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(Securities Code: 6247)

June 8, 2022

To Our Shareholders:

Yoshikazu Takeshita, Director, President and Chief
Executive Officer
Hisaka Works, Ltd.
2-12-7, Sonezaki, Kita-ku, Osaka City

Notice of the 93rd Annual General Meeting of Shareholders

We are pleased to announce the 93rd Annual General Meeting of Shareholders of Hisaka Works, Ltd. (the “Company”), which will be held as indicated below.

If you are not able to attend the Meeting in person, you may exercise your voting rights in any one of the following ways. Please follow the instructions in the reference document below and complete your voting.

[Exercise of Votes in Writing]

Please indicate on the Voting Rights Exercise Form enclosed herewith your approval or disapproval for the proposals and return the form by 5:00 p.m. (JST) on Tuesday, June 28, 2022.

[Exercise of Votes via Internet]

Please access the Company’s designated website (<https://evote.tr.mufg.jp/>) follow the instructions on the screens, and input your approval or disapproval by 5:00 p.m. (JST) on Tuesday, June 28, 2022.

- 1. Date and Time:** Wednesday, June 29, 2022, 10:00 a.m. (JST)
- 2. Venue:** Rental Conference Room, 26th Floor, Osaka Umeda Twin Towers North
8-1, Kakuda-cho, Kita-ku, Osaka City

3. Purpose of the Meeting:

Matters to be reported:

1. Report on the Business Report, the Consolidated Financial Statements for the 93rd Fiscal Year (From April 1, 2021 to March 31, 2022), and Audit Reports by the Accounting Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements
2. Report on the Non-consolidated Financial Statements for the 93rd Fiscal Year (From April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Partial Amendment to the Articles of Incorporation |
| Proposal No. 2 | Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |

Please kindly note that no gifts will be given to attendees. Your understanding would be highly appreciated.

- If you attend the meeting, please submit the Voting Rights Exercise Form enclosed herewith to the reception desk at the entrance of the meeting hall.
- As the Company’s efforts for “Cool Biz” energy conservation, please note that the Board members and relevant staff will dress lightly on the day of the Meeting. Shareholders are also encouraged to attend the Meeting in light clothing.
- Among the documents that are to be attached to this Notice of the Meeting, the following items of the Consolidated Financial Statements and Non-Consolidated Financial Statements are posted on the Company’s website (<https://www.hisaka.co.jp/>) in accordance with applicable laws and regulations of Japan, and the provision of Article 15 of the Company’s Articles of Incorporation, and therefore, are not included as the documents accompanying this Notice of the Meeting. They are Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements, Statements of Changes in Equity and Notes to Non-Consolidated Financial Statements. Accordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements accompanying this Notice of the Meeting are the portions of Consolidated Financial Statements and Non-Consolidated Financial Statements that were audited by the Independent Auditor in the preparation of the Independent Auditor’s Report or by the member of the Audit and Supervisory Committee in the preparation of the Auditor’s Report.
- Changes in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements will be announced on the Company’s website (<https://www.hisaka.co.jp/english/>) as needed.

Your cooperation would be highly appreciated to prevent COVID-19

1. Attendance at the Meeting

In consideration of preventing the spread of COVID-19, we kindly request you to refrain from attending the Meeting on the day as much as you can.

2. Method of exercising your voting rights in advance

Instead of attending the Meeting in person, you may exercise your voting rights using the Voting Rights Exercise Form or via the Internet. We would like you to use the form to exercise your voting rights in advance.

3. Attendance at the venue

- We would like shareholders coming to the venue to carefully confirm the infection status and their health condition on the day of the meeting, and give the utmost consideration to infection prevention such as by wearing masks at the venue.

- To ensure the health of other shareholders and conduct smooth and calm proceedings, we may refuse entry to the meeting venue if you seem unwell. Your understanding would be highly appreciated.

- The number of seats available will be limited because we will widen the spaces in between the seats. Accordingly, if all seats are filled, we may refuse entry even if you come to the venue on the day of the meeting.

4. Distribution of gifts

- Please kindly note that no gifts will be distributed to shareholders at the Meeting.

Depending on the circumstances, issues that shareholders need to be informed of prior to the day of the meeting will be announced on the Company's website.

The Company's website:
<https://www.hisaka.co.jp/>

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 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.

