

# Notice of the 170th Ordinary General Meeting of Shareholders

Date & Time: 2:00 p.m. (JST), Thursday, June 15, 2023

Venue: IBIDEN Co., Ltd. Headquarters Hall (the 2<sup>nd</sup> floor), 2-1 Kanda-cho, Ogaki-city, Gifu Pref.

Agenda:

Matters to be reported:

- (1) Business Report and Consolidated Financial Statements, and Audit Reports by the Accounting Auditors and the Audit and Supervisory Committee on the Consolidated Financial Statements, for the 170<sup>th</sup> Fiscal Year from April 1, 2022 to March 31, 2023
- (2) Financial Statements for the 170<sup>th</sup> Fiscal Year from April 1, 2022 to March 31, 2023

Matters to be resolved:

Proposal 1: Election of Seven (7) Directors who are not Audit and Supervisory Committee Members

Proposal 2: Election of Five (5) Directors who are Audit and Supervisory Committee Members

Proposal 3: Election of one (1) Substitute Director who is an Audit and Supervisory Committee Member

Company's Website: <https://www.ibiden.co.jp/>

If there is any minor amendment to the "Reference Materials for General Meeting of Shareholders," "Business Report," "Financial Report" and/or "Consolidated /Non-consolidated Financial Statements," such amendment will be posted on the Company's website indicated above. Additionally, pursuant to the Japanese laws and regulations and Article 15 of the Company's, "Items related to the current situation of the Group Companies (4) Major sales offices and factories", "Items related to Corporate Director (6) Outside Corporate Director," and "Company Structure and Company Policy" of Business Report, "Consolidated Financial Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements of Change in Net Assets" of Consolidated Financial Statements, and "Statements of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements" of Financial Statement will be posted on the website above, and thus not included in the documents accompanying the Notice of the 170<sup>th</sup> Ordinary General Meeting of Shareholders. Moreover, these items will be audited by the Accounting Auditors, and Audit and Supervisory Committee.

This document is an English translation of the Notice of the 170<sup>th</sup> Ordinary General Meeting of Shareholders originally prepared in Japanese. This English translation is for general reference purposes only and is subject to errors and omissions. All information contained herein is deemed accurate, but is not guaranteed.

The terms of office of all seven (7) current Directors will expire at the conclusion of the Ordinary General Meeting of Shareholders. Accordingly, it is proposed that seven (7) Members of the Board of Directors who are not Audit and Supervisory Committee Members be elected. The candidates for the Directors who are not Audit and Supervisory Committee Members are as follow:  
The brief personal information for respective candidates is referred to Page 3 through 7.

Candidate Number		Name	Positions and Responsibilities	Attendance at the Board of Directors' Meeting in 2022	Years of Service	<div>● Male</div> <div>● Female</div>
1	Reassignment	Takeshi AOKI	President & CEO, Representative Director, Administrator of Corporate Business Operation and R&D Operation Officer	11/11 times (100%)	10 years	●
2	Reassignment	Masahiko IKUTA	Executive Vice President, Representative Director, Deputy Administrator of Corporate Business Operation, DX Promotion Officer, IR Officer and President of Strategic Corporate Planning Operation	11/11 times (100%)	5 years	●
3	Reassignment	Koji KAWASHIMA	Director & Senior Executive Officer, Electronic Business Officer and President of Electronics Operation	9/9 times* (100%)	1 year	●
4	New	Ayumi SUZUKI	Senior Executive Officer, GX Promotion Officer, President of Strategic Manufacturing Operation, IPIA Planning Division Manager, Energy Control Unit Officer and Internal Audit Division Officer	-	-	●
5	Reassignment	Chiaki YAMAGUCHI	<div>Candidate of Outside Director</div> <div>Candidate of Independent Director</div>	11/11 times (100%)	9 years	●
6	Reassignment	Toshio MITA	<div>Candidate of Outside Director</div> <div>Candidate of Independent Director</div>	11/11 times (100%)	6 years	●
7	Reassignment	Noriko ASAI	<div>Candidate of Outside Director</div> <div>Candidate of Independent Director</div>	11/11 times (100%)	3 year	●

\* Attendance since inauguration on June 17, 2022.



Reassignment

Numbers of the  
Company's Shares  
Owned  
77,700

Including Numbers of the  
Company's Shares  
Granted on Stock  
Compensation Plan  
46,400

Candidate Number

1

Takeshi AOKI

Date of Birth:  
February 4, 1958

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1981	Joined IBIDEN Co., Ltd.	April 2017	Administrator of Corporate Business Operation (present), Ceramics Business Officer
April 2008	Corporate Officer	June 2017	President & CEO, Representative Director (present)
June 2013	Director & Corporate Officer	June 2018	R&D Operation Officer (present)
April 2014	Director & Managing Officer	April 2019	Corporate Executive Director of Internal Audit Division
March 2016	Executive Vice President, Representative Director		
	President of Ceramics Operation		

Reasons for his/her Nomination as a Candidate

Mr. Takeshi AOKI has wide-range knowledge as President & CEO, Representative Director of the Company and abundant experience in business operation of the Company. As the Company judges that he has sufficient knowledge and experience that enable him to make decision on the execution of important business for the Company and to supervise the execution of duties by directors, we nominate him as a candidate of Director of the Company.

