.

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	Chairman and Representative Director	16/16 (100%)
2	Toshiya Takeuchi Reelection	President and Representative Director Responsible for Auditing Office, Head Office Factory, Togura Factory, and Production Engineering Department	16/16 (100%)
3	Takahiko Watanabe Reelection	Director and General Manager of Production Control & Purchasing Department Responsible for Quality Department	16/16 (100%)
4	Clay Eubanks Reelection	Director and General Manager of Sales and Parts Departments	16/16 (100%)
5	Osamu Kobayashi Reelection	Director and General Manager of Business Management and General Affairs Departments Responsible for Information System Department	16/16 (100%)
6	Hiroshi Yokoyama Reelection	Director and General Manager of Design & Development Department	16/16 (100%)

* In addition to the number of Board of Directors meetings above, one resolution was adopted in writing, which is regarded as having been resolved by the Board of Directors pursuant to Article 370 of the Companies Act and Article 27 of the Articles of Incorporation of the Company.

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 May 2019 Chairman 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
		[Reasons for nomination as candidate for Director] Since establishing the Company in 1963, Akio Takeuchi has a record of achievement in developing and growing the Company for many years as its founder, and possesses excellent management skills based on many years of experience and ample achievements in corporate management. As the Company expects him to draw on the ample experience, record of achievement, and knowledge he has gained thus far to fulfill a decision-making and supervisory role in management, it nominated him as a candidate for Director.	
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 May 2019 President and Representative Director responsible for Auditing Office, Sales Department, Head Office Factory, and Togura Factory May 2020 President and Representative Director responsible for Auditing Office, Head Office Factory, and Togura Factory June 2021 President and Representative Director responsible for Auditing Office, Head Office Factory, Togura Factory, and Production Engineering Department (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 France S.A.S. Director of Takeuchi Qingdao Mfg. Co., Ltd.	2,655,703 shares
		[Reasons for nomination as candidate for Director] Toshiya Takeuchi has led the strengthening of production and quality, mainly in the production departments. Following his appointment as President and Representative Director in May 2019, he delivered strong leadership amid an uncertain business environment due to challenges such as the COVID-19 pandemic, determinedly working to resolve management issues and achieving strong results. As the Company expects him to draw on this experience, record of achievement, and knowledge to fulfill a decision-making and supervisory role in management, it nominated him as a candidate for Director.	

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 Joined the Company	2,105 shares
		May 2016 Executive Officer and General Manager of Production Control & Purchasing Department	
June 2016 Executive Officer and General Manager of Purchasing Department			
May 2018 Director and General Manager of Purchasing Department responsible for Production Control Department			
May 2019 Director and General Manager of Purchasing Department responsible for Quality and Production Control Departments			
June 2021 Director and General Manager of Production Control & Purchasing Department responsible for Quality Department (current position)			
<p>[Reasons for nomination as candidate for Director] Since joining the Company in 2006, Takahiko Watanabe has worked in the procurement departments throughout his career, has dedicated his efforts to and has a record of achievement in 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, record of achievement, and knowledge to fulfill a decision-making and supervisory role in management, it nominated him as a candidate for Director.</p>			
4	Clay Eubanks (November 16, 1964) Reelection	Sept. 1984 Joined Takeuchi Mfg. (U.S.) Ltd. Central Region Sales Manager	1,050 shares
		Jan. 2000 Vice President and General Manager	
Jan. 2003 Director and President			
May 2018 Managing Executive Officer of the Company			
May 2019 Director responsible for Global Sales Promotion			
May 2020 Director and General Manager of Sales Department responsible for Parts Department			
May 2021 Director and General Manager of Sales and Parts Departments (current position)			
<p>(Significant concurrent positions outside the Company) Director and Vice Chairman of Takeuchi Mfg. (U.S.) Ltd.</p> <p>[Reasons for nomination as candidate for Director] As President of the Company's U.S. sales subsidiary, and since 2019 as Director responsible for the Sales Department of the Company, Clay Eubanks has been greatly contributing to developing markets and expanding sales. As the Company expects him to draw on this experience, record of achievement, and knowledge to fulfill a decision-making and supervisory role in management, in addition to being able to ensure the internationality and diversity of the Board of Directors, it 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	
5	Osamu Kobayashi (May 14, 1959) Reelection	Oct. 2015	Joined the Company, General Manager of Internal Auditing Office	1,514 shares
		June 2016	General Manager of Production Control Department	
		May 2017	General Manager of Business Management Department	
		May 2018	Executive Officer and General Manager of Business Management Department	
		May 2019	Director and General Manager of Business Management Department responsible for General Affairs and Information System Departments	
		Jan. 2021	Director and General Manager of Business Management and General Affairs Departments responsible for Information System Department (current position)	
<p>[Reasons for nomination as candidate for Director] Osamu Kobayashi possesses business experience from his previous work as a director in charge of the 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, Business Management Department, and General Affairs Department, contributing greatly to the development of the Company's management structure. As the Company expects him to draw on this experience, record of achievement, and knowledge to fulfill a decision-making and supervisory role in management, it nominated him as a candidate for Director.</p>				
6	Hiroshi Yokoyama (January 17, 1962) Reelection	Apr. 1985	Joined the Company	29,288 shares
		May 2016	General Manager of Design & Development Department	
		May 2018	Executive Officer and General Manager of Design & Development Department	
		May 2020	Director and General Manager of Design & Development Department (current position)	
<p>[Reasons for nomination as candidate for Director] Since joining the Company in 1985, Hiroshi Yokoyama has worked in the Design & Development Department throughout his career, and is currently managing the promotion of development projects for various new products and continuing to release new products into the market in a timely manner as General Manager of the Design & Development Department, contributing greatly to the improvement of the Company's business performance. As the Company expects him to draw on this experience, record of achievement, and knowledge 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.
 4. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. The policy covers losses borne by the insureds for the legally mandated amount of indemnification and litigation expenses. Each candidate is included as an insured in the policy, and the full amount of the insurance premiums is borne by the Company. If the election of each candidate in this proposal is approved, they will continue to be an insured. However, there are certain reasons for coverage exclusions in the policy; for example, losses arising from claims for damages due to illegal acts committed by an insured are not covered. When the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 4 Election of Three Directors Who Are Audit and Supervisory Committee Members