- (i) 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.
- (ii) Article 15, paragraph (2) in “Proposed Amendments” below will establish a provision to limit the scope of items to be stated in paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (iii) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (iv) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

(2) Details of the amendments

The details of the amendments are as follows:

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter III General Meeting of Shareholders <u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.)</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, financial statements and/or consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> <New Provision>	Chapter III General Meeting of Shareholders <Deleted> <u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u> 1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> 2. <u>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>

Current Articles of Incorporation	Proposed Amendments
<p>Supplementary Provisions (Transitional measures for the exemption of the Auditor’s responsibility)</p> <p style="text-align: center;"><Omitted> <New Provision></p>	<p>Supplementary Provisions</p> <p><u>Article 1.</u> (Transitional measures for the exemption of the Auditor’s responsibility)</p> <p style="text-align: center;"><Unchanged></p> <p><u>Article 2.</u> <u>(Transitional Measures for Provision of Information in Electronic Format, Etc.)</u></p> <ol style="list-style-type: none"> <u>1. The deletion of Article 15 of the current Articles of Incorporation on the Disclosure via the Internet and Deemed Provision of Reference Materials, etc. for General Meeting of Shareholders, and the addition of the proposed amendments to Article 15 on the Measures for Provision of Information in Electronic Format, Etc. shall take effect on the date of enforcement of the amended provision (hereinafter the “Date of Enforcement”) stipulated in the proviso to Article 1 of the Supplementary Provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019).</u> <u>2. Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <u>3. The provision of this Article shall be deleted either on a date after six months from the Date of Enforcement, or a date after three months from the date of the general meeting of shareholders stated in the preceding paragraph, whichever comes later.</u>

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

The terms of office for all of the current six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of the Meeting. Therefore, the Company proposes the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members), increasing the number of Directors by one (1) to strengthen the management system of the Company.

The election of candidates for Directors has been determined after consulting and advising by the Nomination and Compensation Committee, in which the Independent Outside Directors comprise a majority of the members. In addition, the Audit and Supervisory Committee has stated its opinion that all of the candidates for Directors are appropriate.

The candidates for Directors are as follows:

Candidates for Directors

Candidate No.	Name	Positions and responsibility in the Company
1	Yoshikazu Takeshita	Re-election President and Representative Director; President and CEO
2	Koji Ohta	Re-election Director, Managing Executive Officer Technical & Development field and Konoike Plant Manager
3	Tadashi Iizuka	Re-election Director, Managing Executive Officer Corporate Planning and Overseas Operation field
4	Toshiyuki Funakoshi	Re-election Director, Managing Executive Officer Corporate Sustainability and Human Resources & General Affairs field
5	Toshiya Usami	New election Managing Executive Officer Sales field and Tokyo Branch Office Manager
6	Koji Mizumoto	Re-election Independent officer Candidate for Outside Director Outside Director
7	Yuko Tsuno	Re-election Independent officer Candidate for Outside Director Outside Director

