

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 5805

June 5, 2019

To our shareholders:

Takayo Hasegawa
President and Representative Director
SWCC SHOWA HOLDINGS CO., LTD.
1-14, Nisshin-cho, Kawasaki-Ku,
Kawasaki City

Notice of the 123rd Ordinary General Meeting of Shareholders

You are cordially invited to attend the 123rd Ordinary General Meeting of Shareholders of SWCC SHOWA HOLDINGS CO., LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by mail or electronically (via the Internet, etc.). In such a case, please review the “Reference Documents for the General Meeting of Shareholders,” and exercise your voting rights in accordance with the “Guidance for Exercising Voting Rights” on page 3 of the Japanese original by 5:00 p.m. on Tuesday, June 25, 2019.

1. Date and Time:	Wednesday, June 26, 2019 at 10:00 a.m. (Japan Standard Time)	
2. Place:	Conference Room, 28F, Fukoku Seimei Building 2-2-2, Uchisaiwaicho, Chiyoda-Ku, Tokyo	
3. Purposes:	Items to be reported:	<ol style="list-style-type: none">1. Business Report and the Consolidated Financial Statements for the 123rd fiscal year (from April 1, 2018 to March 31, 2019), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board2. Non-Consolidated Financial Statements for the 123rd fiscal year (from April 1, 2018 to March 31, 2019)
	Items to be resolved:	<ol style="list-style-type: none">Proposal 1: Appropriation of SurplusProposal 2: Partial Amendments to the Articles of IncorporationProposal 3: Election of Four (4) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee MembersProposal 5: Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)Proposal 6: Determination of Remuneration Amount for Directors Who Are Audit & Supervisory Committee Members

-End-

- When you attend the Meeting in person, you are kindly requested to present the enclosed voting form at the reception desk.
- Pursuant to the laws and regulations and Article 18 of the Company's Articles of Incorporation, "Notes to the Consolidated Financial Statements" and "Notes to the Non-Consolidated Financial Statements" are deemed to be provided to shareholders through the Internet (on the Company's website: <http://www.swcc.co.jp/ir/meeting/index.html>) and accordingly, they are not attached to this notice.

The Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Board Member for the audit report and the Accounting Auditor for the accounting audit report include, in addition to the attached documents to this Notice, items to be presented as the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements.

- If any amendments 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 stated above.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The Company proposes that surplus be appropriated in the manner as stated below.

Matters related to year-end dividends

Our basic policy is to continue to pay a stable dividend from a comprehensive point of view based not only on state of profits but also on further business development, management structure enhancement, internal reserves, etc.

As a holding company, the Company considers to pay dividends in line with not only non-consolidated operating results of the Company, but also consolidated operating results of SWCC Showa Group (the “Group”).

In accordance with this policy, the Company proposes to pay year-end dividends for the 123rd fiscal year as follows:

The Company decided not to pay an interim dividend.

(1) Type of dividend property:

Cash

(2) Allocation of dividend property and the total amount distributed:

The Company proposes to pay a dividend of ¥7 per common share of the Company.

Total amount: ¥208,764,948

(3) Effective date of distribution:

June 27, 2019

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for proposal

- (1) The Company has positioned the enhancement and strengthening of its corporate governance structure as an important management issue. In order to achieve sustainable development of the Group, the Company has decided to transition to a company with an audit & supervisory committee with the following objectives. The Company’s Articles of Incorporation will be revised accordingly.
 - (i) By delegating substantial decision-making authority for the execution of business operations to the executive directors, the Company aims to increase the efficiency and speed of business execution.
 - (ii) The Board of Directors will further enhance the deliberations on important themes such as management strategy.
 - (iii) The Audit & Supervisory Committee will play a central role in strengthening the auditing and supervisory functions.
- (2) The new establishment of Article 24 of the proposed amendments will clarify the positioning of Executive Officers and will “appoint from among the Executive Officers, the President, Group Chief Executive Officer (Group CEO) of the corporate group comprised of the Company and its subsidiaries, and other Executive Officers with special titles” Accompanying this new provision, partial amendments are proposed to the provisions of Articles 15, 21 and 23 regarding the convener and chairman of the General Meeting of Shareholders and meetings of the Board of Directors, and Other Directors with special titles.
- (3) In order to increase the transparency of management as one measure for strengthening corporate governance, the decision has been made to abolish the position of Advisor to the Board, and therefore delete the existing Article 24 from the Articles of Incorporation.
- (4) In line with the new establishment, amendment and deletion of the provisions, the Company will also change the number of articles and make other necessary amendments.

2. Details of amendments

The details of the amendments are as follows:

The proposed amendments to the Articles of Incorporation shall be effective at the conclusion of this meeting.

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
CHAPTER 1 GENERAL PROVISIONS	CHAPTER 1 GENERAL PROVISIONS
(Organs) Article 4 The Company shall have the following organs in addition to the General Meeting of Shareholders and the Directors.	(Organs) Article 4 The Company shall have the following organs in addition to the General Meeting of Shareholders and the Directors.
(1) Board of Directors	(1) Board of Directors
(2) <u>Audit & Supervisory Board Members</u>	(2) <u>Audit & Supervisory Committee</u>
(3) <u>Audit & Supervisory Board</u>	(Deleted)
(4) Accounting Auditors	(3) Accounting Auditors
CHAPTER 3 GENERAL MEETING OF SHAREHOLDERS	CHAPTER 3 GENERAL MEETING OF SHAREHOLDERS
(Convener and Chairman) Article 15	(Convener and Chairman) Article 15
<u>1.</u> The General Meeting of Shareholders shall be convened and chaired by <u>the Company President</u> .	The General Meeting of Shareholders shall be convened and chaired by <u>a Company Director in accordance with an order stipulated in advance by the Board of Directors</u> .