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

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings (*)	Attendance at Board of Audit and Supervisory Committee meetings
1	Minoru Kusama Reelection Outside Independent	Outside Director, Full-time Audit and Supervisory Committee Member	16/16 (100%)	16/16 (100%)
2	Akihiko Kobayashi Reelection Outside Independent	Outside Director, Audit and Supervisory Committee Member	16/16 (100%)	16/16 (100%)
3	Michio Iwabuchi Reelection Outside Independent	Outside Director, Audit and Supervisory Committee Member	16/16 (100%)	16/16 (100%)

* In addition to the number of Board of Directors meetings above, one resolution was adopted in writing, which is regarded as having been resolved by the Board of Directors pursuant to Article 370 of the Companies Act and Article 27 of the Articles of Incorporation of the Company.

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
	<p style="text-align: center;">Minoru Kusama (July 13, 1955) Reelection Outside Independent</p>	<p>Apr. 1980 Joined The Hachijuni Bank, Ltd. Oct. 2003 General Manager of Chino Station-front Branch Mar. 2008 General Manager of Audit Office May 2012 Full-time Auditor of the Company May 2016 Outside Director (Full-time Audit and Supervisory Committee Member) (current position)</p>	<p>2,055 shares</p>
<p>1</p>	<p>* Minoru Kusama is a candidate for outside Director.</p> <p>[Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and outline of expected role]</p> <p>Minoru Kusama possesses considerable knowledge related to finance and accounting gained from his many years of experience at a bank. The Company proposes his election as an outside Director in expectation that he will continue to apply this wealth of work experience to the audit and supervision of the Company's management, and from a neutral position, participate in the selection of officer candidates and the determination of officer compensation. He has never in the past been involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons.</p> <p>Mr. Kusama is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure will have been six years.</p> <p>[Registration as Independent Officer]</p> <p>Minoru Kusama satisfies the "Standards for Independence of Outside Directors" established by the Company and the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. Please note that Mr. Kusama had served in the past as a person who executed business of The Hachijuni Bank, Ltd., a bank with which the Company does business. However, since there have been no borrowings made by the Company from The Hachijuni Bank, Ltd. during the last three fiscal years, and since he left The Hachijuni Bank, Ltd. ten years ago, the Company deems that he maintains sufficient independence.</p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Kusama has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>[Limited liability agreements with outside Director who is an Audit and Supervisory Committee Member]</p> <p>Pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Minoru Kusama to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the same Act. If the reelection of Mr. Kusama is approved, the Company plans to renew the aforementioned agreement with him.</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
	<p style="text-align: center;">Akihiko Kobayashi (November 29, 1959) Reelection Outside Independent</p>	<p>Apr. 1986 Registered as an attorney at law (Tokyo Bar Association) Joined Yoshihiro Kataoka Law Firm</p> <p>June 1990 Partner of Kataoka & Kobayashi LPC (current position)</p> <p>Apr. 2007 Specially-appointed Professor of Chuo Law School</p> <p>May 2015 Outside Director of the Company</p> <p>Apr. 2016 Professor of Chuo Law School (current position)</p> <p>May 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Partner of Kataoka & Kobayashi LPC Professor of Chuo Law School</p>	954 shares
2	<p>* Akihiko Kobayashi is a candidate for outside Director.</p> <p>[Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and outline of expected role]</p> <p>Akihiko Kobayashi possesses abundant experience and deep insight as an attorney at law, as well as achievements as a law school professor. The Company proposes his election as an outside Director in expectation that he will continue to apply this knowledge to the audit and supervision of the Company's management, and from a neutral position, participate in the selection of officer candidates and the determination of officer compensation. He has never in the past been involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons. Mr. Kobayashi is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure will have been seven years (including one year as an outside Auditor prior to transitioning to a company with an Audit and Supervisory Committee).