Expected Expertise

Company Management, Business Strategy, Wide-Range Knowledge of the Company Business, International Business, Innovation, Internal Control and Corporate Governance



Reassignment

Numbers of the  
Company's Shares  
Owned  
48,900

Including Numbers of the  
Company's Shares  
Granted on Stock  
Compensation Plan  
24,300

Candidate Number

2

Masahiko IKUTA

Date of Birth:  
August 19, 1962

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1985	Joined IBIDEN Co., Ltd.	June 2017	Executive Managing Officer
April 2010	Corporate Officer	June 2018	Director & Executive Managing Officer
October 2013	President of Strategic Corporate Planning Operations (present)	April 2019	PKG Business Officer
	IR Officer (present), FGM Business Officer	April 2020	Director & Senior Executive Officer
June 2014	Director & Managing Officer	April 2021	Executive Vice President, Representative Director (present), Electronics Business Officer
March 2016	Director & Executive Managing Officer	April 2022	Deputy Administrator of Corporate Business Operation (present), DX Promotion Officer (present)
April 2017	Affiliates and Subsidiaries Officer		

Reasons for his/her Nomination as a Candidate

Mr. Masahiko IKUTA has wide-range knowledge as a Representative Director of the Company and adequate experience in Strategic Corporate Planning Operation. As the Company judge that he has sufficient knowledge and experience that enable him to make decision on the execution of important business for the Company and to supervise the execution of duties by directors, we nominate him as a candidate of Director of the Company.

Expected Expertise

Company Management, Business Strategy, Wide-Range Knowledge of the Company Business, Financial/Accounting/Tax Practice, Risk Management, Internal Control and Corporate Governance



Reassignment

Numbers of the  
Company's Shares  
Owned  
32,300

Including Numbers of the  
Company's Shares  
Granted on Stock  
Compensation Plan  
13,900

Candidate Number

3

Koji KAWASHIMA

Date of Birth:

September 15, 1963

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1987	Joined IBIDEN Co., Ltd.	April 2017	President of Electronics Operation
April 2008	Director	April 2019	President of PKG Operation
April 2010	Corporate Officer, President of PKG Operation	April 2020	Senior Executive Officer
April 2014	Human Resources Director of Strategic Corporate Planning Operations	April 2022	Electronics Business Officer (present)
March 2016	Executive Managing Officer	June 2022	Director & Senior Executive Officer (present)
		April 2023	President of Electronics Operation (present)

Reasons for his/her Nomination as a Candidate

Mr. Koji KAWASHIMA has wide-range knowledge as a Director of the Company and adequate experience in Electronics Operation with a special focus on IC package. As the Company judge that he has sufficient knowledge and experience that enable him to make decision on the execution of important business for the Company and to supervise the execution of duties by directors, we nominate him as a candidate of Director of the Company.

Expected Expertise

Company Management, Business Strategy, Wide-Range Knowledge of the Company Business, International Business, Engineering and Manufacturing,



New

Numbers of the  
Company's Shares  
Owned  
2,100

Including Numbers of the  
Company's Shares  
Granted on Stock  
Compensation Plan  
100

Candidate Number

4

Ayumi SUZUKI

Date of Birth:

March 21, 1964

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

May 1989	Joined IBIDEN Co., Ltd.	April 2022	Production Division Manager of ECP Unit
April 2005	Group Manager of PKG Group, Quality Control Division, Electronic Substrate Operation	April 2023	Senior Executive Officer (present), GX Promotion Unit Officer (present), President of Strategic Manufacturing Operation (present), IPIA Planning Division Manager (present), Energy Control Unit Officer (present), Internal Audit Division Officer (present)
April 2009	Quality Assurance Division Manager of DPF Unit		
April 2018	President of IBIDEN Hungary Kft. (secondment)		
April 2021	Senior Management		

Reasons for his/her Nomination as a Candidate

Mr. Ayumi SUZUKI has wide-range knowledge as a Director of the Company, deep knowledge in Technology and Production Operations and experience in affiliating overseas production companies. As the Company judges that he has sufficient knowledge and experience that enable him to make decision on the execution of important business for the Company and to supervise the execution of duties by directors, we nominate him as a candidate of Director of the Company.