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Yoshikazu Takeshita (November 4, 1957) Re-election	Mar. 1981 Joined Hisaka Works, Ltd. Mar. 2012 Manager of the Manufacturing Department of the Vital Industry Division (present Process Engineering Division) of the Company Mar. 2014 General Manager of the Vital Industry Division June 2014 Director and General Manager of the Vital Industry Division Oct. 2015 Director, General Manager of the Vital Industry Division and in charge of the Kyushu Branch Apr. 2016 Managing Director in charge of Finance and Management Strategy Apr. 2017 Director, President and Chief Executive Officer June 2020 President and Representative Director; President and CEO (current position)	28,600
(Reasons for nomination as candidate for Director) Yoshikazu Takeshita possesses a wealth of knowledge and experience mainly in the textile dyeing and processing machine business. After being appointed as Director, he has assumed the positions of General Manager of the Vital Industry Division (present Process Engineering Division) and Managing Director in charge of Finance and Management Strategy. Since 2017, he has demonstrated strong leadership as President and CEO, devoting himself to achieving the goals of the Medium-term Management Plan to contribute to the Company's development. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Koji Ohta (May 11, 1958) Re-election	Mar. 1982 Joined Hisaka Works, Ltd. Mar. 2012 Manager of the Design and Development Department of the Valve Division of the Company Mar. 2014 General Manager of the Valve Division Oct. 2015 General Manager of the Valve Division, and Kitakyushu Branch Office Manager Apr. 2016 Executive Officer, General Manager of the Valve Division, Manager of the Technology Department, and Kitakyushu Branch Office Manager June 2016 Director, General Manager of the Valve Division, Manager of the Technology Department, and Kitakyushu Branch Office Manager Apr. 2018 Director in charge of the Technology Department of the Valve Division, and Manager of the Information System Department Apr. 2019 Managing Director in charge of the Technology and Valve Division, Konoike Plant Manager and Manager of the Information System Department June 2019 Managing Director in charge of Technology, Konoike Plant Manager, and Manager of the Information System Department Apr. 2020 Managing Director in charge of the Technology Development Division, and Konoike Plant Manager June 2020 Director, Managing Executive Officer; Technical & Development field and Konoike Plant Manager (current position)	17,600
<p>(Reasons for nomination as candidate for Director)</p> <p>Koji Ohta possesses a wealth of knowledge and experience in development and sales of the Valve business. After being appointed as Director, he has assumed the positions of General Manager of the Valve Business Division, Manager of the Technology Department, and Manager of the Information System Department. Ohta is currently responsible for heading technology development as well as serving as Head of the Konoike Plant to contribute to development of the Company. He also assumes the role of decision-making of important matters on overall business. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Tadashi Iizuka (February 6, 1958) Re-election	<p>Apr. 1981 Joined Nomura Securities Co., Ltd.</p> <p>Apr. 2011 Joined Hisaka Works, Ltd.</p> <p>Mar. 2013 Manager of the Corporate Strategy Office of the Company</p> <p>Mar. 2015 Manager of the Corporate Strategy Department</p> <p>Apr. 2016 Executive Officer and Manager of the Corporate Strategy Department</p> <p>Apr. 2017 Executive Officer, General Manager of the Corporate Planning Division, and Manager of the Corporate Strategy Department</p> <p>June 2017 Director, General Manager of the Corporate Planning Division, and Manager of the Corporate Strategy Department</p> <p>Apr. 2018 Director, General Manager of the Corporate Planning Division, Manager of the Corporate Strategy Department, and Manager of the New Business Promotion Department</p> <p>Apr. 2019 Managing Director and General Manager of the Corporate Planning Division</p> <p>Apr. 2020 Managing Director in charge of the Corporate Planning Division</p> <p>June 2020 Director, Managing Executive Officer; Corporate Planning field</p> <p>July 2021 Director, Managing Executive Officer; Corporate Planning and Overseas Operation field (current position)</p>	11,900
<p>(Reasons for nomination as candidate for Director)</p> <p>Tadashi Iizuka worked for a securities company for a number of years and possesses a wealth of knowledge and experience related to corporate management and finance. After joining the Company, Iizuka assumed the responsibilities primarily for corporate strategy, and after being appointed Director, he assumed the positions of General Manager of the Corporate Planning Division, Manager of the Corporate Strategy Department, and Manager of the New Business Promotion Department. Iizuka is currently responsible for Corporate Planning and Overseas Businesses, and contributes to the development of the Company, while he fulfills the role at the Board of Directors of decision-making on important matters of overall management. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Toshiyuki Funakoshi (September 15, 1958) Re-election	Mar. 1981 Joined Hisaka Works, Ltd. Mar. 2009 Manager of the Manufacturing Department of the Heat Exchanger Division of the Company Mar. 2013 Manager of the Corporate Management Department Mar. 2014 Manager of the Corporate Management Department and Manager of the Human Department June 2014 Director, Manager of the Corporate Management Department, and Manager of the Human Department Mar. 2015 Director and General Manager of the Heat Exchanger Business Division Apr. 2017 Director and Plant Manager Apr. 2018 Director, Plant Manager, and in charge of matters specially assigned by the President Apr. 2019 Director in charge of Human Resources, and the Heat Exchanger Business Division Apr. 2020 Managing Director in charge of the Human Resources and General Affairs Division and the Heat Exchanger Business Division June 2020 Managing Executive Officer; Responsible for Human Resources and General Affairs Apr. 2021 Managing Executive Officer; Responsible for Human Resources and General Affairs, and Tokyo Branch Office Manager July 2021 Managing Executive Officer; Corporate Social Responsibility and Human Resources & General Affairs field, Tokyo Branch Office Manager Apr. 2022 Managing Executive Officer; Corporate Sustainability and Human Resources & General Affairs field (current position)	19,300
<p>(Reasons for nomination as candidate for Director)</p> <p>Toshiyuki Funakoshi possesses a wealth of knowledge and experience of sales, production management and safety administration at the heat exchanger business. After being appointed Director, he assumed positions of Manager of the Corporate Management Department, Manager of the Human Department, General Manager of Heat Exchanger Division, and Plant Manager He currently assumes responsibilities for overseeing Sustainability, and Human Resources and General Administration, and contributing to the development of the Company. He also fulfills the role of decision-making for important matters on overall management at the Board of Directors. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p style="text-align: center;">Toshiya Usami (November 16, 1959)</p> <p style="text-align: center;">New election</p>	<p>Mar. 1983 Joined Hisaka Works, Ltd.</p> <p>Mar. 2014 General Manager of Sales Section of the Heat Exchanger Division</p> <p>Apr. 2016 Executive Officer; General Manager of Sales Section of the Heat Exchanger Division; Head of Nagoya Branch</p> <p>Apr. 2017 Executive Officer; General Manager of the Manufacturing Section of Valve Division</p> <p>Apr. 2018 Executive Officer; General Manager of the Valve Business Division</p> <p>June 2019 Director, General Manager of the Valve Division</p> <p>June 2020 Senior Executive Officer; General Manager of the Valve Division</p> <p>Apr. 2021 Managing Executive Officer; domestic sales field; General Manager of the Valve Division</p> <p>July 2021 Managing Executive Officer; Sales field, General Manager of the Valve Division</p> <p>Apr. 2022 Managing Executive Officer; Sales field and Tokyo Branch Office Manager (current position)</p>	30,100