Current Articles of Incorporation	Proposed Amendments
<p><u>2. In the event that the Company President is unable to so act, another Director shall convene and preside as Chairman of the General Meeting in accordance with the precedence previously determined by the Board of Directors.</u></p> <p style="text-align: center;">CHAPTER 4 DIRECTORS <u>AND</u> THE BOARD OF DIRECTORS</p> <p>(Number and Procedure for Election) Article 19</p> <p>1. <u>The Company shall have up to ten (10) Directors, who shall be elected at the General Meeting of Shareholders.</u></p> <p style="padding-left: 40px;">(Newly established)</p> <p style="padding-left: 40px;">(Newly established)</p> <p><u>2.</u> (Omitted)</p> <p><u>3.</u> (Omitted)</p> <p>(Term of Office) Article 20</p> <p>The term of office of a Director shall be until the conclusion of the Ordinary General Meeting of Shareholders relating to the last business year ending within one (1) year from their election to office.</p> <p style="padding-left: 40px;">(Newly established)</p> <p>(Convener and Chairman of Meetings of the Board of Directors) Article 21</p> <p>1. Meetings of the Board of Directors shall be convened and chaired by <u>the Chairman of the Board</u>, except when there are other provisions by law or regulation.</p> <p>2. <u>When the Chairman is absent or is unable to so act, another Director shall convene the Board of Directors and chair the meetings in accordance with the precedence previously prescribed by the Board of Directors.</u></p> <p>(Notification of Convocation of Meetings of the Board of Directors) Article 22</p> <p>1. When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</p> <p>2. With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures.</p> <p>(Representative Directors <u>and Directors with Special Titles</u>) Article 23</p> <p>1. The Board of Directors shall appoint representative Directors by its resolution.</p>	<p style="text-align: center;">(Deleted)</p> <p style="text-align: center;">CHAPTER 4 DIRECTORS, THE BOARD OF DIRECTORS <u>AND</u> <u>EXECUTIVE OFFICERS</u></p> <p>(Number and Procedure for Election) Article 19</p> <p>1. The Company shall have up to ten (10) Directors, <u>(excluding Audit & Supervisory Committee Members).</u></p> <p>2. <u>The Company shall have up to four (4) Directors who are Audit & Supervisory Committee Members.</u></p> <p>3. <u>Directors shall be elected at a general meeting of shareholders, while making a distinction between Audit & Supervisory Committee Members and other Directors.</u></p> <p><u>4.</u> (Unchanged)</p> <p><u>5.</u> (Unchanged)</p> <p>(Term of Office) Article 20</p> <p>1. The term of office of a Director <u>(excluding a Director who is an Audit & Supervisory Committee Members)</u> shall be until the conclusion of the Ordinary General Meeting of Shareholders relating to the last business year ending within one (1) year from their election to office.</p> <p>2. <u>The term of office of a Director who is an Audit & Supervisory Committee Member shall be until the conclusion of the Ordinary General Meeting of Shareholders relating to the last business year ending within two (2) years from their election to office.</u></p> <p>(Convener and Chairman of Meetings of the Board of Directors) Article 21</p> <p>Meetings of the Board of Directors shall be convened and chaired by <u>a Director in accordance with an order stipulated in advance by the Board of Directors</u>, except when there are other provisions by law or regulation.</p> <p style="text-align: center;">(Deleted)</p> <p>(Notification of Convocation of Meetings of the Board of Directors) Article 22</p> <p>1. When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</p> <p>2. With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.</p> <p>(Representative Directors) Article 23</p> <p>The Board of Directors shall appoint representative Directors by its resolution <u>from Directors who are not Audit & Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>2. The Board of Directors shall be able to appoint, by resolution, one (1) Chairman of the Board, one (1) Director and President and several Executive Directors and Managing Directors.</u></p>	(Deleted)
<p><u>(Advisors to the Board)</u> <u>Article 24</u> <u>The Board of Directors shall be able to appoint, by resolution, one or more individuals as Advisors to the Board.</u></p>	(Deleted)
<p>(Newly established)</p>	<u>(Executive Officers)</u> <u>Article 24</u>
	<p><u>1. The Board of Directors shall, by resolution, appoint Executive Officers and delegate duties to said officers.</u></p>
	<p><u>2. The Board of Directors may by resolution, appoint from among the Executive Officers, the President, Group Chief Executive Officer (CEO) of the corporate group comprised of the Company and its subsidiaries, and other Executive Officers with special titles.</u></p>
	<u>(Delegation of decisions on execution of important duties)</u> <u>Article 26</u>
	<p><u>The Company shall, pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, delegate all or part of a decision regarding execution of important duties (excluding matters set forth in each item of Article 399-13, paragraph (5) of the Companies Act) to a Director by resolution of the Board of Directors.</u></p>
<p>(Board of Directors Regulations) <u>Article 26</u></p>	<p>(Board of Directors Regulations) <u>Article 27</u></p>
<p>(Remunerations etc.) <u>Article 27</u> Remunerations and bonuses for the Directors, and other property benefits in consideration of their services to the Company (<u>hereinafter referred to as "Remunerations etc."</u>) shall be determined by a resolution of General Meeting of the Shareholders.</p>	<p>(Unchanged)</p> <p>(Remunerations etc.) <u>Article 28</u> Remuneration and bonuses for the Directors, and other property benefits in consideration of their services to the Company shall be determined by a resolution of General Meeting of the Shareholders, <u>while making a distinction between Audit & Supervisory Committee Members and other Directors.</u></p>
<p>(Limitation of Liability of Directors) <u>Article 28</u></p>	<p>(Limitation of Liability of Directors) <u>Article 29</u></p>
<p>(Omitted)</p> <p>CHAPTER 5 <u>AUDIT & SUPERVISORY BOARD MEMBERS AND THE AUDIT & SUPERVISORY BOARD</u></p>	<p>(Unchanged)</p> <p>CHAPTER 5 <u>AUDIT & SUPERVISORY COMMITTEE</u></p>
<p><u>(Number and Procedure for Election)</u> <u>Article 29</u></p>	(Deleted)
<p><u>1. The Company may have up to four (4) Audit & Supervisory Board Members, who shall be elected at the General Meeting of Shareholders.</u></p>	
<p><u>2. Resolutions for the election of the Audit & Supervisory Board Members shall require the attendance of shareholders holding at least one-third (1/3) of the voting rights of the shareholders entitled to exercise the voting rights, and shall be adopted by affirmative vote of a majority of the voting rights represented at the Meeting.</u></p>	
<p><u>(Term of Office)</u> <u>Article 30</u></p>	(Deleted)
<p><u>1. The term of office of an Audit & Supervisory Board Member shall be until the conclusion of the Ordinary General Meeting of the Shareholders relating to the last business year ending within four (4) years from their election to office.</u></p>	