Expected Expertise

Wide-Range Knowledge of the Company Business, Engineering, Manufacturing, Risk Management, Internal Control and Corporate Governance



Candidate Number

5

Chiaki YAMAGUCHI

Date of Birth:

December 25, 1949

Reassignment

Candidate of  
Outside Director

Candidate of  
Independent Director

Numbers of the  
Company's Shares  
Owned  
13,400

#### Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1972 Joined TOYOTA MOTOR CORPORATION  
 June 2003 Full-time Corporate Auditor of TOYOTA MOTOR CORPORATION (retired on June 2011)  
 June 2011 Executive Managing Director of Toyota Industries Corporation  
 June 2012 Representative Director & Senior Vice President of Toyota Industries Corporation (retired on June 2015)  
 June 2014 Outside Director of IBIDEN Co., Ltd. (present)  
 June 2015 President & Representative Director of TOYOTA FUDOSAN CO., LTD., formerly Towa Real Estate Co., Ltd. (retired on June, 2018)  
 Outside Director of Nakanihon KOGYO Co., Ltd. (retired on June 2019)  
 June 2018 Contract Officer for Special Duties of TOYOTA MOTOR CORPORATION (present)  
 Outside Auditor of Central Nippon Expressway Company Limited (retired on June 2022)  
 Corporate Advisor of TOYOTA FUDOSAN CO., LTD., formerly Towa Real Estate Co., Ltd. (retired on June 2019)  
 June 2019 Contract Officer for Special Duties of TOYOTA FUDOSAN CO., LTD., formerly Towa Real Estate Co., Ltd. as former President & Representative Director (present)

#### Other Major Position Concurrently Held

Contract Officer for Special Duties of TOYOTA MOTOR CORPORATION  
 Contract Officer for Special Duties of TOYOTA FUDOSAN CO., LTD., formerly Towa Real Estate Co., Ltd.

#### Relation between his/her Major Concurrent Duty and the Company

The Company has no special interest with his concurrent duties.

#### Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Mr. Chiaki YAMAGUCHI has extensive and wide-ranging experience and expertise, including those in relation to corporate management as Representative Director & Senior Vice President of Toyota Industries Corporation and President & Representative Director of TOYOTA FUDOSAN CO., LTD., formerly Towa Real Estate Co., Ltd. The Company proposes that Mr. Chiaki YAMAGUCHI be reelected as Outside Director and be delegated Chairman of Nomination/Remuneration Committee in expectation of the advice and supervision, which he will be able to provide.

#### Expected Expertise

Company Management, Business Strategy, Financial/Accounting/Tax Practice, International Business, Risk Management, Internal Control and Corporate Governance



Candidate Number

6

Toshio MITA

Date of Birth:  
November 2, 1946

Reassignment

Candidate of  
Outside Director

Candidate of  
Independent Director

Numbers of the  
Company's Shares  
Owned  
3,800

#### Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1969 Joined Chubu Electric Power Co., Inc.  
June 2003 Managing Officer, Tokyo Office Manager of Chubu Electric Power Co., Inc.  
June 2005 Director, Senior Managing Executive Officer, President of Sales Company of Chubu Electric Power Co., Inc.  
June 2006 President & CEO of Chubu Electric Power Co., Inc.  
June 2007 President & CEO, Representative Director of Chubu Electric Power Co., Inc.  
June 2010 Chairman of the Board at Chubu Electric Power Co., Inc.  
June 2015 Advisor of Chubu Electric Power Co., Inc.  
Outside Auditor of NYK Line (retired on June 2019)  
June 2017 Outside Director of IBIDEN Co., Ltd. (present)  
June 2018 Outside Auditor of Nagoya Railroad Co., Ltd. (present)  
June 2019 Outside Auditor of Chubu-Nippon Broadcasting Co., Ltd. (present)  
July 2020 Corporate Advisor of Chubu Electric Power Co., Inc. (present)

#### Other Major Position Concurrently Held

Corporate Advisor of Chubu Electric Power Co., Inc.  
Outside Auditor of Nagoya Railroad Co., Ltd.  
Outside Auditor of Chubu-Nippon Broadcasting Co., Ltd.

#### Relation between his/her Major Concurrent Duty and the Company

The Company has no special interest with his concurrent duties.

#### Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Mr. Toshio MITA has extensive and wide-ranging experience and expertise, including those in relation to corporate management as President & CEO, Representative Director of Chubu Electric Power Co., Inc. The Company proposes that Mr. Toshio MITA be reelected as Outside Director and be delegated a member of Nomination/Remuneration Committee in expectation of the advice and supervision, which he will be able to provide.

#### Expected Expertise

Company Management, Business Strategy, Risk Management, Internal Control and Corporate Governance





Candidate Number

7

Noriko ASAI

Date of Birth:

July 25, 1964

Reassignment

Candidate of  
Outside DirectorCandidate of  
Independent DirectorNumbers of the  
Company's Shares  
Owned  
1,000

## Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1997 Assistant Instructor at the School of Economics of Nagoya  
 March 1999 Nagoya University Ph.D. in Economics  
 April 2007 Professor at the School of Management of Chukyo University  
 June 2015 Outside Director of CKD Corporation (present)  
 June 2020 Outside Director of IBIDEN Co., Ltd. (present)  
 June 2021 Outside Director of Okuma Corporation (present)  
 October 2021 Guest Faculty Member of Graduate School /School of Economics of  
 Nagoya University

## Other Major Position Concurrently Held

Outside Director of CKD Corporation  
 Outside Director of Okuma Corporation

## Relation between his/her Major Concurrent Duty and the Company

The Company has no special interest with her concurrent duties.

## Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Ms. Noriko ASAI has abundant and wide-ranging academic knowledge, expertise and experience in business economics with a special focus on production management as an academic expert even though she has not been directly involved in the management of corporation except being an Outside Director. The Company proposes that Ms. Noriko ASAI be reelected as an Outside Director and be delegated a member of Nomination / Remuneration Committee in expectation of the advice and supervision, which she will be able to provide.

## Expected Expertise

Company Management, Business Strategy, Innovation, Risk Management,

(Annotation)

1. The Company has no special interests with any of the candidates above.
2. The Company has executed with Messrs. Chiaki YAMAGUCHI, Toshio MITA and Ms. Noriko ASAI, Outside Directors, with an agreement for limitation of liability for damage as stipulated in Article 423.1 of the Companies Act. Outline of contents of the liability limitation agreement as follows:
  - (i) Liability for damage incurred due to an outside director's failure to perform his/her duties as an Outside Director shall be up to the amount of 20 million yen or the minimum liability amount stipulated in Article 425.1 of the Companies Act, whichever is higher.
  - (ii) The limitation of liability above applies only if an outside director has performed the duties which have caused his/her liability, without knowledge thereof and has not been grossly negligent in performing the same.
3. The Company has insured Directors' and Officers' Liability Insurance (hereafter "D&O"), which is insurance coverage intended to protect individuals from personal losses on business during serving as a director or an officer of a business or other type of organization except disclaimer clauses on the policy. Full premium payment for the all is made on the Company. If the proposal is approved and then respective candidates are appointed Directors who are not Audit and Supervisory Committee Members, each of them shall be an insured person. On account of the one-year D&O, we will be renewing it in July, 2023.
4. Pursuant to the provisions prescribed by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. Messrs. Chiaki YAMAGUCHI, Toshio MITA and Ms. Noriko ASAI as Independent Directors, have been appointed and registered with both Stock Exchanges.
5. Mr. Toshio MITA engaged in NYK Line as an Outside Director from June 2015 to June 2019. For the duration of the term, he corroborated his suspicion that some of former local management of NYK Car Carrier (China), one of its consolidated subsidiaries, accounted unjust expenditures though the investigation ended on March 2018. Nippon Cargo Airlines Co., Ltd, one of NYK Line's subsidiaries, also received the administrative measures by the Minister of land, Infrastructure, Transport and Tourism for the inappropriate operations of aircraft maintenance etc. and filed implement measures on July 2018. Mr. Toshio MITA had been unaware of the said cases until he was reported. He used to make statements from the point of view of legal compliance until then, and he continued delivering proposals on exhaustive investigations into the cause of them and recurrence preventions for them.

The terms of office of all five (5) current Directors who are Audit and Supervisory Committee Members will expire at the conclusion of the Ordinary General Meeting of Shareholders. Accordingly, it is proposed that five (5) Members of the Board of Directors who are Audit and Supervisory Committee Members be elected.

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

The candidates for the Directors who are Audit and Supervisory Committee Members are as follow:

The brief personal information for respective candidates is referred to Page 9 through 13.

Candidate Number		Name	Career, Area in Charge at the Company	Attendance at The Audit and Supervisory Committee's Meeting in 2022	Attendance at The Board of Directors' Meeting in 2022	Years of Service	<div> <div></div> Male           <div></div> Female         </div>
1	Reassignment	Yoichi KUWAYAMA	Full-time Member of Audit and Supervisory Committee (present)	13/13 times (100%)	11/11 times (100%)	6 years	●
2	Reassignment	Koji MATSUBAYASHI	Full-time Member of Audit and Supervisory Committee (present)	13/13 times (100%)	11/11 times (100%)	2 years	●
3	Reassignment	Fumio KATO	Outside Member of Audit and Supervisory Committee (present) Chairman of Audit and Supervisory Committee (present) <div> <div>Candidate of Outside Corporate Auditor</div> <div>Candidate of Independent Director</div> </div>	13/13 times (100%)	11/11 times (100%)	6 years	●
4	Reassignment	Masaki HORIE	Outside Member of Audit and Supervisory Committee (present) <div> <div>Candidate of Outside Corporate Auditor</div> <div>Candidate of Independent Director</div> </div>	13/13 times (100%)	11/11 times (100%)	6 years	●
5	Reassignment	Yukiko YABU	Outside Member of Audit and Supervisory Committee (present) <div> <div>Candidate of Outside Corporate Auditor</div> <div>Candidate of Independent Director</div> </div>	13/13 times (100%)	11/11 times (100%)	2 years	●





Reassignment

Numbers of the  
Company's Shares  
Owned

47,700

Candidate Number

1

Yoichi KUWAYAMA

Date of Birth:

May 30, 1958

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1983	Joined IBIDEN Co., Ltd.	April 2014	Director & Executive Managing Officer
April 2008	Corporate Officer		President of Ceramics Unit
April 2011	President of DPF Unit	March 2016	Corporate Executive Director
April 2012	Managing Officer		of Audit
June 2012	Director & Managing Officer	June 2016	Full-time Corporate Auditor
		June 2017	Full-time Member of Audit and Supervisory Committee (present)

Reasons for his/her Nomination as a Candidate

The Company proposes that Mr. Yoichi KUWAYAMA be reelected as a Director who is an Audit and Supervisory Committee Member, in expectation of supervision of the Company business and sufficient advice, which he will be able to provide based on his abundant and wide-ranging experience and expertise through conducting the Company's business.