</p> <p>[Registration as Independent Officer]</p> <p>Akihiko Kobayashi satisfies the "Standards for Independence of Outside Directors" established by the Company and the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. In addition, the Company does not engage in business transactions with Mr. Kobayashi or with any organization or group he belongs to. Accordingly, the Company deems that he maintains sufficient independence.</p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Kobayashi has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>[Limited liability agreements with outside Director who is an Audit and Supervisory Committee Member]</p> <p>Pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Akihiko Kobayashi to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the same Act. If the reelection of Mr. Kobayashi is approved, the Company plans to renew the aforementioned agreement with him.</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	<p style="text-align: center;">Michio Iwabuchi (December 15, 1955) Reelection Outside Independent</p>	<p>Oct. 1979 Joined Coopers & Lybrand (later Chuo Audit Corporation)</p> <p>Aug. 1983 Registered as a certified public accountant</p> <p>Sept. 1984 Joined Chuo Audit Corporation (later Chuo Shinko Audit Corporation)</p> <p>Aug. 1992 Partner of Chuo Shinko Audit Corporation (later MISUZU Audit Corporation)</p> <p>July 2007 Senior Partner of Ernst & Young ShinNihon (current Ernst & Young ShinNihon LLC)</p> <p>July 2017 Principal of Michio Iwabuchi Certified Public Accountant Office (current position)</p> <p>May 2018 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>June 2018 Managing Director of Matsusho Gakuen (current position) External Auditor of R&C Holdings Co., Ltd. (current position)</p> <p>June 2020 Outside Corporate Auditor of KISSEI PHARMACEUTICAL CO., LTD. (current position)</p> <p>(Significant concurrent positions outside the Company) Managing Director of Matsusho Gakuen External Auditor of R&C Holdings Co., Ltd. Outside Corporate Auditor of KISSEI PHARMACEUTICAL CO., LTD. Principal of Michio Iwabuchi Certified Public Accountant Office</p>	605 shares
<p>* Michio Iwabuchi is a candidate for outside Director.</p> <p>[Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and outline of expected role]</p> <p>Michio Iwabuchi possesses specialized knowledge related to finance and accounting as a certified public accountant. The Company proposes his election as an outside Director in expectation that he will continue to apply this knowledge to the audit and supervision of the Company's management, and from a neutral position, participate in the selection of officer candidates and the determination of officer compensation. He has never in the past been involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons.</p> <p>Mr. Iwabuchi is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure will have been four years.</p> <p>[Registration as Independent Officer]</p> <p>Michio Iwabuchi satisfies the "Standards for Independence of Outside Directors" established by the Company and the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. In addition, the Company does not engage in business transactions with Mr. Iwabuchi or with any organization or group he belongs to. Accordingly, the Company deems that he maintains sufficient independence.</p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Iwabuchi has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>[Limited liability agreements with outside Director who is an Audit and Supervisory Committee Member]</p> <p>Pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Michio Iwabuchi to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for in Article 425, paragraph 1 of the same Act. If the reelection of Mr. Iwabuchi is approved, the Company plans to renew the aforementioned agreement with him.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. The policy covers losses borne by the insureds for the legally mandated amount of indemnification and litigation expenses. Each candidate is included as an insured in the policy, and

the full amount of the insurance premiums is borne by the Company. If the election of each candidate in this proposal is approved, they will continue to be an insured. However, there are certain reasons for coverage exclusions in the policy; for example, losses arising from claims for damages due to illegal acts committed by an insured are not covered. When the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 5 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