Current Articles of Incorporation	Proposed Amendments
<p><u>2. The term of office of an Audit & Supervisory Board Member replaced with the predecessor Audit & Supervisory Board Member resigning before their term of office expires, shall be the period until the expiration of the term of office of the predecessor.</u></p> <p>(Notification of Convocation of Meetings of the <u>Audit & Supervisory Board</u>) Article 31</p> <p>1. When convening a meeting of the <u>Audit & Supervisory Board</u>, a notice shall be dispatched to each <u>Audit & Supervisory Board Member</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</p> <p>2. With the consent of all <u>Audit & Supervisory Board Members</u>, a meeting of the <u>Audit & Supervisory Board</u> may be held without following the convening procedures.</p> <p>(Full-time <u>Audit & Supervisory Board Members</u>) Article 32 The <u>Audit & Supervisory Board</u> shall elect, by resolution, full-time <u>Audit & Supervisory Board Member(s)</u>.</p> <p>(Procedure for Resolutions of the <u>Audit & Supervisory Board</u>) Article 33 Resolutions of the <u>Audit & Supervisory Board</u> shall be adopted by a majority of the <u>Audit & Supervisory Board Members</u>, except when there are other provisions by law or regulation.</p> <p>(<u>Audit & Supervisory Board Regulations</u>) Article 34 In additions to what is provided by law or regulation, or by the Articles of Incorporation, the matters concerning the <u>Audit & Supervisory Board</u> shall be governed by the <u>Audit & Supervisory Board Regulations</u> established by the <u>Audit & Supervisory Board</u>.</p> <p>(<u>Remunerations etc.</u>) Article 35 <u>Remunerations etc. for the Audit & Supervisory Board Members shall be determined by a resolution of General Meeting of the Shareholders.</u></p> <p>(<u>Limitation of Liability of Audit & Supervisory Board Members</u>) Article 36 <u>Pursuant to the provisions Article 427, paragraph (1) of the Companies Act, the Company may enter into a contract with each of the Audit & Supervisory Board Members to limit the liability for compensation of damages as provided in Article 423, paragraph (1), of such Law; provided, however, that the amount of limit of liability under such contract shall be the amount provided for by law or regulation.</u></p>	<p>(Notification of Convocation of Meetings of the <u>Audit & Supervisory Committee</u>) Article 30</p> <p>1. When convening a meeting of the <u>Audit & Supervisory Committee</u>, a notice shall be dispatched to each <u>Audit & Supervisory Committee Member</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</p> <p>2. With the consent of all <u>Audit & Supervisory Committee Members</u>, a meeting of the <u>Audit & Supervisory Committee</u> may be held without following the convening procedures.</p> <p>(Full-time <u>Audit & Supervisory Committee Members</u>) Article 31 The <u>Audit & Supervisory Committee</u> shall elect, by resolution, full-time <u>Audit & Supervisory Committee Member(s)</u>.</p> <p>(Procedure for Resolutions of the <u>Audit & Supervisory Committee</u>) Article 32 Resolutions of the <u>Audit & Supervisory Committee</u> shall be adopted by a majority of the <u>Audit & Supervisory Committee members eligible to vote on resolutions, with a majority of said members in attendance.</u></p> <p>(<u>Audit & Supervisory Committee Regulations</u>) Article 33 In additions to what is provided by law or regulation, or by the Articles of Incorporation, the matters concerning the <u>Audit & Supervisory Committee</u> shall be governed by the <u>Audit & Supervisory Committee Regulations</u> established by the <u>Audit & Supervisory Committee</u>.</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER 6 ACCOUNTING</p> <p>Article <u>37</u>. to Article <u>40</u>. (Omitted) (Newly established)</p>	<p style="text-align: center;">CHAPTER 6 ACCOUNTING</p> <p>Article <u>34</u>. to Article <u>37</u>. (Unchanged)</p> <p><u>Supplementary provision</u> <u>(Transitional measures regarding limitation of liability</u> <u>contracts with Audit & Supervisory Board Members)</u> <u>The provisions of Article 36 of the Articles of Incorporation</u> <u>before amended by resolutions of the 123rd Ordinary</u> <u>General Meeting of Shareholders shall apply to contracts</u> <u>with each of the Audit & Supervisory Board Members to</u> <u>limit the liability for compensation of damages pursuant to</u> <u>the provisions of Article 427, paragraph (1) of the</u> <u>Companies Act, applicable to conduct of Audit &</u> <u>Supervisory Board Members (including former Audit &</u> <u>Supervisory Board Members) up to the said Ordinary</u> <u>General Meeting of Shareholders.</u></p>

Proposal 3: Election of Four (4) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved and adopted as originally proposed, the Company shall transition to a company with an Audit & Supervisory Committee, concluding the terms of all seven (7) Directors at the time that the amended Articles of Incorporation take effect.

Accordingly, election of four (4) Directors is requested (excluding, here and in the paragraphs below, Directors who are Audit & Supervisory Committee Members). This proposal, however, can only take effect after Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

The candidates for Director are as follows.

Note: Appointment of candidates for Director was made according to the “Criteria for Nominating Director and Executive Officer Candidates” and by resolution of the Board of Directors, after obtaining a report by the Nominating Committee comprised of three Outside Directors.