Reassignment

Numbers of the  
Company's Shares  
Owned

700

Candidate Number

2

Koji MATSUBAYASHI

Date of Birth:

December. 29, 1963

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1987	Joined The Sumitomo Bank, Ltd.	April 2010	Deputy Manager of Corporate Sales in Saitama
October 1994	Deputy Chicago Branch General Manager	May 2014	London Credit Manager and Joint Audit Manager in Europe Region
October 1996	New York Deputy US Credit Director of US Headquarters	April 2017	Singapore Audit Manager
April 2001	Manager of Sale Credit Division 1 in Sumitomo Mitsui Banking Corporation	October 2020	Joined IBIDEN Co., Ltd
		June 2021	Manager of Internal Audit Unit Full-time Member of Audit and Supervisory Committee (present)

Reasons for his/her Nomination as a Candidate

The Company proposes that Mr. Koji MATSUBAYASHI be elected as a Director who is an Audit and Supervisory Committee Member, in expectation of supervision of the Company business and sufficient advice, which he will be able to provide based on his abundant and wide-ranging experience and expertise in a financial field.



Candidate Number

3

Fumio KATO

Date of Birth:  
January 20, 1944

Reassignment

Candidate of  
Outside Director

Candidate of  
Independent Director

Numbers of the  
Company's Shares  
Owned

2,000

#### Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

July 2000	Deputy Manager of Investigation Department Nagoya Regional Taxation Bureau
July 2001	Superintendent of Showa Tax Office
August 2002	Registered as certified tax accountant, Established Fumio Kato Certified Tax Accountant Office, Representative of Fumio Kato Certified Tax Accountant Office (present)
July 2004	Outside Corporate Auditor of Seino Holdings Co., Ltd. (retired on June 2020)
November 2014	Outside Corporate Auditor of HIMARAYA Co., Ltd.
June 2015	Outside Corporate Auditor of IBIDEN Co., Ltd.
November 2015	Outside Director who is an Audit and Supervisory Committee Member of HIMARAYA Co.Ltd. (retired on March 2022)
June 2017	Outside Corporate Director who is Audit and Supervisory Committee Member of IBIDEN Co., Ltd. (present)

#### Other Major Position Concurrently Held

Representative of Fumio Kato Certified Tax Accountant Office

Chairman of Kitakata-cho, Motosu-gun, Gifu Prefecture Fixed Asset Evaluation Review Committee

#### Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Mr. Fumio KATO has abundant and wide-ranging knowledge, expertise and experience as a tax accountant even though he has not been directly involved in the management of corporation except being an Outside Director. The Company proposes that Mr. Fumio KATO be reelected as an Outside Director who is an Audit and Supervisory Committee Member and be delegated Chairman of Audit and Supervisory Committee in expectation of the advice and supervision, which he will be able to provide.



Reassignment

Candidate of  
Outside Director

Candidate of  
Independent Director

Numbers of the  
Company's Shares  
Owned

0

Candidate Number

4

Masaki HORIE

Date of Birth:  
November 25, 1949

Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1973	Joined PricewaterhouseCoopers Co., Ltd.
November 1980	Joined Ito Accounting & Consultancy Office
July 1997	Senior Partner of Ito Accounting & Consultancy Office
January 2001	Senior Partner of Chuo-Aoyama Audit Corporation
September 2006	Senior Partner of Arata Audit Corporation (present PricewaterhouseCoopers Aarata LLC)
July 2010	Established Masaki HORIE Certified Public Accountant Office, Director of the Office (present)
June 2011	Outside Corporate Auditor of Tokai Rika Co., Ltd. (retired on June 2015)
June 2015	Outside Corporate Auditor of Futaba Industrial Co., Ltd.
June 2016	Outside Corporate Director of Futaba Industrial Co., Ltd. (present)
	Outside Auditor of IBIDEN Co., Ltd.
June 2017	Outside Corporate Director who is Audit and Supervisory Committee Member of IBIDEN Co., Ltd. (present)

Other Major Position Concurrently Held

Director of Masaki HORIE Certified Public Accountant Office  
 Outside Corporate Auditor of Futaba Industrial Co., Ltd.  
 Advisor of Japanese Institute of Certified Public Accountants in Tokai Region

Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Mr. Masaki HORIE has abundant and wide-ranging knowledge, expertise and experience as a CPA even though he has not been directly involved in the management of corporation except being an Outside Director. The Company proposes that Mr. Masaki HORIE be reelected as an Outside Director who is an Audit and Supervisory Committee Member in expectation of the advice and supervision, which he will be able to provide.