<p>(Reasons for nomination as candidate for Director)</p> <p>Toshiya Usami possesses a wealth of knowledge and experience of sales at the heat exchanger business. After being appointed Executive Officer, he has assumed the positions of General Manager of the Sales Section of the Heat Exchanger Division; General Manager of the Manufacturing Section of Valve Division; and General Manager of the Valve Division since 2018, and he has been contributing to the Company's business development. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	<p style="text-align: center;">Koji Mizumoto (November 3, 1954)</p> <p style="text-align: center;">Re-election Independent officer Candidate for Outside Director</p>	<p>Apr. 1978 Joined Nisshin Steel Co., Ltd. (present Nippon Steel Corporation)</p> <p>June 2001 General Manager of the Corporate Planning Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2005 Executive Officer and General Manager of the Sales Administration Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2007 Executive Officer and General Manager of the Human Resources Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2009 Managing Executive Officer and General Manager of the Human Resources Division of Nisshin Steel Co., Ltd.</p> <p>June 2009 Director and Managing Executive Officer of Nisshin Steel Co., Ltd.</p> <p>Apr. 2012 Director and Managing Executive Officer of Nisshin Steel Co., Ltd. Chairman of Nisshin Steel Shanghai Co., Ltd.</p> <p>June 2012 Managing Executive Officer of Nisshin Steel Co., Ltd.</p> <p>Apr. 2014 Vice President, Executive Officer and CFO of Nisshin Steel Co., Ltd.</p> <p>June 2014 Representative Director; Vice President; Executive officer; and CFO of Nisshin Steel Co., Ltd.</p> <p>Apr. 2017 Director (assistant to President) of Nisshin Steel Co., Ltd.</p> <p>June 2017 Senior Advisor of Nisshin Steel Co., Ltd.</p> <p>June 2018 Advisor of Nisshin Steel Co., Ltd.</p> <p>June 2019 Director of Hisaka Works Co., Ltd. (current position)</p> <p>Aug. 2020 Outside Director of Toyo Denki Seizo K.K. (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of Toyo Denki Seizo K.K.</p>	-
<p>(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities)</p> <p>Koji Mizumoto had been in charge of corporate management of Nisshin Steel Co., Ltd. (present Nippon Steel Corporation) as Representative Director, Vice President and Executive Officer. Since being appointed as the Company's Director, he has provided advice on its management and performed an appropriate supervisory function from an objective and practical point of view. As one of the Nomination and Compensation Committee members, he has also engaged in the election of candidates for Directors and decision-making on Director's remuneration and other matters from an objective and neutral point of view. The Company judges that he will continue to utilize his insight and contribute to increasing its corporate value, and accordingly proposes him as a candidate for Outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Yuko Tsuno (November 10, 1981) Re-election Independent officer Candidate for Outside Director	<p>Dec. 2008 Completed the requisite courses at the Supreme Court's Legal Research and Training Institute (61st class)</p> <p>Registered with Aichi Bar Association</p> <p>Aug. 2009 Registered with Osaka Bar Association Joined Chuo Sogo Law Office P.C. (current position)</p> <p>Apr. 2012 Joined Intellectual Property Law Practice Study Group (current position)</p> <p>June 2012 Director of Kansai Branch of Japan Trademark Association (current position)</p> <p>June 2016 Officer in charge of the protection of personal information and a committee member of information disclosure screening in the city of Kaizuka (current position)</p> <p>Apr. 2017 Joined Intellectual Property Committee and Road Traffic Accident Committee of Osaka Bar Association (current position)</p> <p>Sept. 2017 Lecturer of the School of Policy Studies of Kwansai Gakuin University (current position)</p> <p>June 2019 Director of Hisaka Works Co., Ltd. (current position)</p> <p>Aug. 2019 Equity Commission Member of Kaizuka City (current position)</p> <p>Apr. 2020 Vice Chairperson of the Intellectual Property Committee of the Osaka Bar Association (current position)</p>	-
<p>(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities)</p> <p>Yuko Tsuno possesses abundant experience and knowledge as a lawyer. After being appointed as Director of Hisaka Works Co., Ltd., she has provided advice on the Company's management and performed an appropriate supervisory function from an objective and specialized point of view. As one of the Nomination and Compensation Committee members, she has also engaged in the election of candidates for Directors and decision-making on Directors' remuneration and other matters from an objective and neutral point of view. The Company judges that she will continue to utilize her insight and contribute to increasing its corporate value, and accordingly proposes her as a candidate for Outside Director. Although she has no experience in the past of corporate management other than performing as Outside Director, the Company judges, based on the above reasons, that she will be able to fulfill the roles and duties of Outside Director appropriately.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Koji Mizumoto and Yuko Tsuno are candidates for Outside Director.
 3. Koji Mizumoto and Yuko Tsuno satisfy the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and the Company has submitted notification to the aforementioned exchange concerning their designation as an independent officer. If they are re-elected, the Company plans to submit notification to the aforementioned exchange concerning the renewal of their designation as independent officers.
 4. The Company has set out its Criteria for the Independence of Independent Outside Officers of the Company. (The Company's website: https://www.hisaka.co.jp/company_info/outline.html) (Japanese only)
All of the candidates for Outside Directors nominated in this proposal have satisfied these standards.
 5. Koji Mizumoto and Yuko Tsuno are currently Outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as Outside Directors will have been three years.
 6. Limited liability agreements with candidates for Outside Directors
To secure human resources who are valuable as Outside Directors, the Company's Articles of Incorporation have prescribed that the Company is allowed to enter into a limited liability agreement with Outside Directors. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Koji Mizumoto and Yuko Tsuno to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. If they are re-elected, the Company plans to renew the aforementioned agreements with them.
An outline of the limited liability agreement is as follows:
Pursuant to Article 427, paragraph (1) of the Companies Act, in line with the provisions of the Articles of Incorporation that allow for the Company to enter into an agreement to limit liability for damages, the maximum amount of liability