Candidate number	Name	Current Position and Areas of Responsibility in the Company	
1	Takayo Hasegawa	President and Representative Director Group CEO	Reelection
2	Dongcheng Zhang	Director Senior Executive Officer, in charge of Business Strategy/Supervision and Investment Strategy, and General Manager, Business Strategy Div.	Reelection
3	Mikio Tanaka	Director Assistant to President	Reelection
4	Guoqiang Hu	Outside Director	Reelection Outside

Candidate number
1

Takayo Hasegawa (October 15, 1959)

Number of the Company shares held
5,700 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Number of years in office as a Director
6 years



Reelection

[Career summary, positions and areas of responsibility in the Company]

Apr. 1984 Joined the Company
June 2005 Deputy General Manager, Engineering R&D Center, and General Manager, Superconductivity Project of the Company
Apr. 2006 Director, General Manager, Engineering R&D Center of SWCC SHOWA CABLE SYSTEMS CO., LTD.
Apr. 2008 Director, General Manager, Engineering R&D Center
Manager, Product Planning Team, Corporate Planning Dept., Planning Div. of the Company
June 2009 Executive Managing Director, General Manager, Engineering R&D Center of SWCC SHOWA CABLE SYSTEMS CO., LTD.
Manager, Product Planning Team, Corporate Planning Dept. of the Company
Apr. 2010 Executive Managing Director, General Manager, Engineering R&D Center of SWCC SHOWA CABLE SYSTEMS CO., LTD.
Executive Officer, General Manager, Engineering Planning Dept. of the Company
June 2013 Director, General Manager, Engineering Planning Dept. of the Company
Apr. 2017 Director of the Company
June 2018 President and Director of the Company
Apr. 2019 **President and Representative Director, Group CEO of the Company (to present)**

Reason for nomination as a candidate for Director

Ms. Takayo Hasegawa possesses abundant work experience and an impressive track record mainly in engineering R&D related departments of the Group. Since her appointments as Director and President and Representative Director of the Company, she has energetically striven to address business challenges spanning the entire Group's departments. Furthermore, she has displayed stalwart leadership toward achieving the medium-term management plan "Change SWCC2022," while guiding the Group to strong performance. For these reasons, we propose her as a candidate to continue in her position as Director. After she takes office as Director, the Company intends to reelect her as President and Representative Director.

Candidate number
2

Dongcheng Zhang (January 6, 1964)

Number of the Company shares held
1,100 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Number of years in office as a Director
4 years



Reelection

[Career summary, positions and areas of responsibility in the Company]

Apr. 1993 Joined the Company
Oct. 2006 Deputy General Manager, Corporate Planning Dept. of the Company
June 2012 Executive Officer, General Manager, Overseas Business Planning Promotion Dept. of the Company
June 2015 Director, General Manager, Overseas Business Planning Promotion Dept. of the Company
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.
Apr. 2017 Director of the Company
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.
June 2017 Managing Director of the Company
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.
June 2018 General Manager, Business Strategy Div. and Executive Managing Director of the Company
Apr. 2019 **Director, Senior Executive Officer, and General Manager, Business Strategy Div. of the Company (to present)**

Reason for nomination as a candidate for Director

Mr. Dongcheng Zhang possesses abundant work experience and an impressive track record mainly in the Group's overseas business department. Since his appointments as Director and Senior Executive Officer of the Company, he has energetically striven to address business challenges, including making strategic proposals for the Group's business, while contributing toward achieving the medium-term management plan "Change SWCC2022." For these reasons, we propose him as a candidate to continue in his position as Director.

Candidate number
3

Mikio Tanaka (January 24, 1957)

Number of the Company shares held
4,900 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Number of years in office as a Director
6 years



Reelection

[Career summary, positions and areas of responsibility in the Company]

Apr. 1981 Joined the Company
June 2003 General Manager, Production Dept., Communication Cable Business Unit of the Company
Feb. 2005 General Manager, Production Dept., Communication Cable Business Unit, and General Manager, Administration Office, Sendai Plant of the Company
Apr. 2006 Director of SWCC SHOWA DEVICE TECHNOLOGY CO., LTD.
Apr. 2007 Business Unit General Manager, Precision Device Business Unit
June 2009 Executive Managing Director
Jan. 2010 Executive Managing Director, Business Unit General Manager, Seismic Isolation, Vibration and Noise Control Business Unit,
Feb. 2012 Executive Managing Director
June 2012 Executive Managing Director
Chairman of FUQING SHOWA PRECISION ELECTRONICS CO., LTD.
June 2013 Director of the Company
President and Representative Director of SWCC SHOWA DEVICE TECHNOLOGY CO., LTD.
June 2015 Executive Managing Director of the Company
President and Representative Director of SWCC SHOWA DEVICE TECHNOLOGY CO., LTD.
June 2016 Executive Managing Director of the Company
President and Representative Director of SWCC SHOWA CABLE SYSTEMS CO., LTD.
June 2017 Senior Executive Managing Director of the Company
President and Representative Director of SWCC SHOWA CABLE SYSTEMS CO., LTD.
Apr. 2019 **Director of the Company (to present)**

Reason for nomination as a candidate for Director

Mr. Mikio Tanaka possesses abundant work experience and an impressive track record in the Group's manufacturing department and as President of core Group subsidiaries. Since his appointment as a Director of the Company, he has energetically striven to address management challenges, including promoting operational restructuring and improvements in production technology, while also contributing toward achieving the medium-term management plan "Change SWCC2022." For these reasons, we propose him as a candidate to continue in his position as Director.