Candidate Number

5

Yukiko YABU

Date of Birth:

June 23, 1958

Reassignment

Candidate of  
Outside Director

Candidate of  
Independent Director

Numbers of the  
Company's Shares  
Owned

0

#### Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

April 1981	Joined Matsushita Electric Industrial Co., Ltd.
April 2006	Director of Lifestyle Value Research Laboratory, R&D Headquarters, Home Appliances Company, Panasonic Corporation
January 2011	Director of Global Consumer Research Center, Corporate Brand Strategy Division, Panasonic Corporation
April 2013	Director and Group Manager responsible for consumer research at the Global Marketing Planning Center, Appliances Company, Panasonic Corporation
March 2014	Retired from Panasonic Corporation
June 2014	Outside Director of DUSKIN CO., LTD. (retired 2017)
June 2015	Outside Director of TAKARA HOLDINGS INC. (retired 2018)
June 2016	Outside Director of Daiwa House Industry Co., Ltd. (present)
June 2019	Outside Director of Furukawa Electric Co., Ltd. (present)
June 2021	Outside Corporate Director who is Audit and Supervisory Committee Member of IBIDEN Co., Ltd. (present)

#### Other Major Position Concurrently Held

Outside Director of Daiwa House Industry Co., Ltd.

Outside Director of Furukawa Electric Co., Ltd.

#### Reasons and Expectation for his/her Nomination as a Candidate of Outside Director

Ms. Yukiko YABU has experience as an outside director at several listed companies and diverse knowledge and experience, including ESG, in a leading electric company even though she has not been directly involved in the management of corporation except being an Outside Director. The Company proposes that Ms. Yukiko YABU be elected as an Outside Director who is an Audit and Supervisory Committee Member in expectation of the advice and supervision, which she will be able to provide.

(Annotation)

- The Company has no special interests with any of the candidates above.
- Liability limitation agreements with Outside Directors who are not Audit and Supervisory Committee Members. Outline of contents of the liability limitation agreement as follows:  
The Company has executed with Messrs. Fumio KATO, Masaki HORIE and Ms. Yukiko YABU, Outside Directors, with an agreement for limitation of liability for damage as stipulated in Article 423.1 of the Companies Act. Outline of contents of the liability limitation agreement as follows:
  - Liability for damage incurred due to an outside director's failure to perform their duties as an outside director shall be up to the amount of 20 million yen or the minimum liability amount stipulated in Article 425.1 of the Companies Act, whichever is higher.
  - The limitation of liability above applies only if an outside director has performed the duties which have caused their liabilities, without knowledge thereof and has not been grossly negligent in performing the same.
- The Company has insured Directors' and Officers' Liability Insurance (hereafter "D&O"), which is insurance coverage intended to protect individuals from personal losses on business during serving as a director or an officer of a business or other type of organization except disclaimer clauses on the policy. Full premium payment for the all is made on the Company. If the proposal is approved and then respective candidates are appointed Directors who are Audit and Supervisory Committee Members, each of them shall be an insured person. On account of the one-year D&O, we will be updating it in July, 2023.
- Pursuant to the provisions prescribed by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc., Messrs. Fumio KATO, Masaki HORIE and Ms. Yukiko YABU as Independent Directors have been appointed and registered with both Stock Exchanges.
- Ms. Yukiko YABU has served as an Outside Director of DAIWA House Industry Co., Ltd. (hereafter "Daiwa House") since June 2016. In March 2019, Daiwa House disclosed that its fund for approximately 14.15 billion Chinese Yuan, 23.4 billion yen, was fraudulently withdrawn at its affiliate company in China. Furthermore, as a result of its internal investigation in response to a whistleblowing claim, Daiwa House found some of houses and apartment buildings to rent do not conform to the Building Regulations, and reported the fact to MLIT, the Ministry of Land, Infrastructure, Transport and Tourism, in April 2019. Moreover, as a result of its internal investigation triggered by a whistleblowing claim, Daiwa House found that some employees had certification exams even though they had not met the requirement of certain work experience and they

were certified as construction managing engineers, some of who were assigned as technical experts at construction sites. Daiwa House reported such facts to the MLIT in December 2019. Ms. YABU had not been aware of the said fact in advance, however, she had reiterated and promoted awareness of the importance of legal compliance based on her extensive experience and considerable insight, on a regular basis at the Board Meeting, Joint Board of Directors and Corporate Governance Committee. After such fact was found out, she proactively performed her duties such as fact-finding, casual analyses and recurrence prevention measures in order to strengthen the company system and take appropriate measures for thorough compliance.

### Proposal 3:

## Election of one (1) Substitute Outside Director who is an Audit and Supervisory Committee Member

In order to be prepared in the event the Company lacks the number of Outside Directors who are Audit and Supervisory Committee Members, the Company proposes one (1) Substitute Outside Director be elected, which is required by laws and regulations.

The Company has obtained the consent of the Board of Audit and Supervisory Committee for this proposal which shall be effectively withdrawn by the resolution of the Board of Audit and Supervisory Committee before the appointment.