for damages under this agreement is 1 million yen or the minimum amount provided for under laws and regulations, whichever is higher.

7. Liability Insurance Policy for Directors and Executive officers

The Company has entered into a directors and officers liability insurance agreement with the insurance company pursuant to Article 430-3, Paragraph (1) of the Companies Act. A summary of details of the insurance agreement is provided on page 22 of the Business Report. Provided that a candidate for Director is approved, he or she will be covered as an insured party under the said insurance policy.

The Company is scheduled to renew the said insurance policy with the same details at the time of renewal.

[Reference] Skill Matrix for Director (planned after the conclusion of this Meeting)

Director	Expertise that the Company expects for Directors (including Directors who are Audit and Supervisory Committee Members)								
	Corporate management	Sales	Technology and Research development	Internationality	Manufacturing and Quality	Management Planning	Finance and Accounting	Human Resources and Labor Management	Legal affairs and Internal control
Yoshikazu Takeshita	●	●		●	●	●	●		
Koji Ohta	●	●	●	●	●				
Tadashi Iizuka	●	●		●		●	●		●
Toshiyuki Funakoshi	●	●	●	●	●		●	●	
Toshiya Usami	●	●		●	●				
Koji Mizumoto	●			●		●	●	●	
Yuko Tsuno								●	●
Mitsugu Nakamichi Audit and Supervisory Committee Member		●		●	●		●		
Akira Nakai Audit and Supervisory Committee Member	●			●					●
Noriyuki Fujita Audit and Supervisory Committee Member	●						●		

*The above matrix does not present all of the expertise possessed by the respective Directors.