Candidate number
4

Guoqiang Hu (March 4, 1963)

Number of the Company shares held
15,000 shares
Attendance at Board of Directors
meetings (FY2018) 10/14
Number of years in office as a Director
1 year



Reelection
Outside

[Career summary, positions and areas of responsibility in the Company]

Oct. 1995 Joined FUTONG SHOWA WIRE & CABLE (HANGZHOU) CO., LTD.
Jan. 2002 Chairman, General Office Manager of FUTONG GROUP CO., LTD.
Apr. 2003 **Director of Transtech Optical Communication Company Limited (to present)**
May 2008 **Director of FUTONG GROUP CO., LTD. (to present)**
Dec. 2008 **Director of KANGYIN SITE NETWORK (HANGZHOU) CO., LTD. (to present)**
Sept. 2016 **Executive Director and Chairman, TRANSTECH OPTELECOM SCIENCE HOLDINGS LIMITED (to present)**
June 2018 **Outside Director of the Company (to present)**

[Significant concurrent positions]

Director of FUTONG GROUP CO., LTD.
Executive Director and Chairman, TRANSTECH OPTELECOM SCIENCE HOLDINGS LIMITED

Reason for nomination as a candidate for Outside Director

Mr. Guoqiang Hu is engaged in the business of FUTONG GROUP CO., LTD., and through his career, he has accumulated keen insight in business, and he has also been actively engaging in joint business ventures with the Group. The Company has nominated him as Outside Director continuously for the purpose of further strengthening the business alliance between both groups and further promoting mutual business growth going forward.

- Notes:
1. FUTONG GROUP CO., LTD., for which Mr. Guoqiang Hu has assumed office as a Director, is a major shareholder of the Company, and business alliance agreement has been concluded between the Company and the company.
There are no special conflicts of interest between FUTONG GROUP CO., LTD. and the Company, though there are sales transactions, purchasing transactions, and loans between the respective corporate group of FUTONG GROUP CO., LTD. and the Company.
There is no special interest between other candidates and the Company.
 2. Current responsibilities of candidates for Director at the Company are shown on page 40 of the Japanese original.
 3. Mr. Guoqiang Hu is a candidate for Outside Director.
 4. The Company has entered into the liability limitation contract with Mr. Guoqiang Hu in accordance with the provisions of the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act to limit the liability for damages as provided for in Article 423, paragraph 1 of the Companies Act. The limitation of the liability for damages under the relevant contract is the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. If the proposed appointment of Mr. Guoqiang Hu is approved, the Company intends to continue said contract with the candidate.
 5. At the conclusion of this meeting, Mr. Guoqiang Hu will have served as Outside Director for one year.
 6. Since Mr. Guoqiang Hu was appointed at the 122nd Ordinary General Meeting of Shareholders held on June 26, 2018, his attendance at Board of Directors meetings is reported for the meetings following the date of his appointment.

Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved and adopted as originally proposed, the Company shall transition to a company with an Audit & Supervisory Committee.

Therefore, the Company proposes the election of three (3) Directors who are Audit & Supervisory Committee Members. In addition, prior consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal, however, can only take effect after Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

The candidates for Director are as follows.

Note: Appointment of candidates for Director was made according to the “Criteria for Nominating Director and Executive Officer Candidates” and the “Criteria for Determining Independence of Outside Officers,” by resolution of the Board of Directors, after obtaining a report by the Nominating Committee comprised of three Outside Directors.

Candidate number	Name	Current Position and Responsibility in the Company			
1	Hideaki Takeuji	Full-time Audit & Supervisory Board Member of the Company	New election		
2	Kiyoshi Togawa	Outside Director (Independent Officer)	New election	Outside	Independent
3	Ryuichi Hirai	Outside Director (Independent Officer)	New election	Outside	Independent

Candidate number
1

Hideaki Takeuji (July 20, 1954)

Number of the Company shares held
4,700 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Attendance at Audit & Supervisory
Board meetings (FY2018) 16/17
Number of years in office as an Audit &
Supervisory Board Member (as of the
conclusion of this General Meeting):
12 years



[Career summary, positions and areas of responsibility in the Company]

Apr. 1979 Joined the Company
June 2003 General Manager, Accounting Dept. of the Company
Apr. 2006 General Manager supervising Accounting Dept., Administration Div. of the Company
June 2007 **Full-time Audit & Supervisory Board Member of the Company (to present)**

Reason for nomination as a candidate for Director

New election

Mr. Hideaki Takeuji possesses abundant work experience and an impressive track record mainly in the Group's Accounting Department. Since his appointment as Full-time Audit & Supervisory Board Member of the Company, he has carried out audits of the execution of duties by Directors. We propose him as a candidate for Director who is an Audit & Supervisory Committee Member in order to further strengthen the Company's audit and oversight functions after transitioning to a company with an Audit & Supervisory Committee.

Candidate number
2

Kiyoshi Togawa (May 21, 1948)

Number of the Company shares held
3,800 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Number of years in office as a Director
4 years



[Career summary, positions and areas of responsibility in the Company]

Apr. 1971 Joined Hitachi Chemical Co., Ltd.
Oct. 1997 General Manager, Semiconductor Materials Sales Dept., Functional Materials Div.
Apr. 2000 Executive Officer, General Manager, International Business Promotion Dept.
Apr. 2004 Vice President and Executive Officer, General Manager, Marketing & Sales Operations
Apr. 2007 Senior Vice President and Executive Officer, General Manager, Marketing & Sales Operations
Apr. 2010 Senior Vice President and Executive Officer, General Manager, Corporate Strategy Headquarters, and General Manager, Group Company Dept.
Mar. 2012 Retired from Hitachi Chemical Co., Ltd.
June 2015 **Outside Director of the Company (to present)**

New election

Outside

Independent

Reason for nomination as a candidate for Outside Director

Mr. Kiyoshi Togawa possesses keen insight in management gained while involved in the management of Hitachi Chemical Company, Ltd. Ever since assuming the position of Outside Director of the Company, he provides appropriate advice and supervision on the Company management. We propose him as a candidate for Director who is an Audit & Supervisory Committee Member in order to further strengthen the Company's audit and oversight functions after transitioning to a company with an Audit & Supervisory Committee.