A candidate for a Substitute Outside Director who is an Audit and Supervisory Committee Member is as below:



Shogo KOMORI

Date of Birth:  
October 23, 1979

Candidate for a  
Substitute Outside  
Director

Numbers of the  
Company's Shares  
Owned

0

#### Brief Personal History, Positions, Responsibilities and Significant Positions Concurrently Held

October 2003	Registered as attorney at the Second Tokyo Bar Association Joined Anderson Law Office
October 2004	Switched the registration as attorney to Gifu Prefecture Bar Association Joined Mori Law Office
March 2012	Established Shogo KOMORI Law Office, Representative of the Office (present)
April 2012	Deputy Chairman of Gifu Prefecture Bar Association
October 2012	Part-time Nagoya Family Court Judge for mediation
June 2017	Substitute Outside Director who is Audit and Supervisory Committee Member of IBIDEN Co., Ltd. (present)
April 2020	Deputy Chairman of Gifu Prefecture Bar Association
<b>Other Major Position Concurrently Held</b>	
	Representative of Shogo KOMORI Law Office

#### Reasons and Expectation for his/her Nomination as a Candidate of Substitute Outside Director

Mr. Shogo KOMORI has abundant and wide-ranging knowledge, expertise and experience as an attorney even though he has not been directly involved in the management of corporation. The Company proposes that Mr. Shogo KOMORI be reelected as a Substitute Outside Director who is an Audit and Supervisory Committee Member in expectation of the advice and supervision, which he will be able to provide.

(Annotation)

- The Company has no special interests with Mr. Shogo KOMORI.
- If this proposal is approved and Mr. Shogo KOMORI assumes office as an Outside Director who is an Audit and Supervisory Committee Member, an agreement for limitation of liability for damage will also be executed with Mr. Shogo KOMORI.  
Contents of the liability limitation agreement as follows:
  - Liability for damage incurred due to an outside director's failure to perform his/her duties as an outside director shall be up to the amount of 20 million yen or the minimum liability amount stipulated in Article 425.1 of the Companies Act, whichever is higher.
  - The limitation of liability above applies only if an outside director has performed the duties which have caused his liability, without knowledge thereof and has not been grossly negligent in performing the same.
- The Company has insured Directors' and Officers' Liability Insurance (hereafter "D&O"), which is insurance coverage intended to protect individuals from personal losses on business during serving as a director or an officer of a business or other type of organization except disclaimer clauses on the policy. Full premium payment for him is made on the Company. If the proposal is approved and then Mr. Shogo KOMORI is appointed Directors who are Audit and Supervisory Committee Members, he shall be an insured person. On account of the one-year D&O, we will be updating it in July, 2023.
- Pursuant to the provisions prescribed by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc., Mr. Shogo KOMORI will be appointed as Independent Director and Substitute Outside Director who is an Audit and Supervisory Committee Member will be registered with both Stock Exchanges, if he is elected.

# CONSOLIDATED BALANCE SHEETS

As of March 31, 2023

Account	Millions of Yen	Account	Millions of Yen
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current Assets</b>	476,825	<b>Current Liabilities</b>	223,321
Cash and deposits	302,419	Notes and accounts payable - trade	28,262
Notes and accounts receivable – trade, and contract assets	75,942	Electronically recorded obligations-operating	12,169
Electronically recorded monetary claims-operating	3,563	Short-term loans payable	65,030
Merchandise and finished goods	30,871	Accounts payable - other	22,308
Work in process	21,191	Income taxes payable	14,268
Raw materials and supplies	27,132	Provision for bonuses	5,138
Other - current assets	15,765	Provision for bonuses for directors	186
Allowance for doubtful accounts	△59	Notes and accounts payable- facilities	1
<b>Noncurrent Assets</b>	380,682	Electronically recorded obligations-facilities	26,601
<b>Property, plant and equipment</b>	306,967	Other - current liabilities	49,354
Buildings and Structures	77,000	<b>Non-Current Liabilities</b>	208,581
Machinery, equipment and vehicles	82,147	Bonds payable	100,000
Land	20,360	Long-term loans payable	105,000
Lease assets	253	Lease obligations	167
Construction in progress	119,038	Deferred tax liability for land revaluation	68
Other - property, plant and equipment	8,167	Retirement benefit liability	573
<b>Intangible assets</b>	5,179	Provision for share-based Compensation	548
<b>Investments and other assets</b>	68,536	Deferred tax liabilities	825
Investment securities	61,342	Other – non-current liabilities	1,398
Long-term loans receivable	8	<b>Total Liabilities</b>	431,902
Deferred tax assets	5,533	<b>(Net Assets)</b>	
Other assets	1,889	<b>Shareholders' Equity</b>	355,324
Allowance for doubtful accounts	△238	Capital stock	64,152
<b>Total Assets</b>	857,508	Capital surplus	64,494
		Retained earnings	229,804
		Treasury shares	△3,126
		<b>Accumulated other comprehensive Income</b>	63,914
		Valuation difference on available-for-sale securities	24,430
		Revaluation reserve for land	160
		Foreign currency translation adjustments	39,323
		<b>Non-controlling interests</b>	6,367
		<b>Total Net Assets</b>	425,606
		<b>Total Liabilities and Net Assets</b>	857,508

Note: Amounts less than one million yen are omitted.