The Company requests approval for the election of one substitute Director who is an Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

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
Yoshitaka Uchiyama (August 7, 1965) Outside Independent	Apr. 1994 Registered as an attorney at law (Tokyo Bar Association) Joined Kataoka & Kobayashi LPC July 2004 Principal of Uchiyama Yoshitaka Law Office (current position) Mar. 2013 Outside Director of Central Servicer Corporation (current position) (Significant concurrent positions outside the Company) Principal of Uchiyama Yoshitaka Law Office Outside Director of Central Servicer Corporation	0 shares

* Yoshitaka Uchiyama is a candidate for a substitute outside Director.

[Reasons for nomination as a candidate for substitute outside Director who is an Audit and Supervisory Committee Member and outline of expected role]

Yoshitaka Uchiyama possesses abundant experience as an attorney at law and is familiar with corporate legal affairs as well as civil and commercial law in general. He also has experience as an outside director of a company. The Company proposes his election as a substitute outside Director who is an Audit and Supervisory Committee Member in expectation that he will apply this knowledge to the audit and supervision of the Company's management, and from a neutral position, participate in the selection of officer candidates and the determination of officer compensation. He has never in the past been involved in the management of a company except as an outside director. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit and Supervisory Committee Member based on the above reasons.

[Registration as Independent Officer]

Yoshitaka Uchiyama satisfies the "Standards for Independence of Outside Directors" established by the Company and the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc. The Company engages in transactions including commission of legal services with Uchiyama Yoshitaka Law Office, of which Mr. Uchiyama is the Principal. However, the transaction amount in the fiscal year under review was a small amount of less than ¥500 thousand. Accordingly, the Company deems that he maintains sufficient independence.

If the election of Mr. Uchiyama is approved, in the event of his assuming the office of Director who is an Audit and Supervisory Committee Member, the Company plans to submit notification to Tokyo Stock Exchange, Inc., concerning his appointment as an independent officer as provided for by the aforementioned exchange.

[Limited liability agreements with Director who is an Audit and Supervisory Committee Member]

If the election of Yoshitaka Uchiyama is approved, and if he assumes the office of Director who is an Audit and Supervisory Committee Member, pursuant to Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph 1 of the same Act.

- Notes:
1. There is no special interest between the candidate and the Company.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. The policy covers losses borne by the insureds for the legally mandated amount of indemnification and litigation expenses. If Yoshitaka Uchiyama assumes the office of Director who is an Audit and Supervisory Committee Member, he will be insured under the policy, and the Company plans to bear the full amount of the insurance premiums. However, there are certain reasons for coverage exclusions in the policy; for example, losses arising from claims for damages due to illegal acts committed by an insured are not covered. When the policy is renewed, the Company plans to renew the policy with the same terms.

(Reference) Composition of the Board of Directors

The following table shows the composition of the Board of Directors and has been produced on the assumption that Proposal No. 3 and Proposal No. 4 for this General Meeting of Shareholders will be approved as originally proposed.

Name	Position	Outside	Business Management/Strategy	Research & Development	Sales/Marketing	Production/Procurement/Quality Control	Legal/Compliance	Finance/Accounting	International Perspective/Overseas Experience
Akio Takeuchi	Chairman and Representative Director		●	●	●	●			
Toshiya Takeuchi	President and Representative Director		●	●	●	●	●		●
Takahiko Watanabe	Director and General Manager of Production Control & Purchasing Department					●			
Clay Eubanks	Director and General Manager of Sales and Parts Departments				●				●
Osamu Kobayashi	Director and General Manager of Business Management and General Affairs Departments		●				●	●	
Hiroshi Yokoyama	Director and General Manager of Design & Development Department			●		●			
Minoru Kusama	Director and Full-time Audit and Supervisory Committee Member	●					●	●	
Akihiko Kobayashi	Director and Audit and Supervisory Committee Member	●					●		
Michio Iwabuchi	Director and Audit and Supervisory Committee Member	●					●	●	

* The above table shows the areas where the Company expects Directors to be most active and does not represent all the areas in which the Directors have knowledge.

(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 Financial 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 have 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.