Candidate number
3

Ryuichi Hirai (July 22, 1950)

Number of the Company shares held
2,800 shares
Attendance at Board of Directors
meetings (FY2018) 19/19
Number of years in office as a Director
4 years



New election
Outside
Independent

[Career summary, positions and areas of responsibility in the Company]

Apr. 1973 Joined Nihon Cement Co., Ltd., (currently TAIHEIYO CEMENT CORPORATION)
Apr. 2004 Vice President of International Business Company, and General Manager of Sales Department, International Business Company of TAIHEIYO CEMENT CORPORATION
Apr. 2006 Counselor, Vice President of International Business Company, and General Manager of Sales Department, International Business Company
Apr. 2008 Managing Executive Officer, President of International Business Company
June 2008 Director, Managing Executive Officer, President of International Business Company
Oct. 2010 Director, Managing Executive Officer, Senior General Manager of International Business Division
Apr. 2012 Senior Executive Officer and Representative Director, Senior General Manager of International Business Division
Apr. 2013 Director
June 2013 Adviser
June 2014 Retired from TAIHEIYO CEMENT CORPORATION
June 2015 **Outside Director of the Company (to present)**

Reason for nomination as a candidate for Outside Director

Mr. Ryuichi Hirai possesses keen insight in management gained while involved in the management of TAIHEIYO CEMENT CORPORATION. Ever since assuming the position of Outside Director of the Company, he provides appropriate advice and supervision on the Company management. We propose him as a candidate for Director who is an Audit & Supervisory Committee Member in order to further strengthen the Company's audit and oversight functions after transitioning to a company with an Audit & Supervisory Committee.

- Notes:
1. There is no special interest between the candidates and the Company.
 2. Current responsibilities of candidates for Director at the Company are shown on page 40 of the Japanese original.
 3. Messrs. Kiyoshi Togawa and Ryuichi Hirai are candidates for Outside Director. Both candidates possess independence as stipulated by the Tokyo Stock Exchange's criteria for independence and the Company's "Criteria for Determining Independence of Outside Officers." Both candidates have been reported as independent directors/auditors stipulated in Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations, and the Company intends for them to remain as independent directors/auditors should their reappointment be approved.
 4. The Company has entered into the liability limitation contract with Messrs. Hideaki Takeuji, Kiyoshi Togawa and Ryuichi Hirai in accordance with the provisions of the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act to limit the liability for damages as provided for in Article 423, paragraph 1 of the Companies Act. The limitation of the liability for damages under the relevant contract is the minimum liability amount set forth in Article 425, paragraph 1 of the Companies Act. If the proposed appointment of Messrs. Hideaki Takeuji, Kiyoshi Togawa and Ryuichi Hirai is approved, the Company intends to continue or enter into similar contracts with the candidates.
 5. At the conclusion of this meeting, Messrs. Kiyoshi Togawa and Ryuichi Hirai will have served as Outside Director for four years.

Proposal 5: Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved and adopted as originally proposed, the Company shall transition to a company with an Audit & Supervisory Committee.

The amount of remuneration for Directors has to date been approved as monthly remuneration not to exceed 18 million yen as determined at the Company's 106th Ordinary General Meeting of Shareholders held on June 27, 2002. Accompanying the Company's transition to a company with an Audit & Supervisory Committee, this provision shall be abolished and a new Director remuneration (excluding Directors who are Audit & Supervisory Committee Members) shall be stipulated.

This amount shall have the standardized expression for the total amount changed from a monthly amount to an annual amount, and with due consideration of prior Director remuneration and recent economic conditions, shall not to exceed 300 million yen annually (30 million yen annually for Outside Directors). Up until now, the amount of remuneration for Directors had excluded the employee salaries for Directors concurrently serving as Company employees, but the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall now include the amount of Executive Officer remuneration for Directors concurrently serving as Executive Officers and the amount of employee salaries for Directors concurrently serving as Company employees in order to clarify the scope of the remuneration limit in real terms.

The current number of Company Directors is seven (7) (three of whom are Outside Directors). The current proposal shall cover four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members), with one of the four being an Outside Director, if Proposals No. 2 and 3 are approved as originally proposed.

This proposal, however, can only take effect after Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

Note: The decision on this proposal was made by a resolution of the Board of Directors after obtaining the report of the Remuneration Committee, which is made up of two Outside Directors and two Inside Directors (Chairman of the committee is an Outside Director).

Proposal 6: Determination of Remuneration Amount for Directors who are Audit & Supervisory Committee Members

If Proposal No. 2 (Partial Amendments to the Articles of Incorporation) is approved and adopted as originally proposed, the Company shall transition to a company with an Audit & Supervisory Committee.

Accordingly, the amount of remuneration for Directors who are Audit & Supervisory Committee Members shall be stipulated as an amount not to exceed 80 million yen annually, with due consideration of recent economic conditions.

The number of Directors who are Audit & Supervisory Committee Members covered by this provision shall be three (3) (two of whom are Outside Directors), if Proposals No. 2 and 4 are approved as originally proposed.

This proposal, however, can only take effect after Proposal No. 2 (Partial Amendments to the Articles of Incorporation) takes effect.

Note: The decision on this proposal was made by a resolution of the Board of Directors after obtaining the report of the Remuneration Committee, which is made up of two Outside Directors and two Inside Directors (Chairman of the committee is an Outside Director).