(Concluded)



# CONSOLIDATED STATEMENTS OF INCOME

As of March 31, 2023

Account	Millions of Yen	
<b>Net sales</b>		417,549
<b>Cost of sales</b>		290,033
<b>Gross profit</b>		127,515
<b>Selling, general and administrative expenses</b>		55,152
<b>Operating income</b>		72,362
<b>Non-operating income</b>		
Interest and dividend income	2,506	
Foreign exchange gain, net	1,405	
Other - non-operating income	1,040	4,952
<b>Non-operating expenses</b>		
Interest expenses	370	
Bond issuance cost	197	
Other - non-operating expenses	570	1,138
<b>Ordinary income</b>		76,176
<b>Extraordinary income</b>		
Gain on sales of non-current assets	81	
Gain on sales of investment securities	295	
Insurance claim income	161	
Compensation income	62	
Other - extraordinary income	3	604
<b>Extraordinary loss</b>		
Loss on retirement of non-current assets	3,732	
Impairment loss	843	
Other - extraordinary loss	502	5,078
<b>Income before income taxes</b>		71,702
Income taxes – current	23,773	
Income taxes – deferred	△4,484	19,288
<b>Net income</b>		52,413
Profit attributable to non-controlling interests		226
Profit attributable to owners of parent		52,187

Note: Amounts less than one million yen are omitted.

(Concluded)

## BALANCE SHEETS

As of March 31, 2023

Account	Millions of Yen
<b>(Assets)</b>	
<b>Current Assets</b>	346,359
Cash and deposits	245,846
Notes receivable - trade	8
Accounts receivable - trade	44,751
Electronically recorded monetary claims-operating	1,710
Merchandise and finished goods	14,708
Work in process	13,566
Raw materials and supplies	7,618
Other - current assets	18,161
Allowance for doubtful accounts	△11
<b>Noncurrent Assets</b>	373,233
<b>Property, plant and equipment</b>	176,080
Buildings	28,172
Structures	13,939
Machinery and equipment	39,567
Land	11,477
Construction in progress	78,757
Other - property, plant and equipment	4,167
<b>Intangible assets</b>	1,791
<b>Investments and other assets</b>	195,361
Investment securities	59,431
Stock of subsidiaries and associates	134,614
Deferred tax assets	695
Other assets	635
Allowance for doubtful accounts	△15
<b>Total Assets</b>	719,593

Account	Millions of Yen
<b>(Liabilities)</b>	
<b>Current Liabilities</b>	206,334
Electronically recorded obligations-operating	3,310
Accounts payable - trade	14,478
Short-term loans payable	65,000
Accounts payable - other	18,651
Income taxes payable	12,389
Deposit received	23,077
Provision for bonuses	3,680
Provision for bonuses for directors	186
Electronically recorded obligations- facilities	26,572
Other - current liabilities	38,988
<b>Non-Current Liabilities</b>	205,585
Bonds payable	100,000
Long-term loans payable	105,000
Provision for share-based compensation	440
Other – non-current liabilities	145
<b>Total Liabilities</b>	411,920
<b>(Net assets)</b>	
<b>Shareholders' Equity</b>	283,617
Capital stock	64,152
Capital surplus	64,580
Legal capital surplus	64,579
Other capital surplus	0
Retained earnings	158,010
Legal retained earnings	3,548
Other retained earnings	154,462
General reserve	8,600
Retained earnings brought forward	145,862
Treasury shares	△3,126
<b>Valuation and translation adjustments</b>	24,056
Valuation difference on available-for-sale securities	24,056
<b>Total Net Assets</b>	307,673
<b>Total Liabilities and Net Assets</b>	719,593

Note: Amounts less than one million yen are omitted.

(Concluded)

# STATEMENTS OF INCOME

As of March 31, 2023

Account	Millions of Yen	
<b>Net Sales</b>		261,194
<b>Cost of sales</b>		160,882
<b>Gross profit</b>		100,311
<b>Selling, general and administrative expenses</b>		34,034
<b>Operating income</b>		66,277
<b>Non-operating income</b>		
Interest and dividend income	7,821	
Foreign exchange gains, net	603	
Other - non-operating income	434	8,859
<b>Non-operating expense</b>		
Interest expenses	496	
Bond issuance cost	197	
Rent expenses on facilities	165	
Other - non-operating expenses	414	1,273
<b>Ordinary income</b>		73,863
<b>Extraordinary income</b>		
Gain on sales of non-current assets	118	
Gain on sales of investment securities	257	
Insurance claim income	161	
Other - extraordinary income	0	538
<b>Extraordinary loss</b>		
Loss on retirement of non-current assets	2,991	
Impairment loss	150	
Loss on valuation of shares of subsidiaries	24	
Other - extraordinary loss	270	3,437
<b>Income before income taxes</b>		70,965
Income taxes - current	20,233	
Income taxes - deferred	△4,332	15,901
<b>Net income</b>		55,064

Note: Amounts less than one million yen are omitted.

(Concluded)