Reference

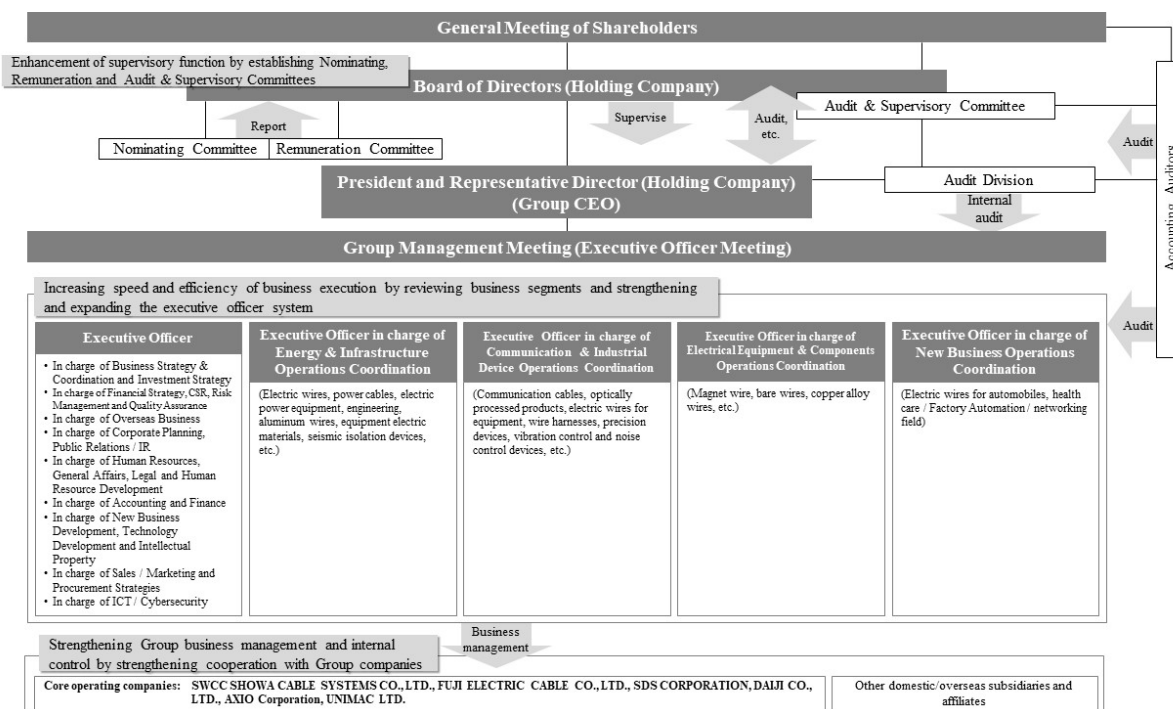
1. Corporate Governance

(1) Corporate Governance Structure

(Upon the approval and adoption of Proposal No. 2)

If Proposal No. 2 is approved and adopted as originally proposed, the Corporate Governance Structure of the Group will be as follows.

Furthermore, as of April 1, 2019, the Group shifted its method of segment classification from product group-centered segments to segments that are aligned with the Group's business fields and strategies (Energy and Infrastructure Operations, Communication and Industrial Device Operations, Electrical equipment and Components Operations, and New Business Operations). As a result, not only do we now have a system that makes it easier to promote rebuilding our business foundation, the expansion of growing businesses and new businesses, as well reviewing our portfolio, but by having clearly defined the persons responsible (Executive Officers in charge) for each segment and their authority, we can now move forward with even more effectively improving the revenue structure, which is now no longer defined by the individual business operating companies, based on the performance indicator ROIC (return on invested capital).



(2) Composition of the Board of Directors

(Upon the approval and adoption of Proposals No. 3 and No. 4)

If Proposals No. 3 and No. 4 are approved and adopted as originally proposed, composition of the Board of Directors will be as follows.

Name	Representative Director	Audit & Supervisory Committee Member	Nominating Committee Member	Remuneration Committee Member	Outside Director	Independent Officer	Major career experience, capability, etc.				
							Industry insight	Overseas Business	Sales & marketing	Accounting & finance	Manufacturing & Research
Takayo Hasegawa	●			●			●				●
Dongcheng Zhang				●			●	●	●		
Mikio Tanaka							●				●
Guoqiang Hu			●		●		●	●		●	
Hideaki Takeuji		●					●			●	
Kiyoshi Togawa		●	●	●	●	●		●	●		
Ryuichi Hirai		●	●	●	●	●		●	●		

Note: The Company plans for Ms. Takayo Hasegawa to be reappointed as Representative Director by resolution at a meeting of the Board of Directors to be held after the conclusion of the Ordinary General Meeting of Shareholders.

(3) Optional Advisory Committee

The Company has established the Nominating Committee and the Remuneration Committee, which constitute the Optional Advisory Committee to the Board of Directors, with the aim to improve objectivity and transparency of the process of human resource and remuneration decisions regarding Directors, etc. by appropriately securing opportunities for the Outside Directors to involve and to offer advice, as well as to further enhance and strengthen the Corporate Governance.

Each Committee is composed of three or more Directors selected by resolution of the Board of Directors, in line with the Nominating Committee and Remuneration Committee Regulations, which stipulate that at least half of these are to be Outside Directors.

Furthermore, we have received reports from the Nominating Committee consisting of three (3) Outside Directors regarding Proposals No. 3 and No. 4, and from the Remuneration Committee consisting of two (2) Outside Directors and two (2) Inside Directors (the Chairman is an Outside Director) regarding Proposals No. 5 and No. 6, respectively.

(4) Executive Officer System

The Company will strengthen and expand the Executive Officer System with the aim of increasing the efficiency and speed of business execution.

Executive Officers are appointed in the same way as the candidates for Director, by a resolution of the Board of Directors after obtaining the report of the Nominating Committee. In addition, an Executive Officer contract of mandate is concluded between the Company and the Executive Officers, in which the authority, missions and responsibilities of each Executive Officer are clarified.

Please refer page 41 of the Japanese original, for details about the Company's Executive Officers as of April 1, 2019.

2. Criteria for Nominating Directors, etc.

In order to enhance objectivity and transparency regarding the election of Directors, etc., the Company has established the “Criteria for Nominating Director and Executive Officer Candidates” and the “Independence Criteria for Outside Officers” in the Board of Directors.

(1) Criteria for Nominating Director and Executive Officer Candidates

Individuals with outstanding character and insight who can supervise and execute management of the Company in accordance with the principles of the Corporate Governance are nominated as candidates for Director and Executive Officer by resolution of the Board of Directors, regardless of their personal attributes such as gender and nationality. The term of office of the Directors (excluding Directors who are Audit & Supervisory Committee Members) and Executive Officers of the Company is one year.

Directors:

- (i) Must be an individual with background, capability, leadership, medium- and long-term perspective as well as high ethical standards, all appropriate to involve in decision-making related to management and in supervision of business execution.
- (ii) Must be an individual who respects and practices the Company’s corporate philosophy, has integrity trusted by customers, business partners, shareholders, local communities and employees, observes the law, the corporate code of conduct as well as the internal and external ethics and norms, and has the insight and fairness necessary for a Director.
- (iii) In addition to the items above, the Independent Outside Director of the Company must be an individual who can be judged to have independence based on the “Independence Criteria for Outside Officers” established by the Company.

Executive Officers:

- (i) Must be an individual who is able to continuously improve the corporate value of the Company, offer concrete proposals of and execute management strategies and action plans that contribute to an increase in corporate value in the medium- and long-term, as well as be able to continuously make efforts to perpetually review and improve them.
- (ii) Must be an individual with abilities that employees can aim for, such as responding to market changes and thoroughly practicing its basics, observing the law, building and applying compliance, internal control, as well as risk and crisis management.
- (iii) Must be an individual who has the abilities to freely discuss in the management meetings, etc. express constructive opinions, make recommendations and build a consistent strategic system by comprehensively identifying the management resources of the entire Group.
- (iv) Must also be an individual who has the abilities required as an executive officer in charge of business execution of the entire Group.

(2) Independence Criteria for Outside Officers

Outside Directors and Outside Audit & Supervisory Board Members (hereinafter generally referred to as “Outside Officers”) and candidates for Outside Officer are deemed to have independence by the Company if none of the following is found to apply as a result of a survey conducted by the Company to a reasonably possible extent.

- (i) People executing business (Note 1) of the Company and its subsidiaries (hereinafter referred to collectively as “the Group”) or people who have executed business of the Company in the past 10 years
- (ii) Major suppliers to the Group (Note 2), or people executing business of the suppliers
- (iii) Major clients of the Group (Note 3), or people executing business of the clients
- (iv) Major shareholders, directly or indirectly, with 10% or more of the total voting rights in the Company, or people executing business of the major shareholders
- (v) People belonging to the auditing firm that is the accounting auditor of the Group
- (vi) Lawyers, certified public accountants, tax accountants, consultants, etc. receiving substantial amounts (Note 4) of money and other economic benefits in addition to remuneration provided to officers by the Group
- (vii) People belonging to law offices, auditing firms, tax accounting or consulting firms, groups, such as a union, who receive substantial amounts of money and other economic benefits from the Group, people receiving substantial amounts of donations or assistance from the Group, or who have executed business or have been director of a firm or a group, such as a union.
- (viii) People for whom either Article 2 to Article 7 applied in the past 3 years
- (ix) Close relatives (Note 5) of people for whom either Article 1 to Article 7 applies

- Notes:
- 1. People executing business means Executive Director, Executive Officer (*Shikkoyaku or Shikkoyakuin*), and employees that hold senior management position.
 - 2. Major supplier means a supplier whose transaction amount with the Group during the most recent fiscal year is more than 2% of the supplier’s consolidated net sales for that fiscal year, or financial institutions whose financing to the Group is more than 2% of the Group’s consolidated total assets at the end of the most recent fiscal year.
 - 3. Major client means a client whose transaction amount with the Group during the most recent fiscal year is more than 2% of the client’s consolidated net sales for that fiscal year.
 - 4. Substantial amount means 10 million yen or more, for individuals, or more than 2% of consolidated net sales or gross revenue, for companies or groups, on average for the past three fiscal years.
 - 5. Close relative means a spouse or a relative of second-degree or closer.

3. Policy for Determining the Remuneration of Directors (On or after April 1, 2019)

The Company's remuneration of Directors shall be determined based on the following policy. The same policy shall apply to determining remuneration for the Company's Executive Officers.

Basic views

The purpose of the Company's Director remuneration is to support the sustainable development of the Group's corporate value by incentivizing continuity in the execution of duties and the solving of issues.

Basic Remuneration Scheme

The Company's Director remuneration is composed of a fixed remuneration that includes base remuneration with an added component determined in accordance with the recipient's duties and positions held, and a performance-linked remuneration designed based on the management index of the Company's ROIC. The ratios of each form of remuneration shall be reassessed, as needed, by the Remuneration Committee.

Remuneration for the non-executive Directors (including Directors who are Audit & Supervisory Committee Members) consists of fixed remuneration only.

Procedures for determining remuneration

Remuneration for individual Directors of the Company shall be determined by the Board of Directors within the range stipulated at the General Meeting of Shareholders and after obtaining a report by the Remuneration Committee.

Remuneration of Directors who are Audit & Supervisory Committee Members shall be determined within the range stipulated at the General Meeting of Shareholders and deliberated on by Directors who are Audit & Supervisory Committee Members, in accordance with the provisions of Article 361, paragraph 3 of the Companies Act.

4. Evaluation of the Effectiveness of the Board of Directors

In order to verify the appropriate functioning of the Board of Directors, the Board analyzes and evaluates its own effectiveness every fiscal year. Specifically, answers to a questionnaire given to all Directors and Audit & Supervisory Board Members are used to share evaluation results and issues with the Board of Directors, which then engages in constructive debate on the ideal state of the Board of Directors going forward.

An overall analysis of the results of the questionnaire for the fiscal year under review confirmed that, as in the previous fiscal year, the Company is being managed largely appropriately in an atmosphere of candor and openness, and that the effectiveness of the Board of Directors of the Company has been suitably ensured. Additionally, starting in the fiscal year under review, several meetings (colloquially called "Management Intensives") have been held, with the full attendance of all Directors (including Outside Directors) and Executive Officers, in order to debate and exchange focused and constructive opinions on the Group's various operating challenges. These intensives have significantly helped stimulate active discussion at meetings of the Board of Directors. With regard to the prolonged duration of Board of Directors and other meetings, while it is a sign of energetic discussion taking place, we believe that, for the sake of efficient interactions, an extra degree of improvement is necessary, including vetting discussion topics. We will continue to consider new systems and rules suited to our new corporate structure after the Company transitions to a company with an Audit & Supervisory Committee.

-End-