

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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 6957)
June 7, 2019

To Shareholders with Voting Rights:

Hiroyuki Hashikura
President
SHIBAURA ELECTRONICS CO., LTD.
1-24, Kamiochiai 2-Chome, Chuo-ku,
Saitama-shi, Saitama, Japan

**NOTICE OF
THE 61ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 61st Annual General Meeting of Shareholders of Shibaura Electronics Co., Ltd. (the “Company,” with its subsidiaries, the “Group”) as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing. Please review the Reference Document for the Annual General Meeting of Shareholders described below, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it will be received by the Company on or before 5:00 p.m. Wednesday, June 26, 2019, Japan time.

- 1. Date and Time:** Thursday, June 27, 2019, at 10 a.m. Japan time
- 2. Place:** Rose Room, Fourth floor, Palace Hotel Omiya,
located at 1-7-5, Sakuragi-cho, Omiya-ku, Saitama-shi, Saitama, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. Business Report, Consolidated Financial Statements for the Company’s 61st Fiscal Year (April 1, 2018 - March 31, 2019) and Results of Audit by the Accounting Auditor and the Board of Corporate Auditors concerning the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 61st Fiscal Year (April 1, 2018 - March 31, 2019)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Election of Seven Directors
 - Proposal 4:** Election of One Corporate Auditor
 - Proposal 5:** Payment of Bonuses to Corporate Officers

When you attend the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Any revisions to Reference Documents for the Annual General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements will be posted on the Company’s Internet website at <https://www.shibaura-e.co.jp>.

Reference Documents for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We propose the appropriation of surplus as follows:
Matters concerning the year-end dividends

With respect to the year-end dividends for the 61st fiscal year, we propose to pay dividends as follows, taking the continuation of stable dividends and the performance of the fiscal year under review into account:

- (1) Type of dividend assets
Cash
- (2) Matters concerning the allocation of dividend assets to shareholders and the total amount thereof
¥75 per share of the Company's common shares
Total amount: ¥582,998,400
- (3) Effective date of dividend of surplus
June 28, 2019

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

With an aim to clarify management responsibilities and develop the management structure that can swiftly respond to changes in the business environment, the Company proposes to shorten the terms of office of Directors from two years to one year and accordingly make required amendments to the Article 20 (Term of Office) in the current Articles of Incorporation.

2. Details of amendments

Details of amendments are as follows.

(The underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter 4. Directors and the Board of Directors (Term of Office) Article 20. The terms of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last business year ending within <u>two</u> years after their election. <u>The term of office of Substitute Director or Director who is elected due to an increase in the number of Directors shall be until the expiry of the remaining term of other incumbent Directors.</u></p>	<p>Chapter 4. Directors and the Board of Directors (Term of Office) Article 20. The terms of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders held for the last business year ending within <u>one</u> year after their election. (Deleted)</p>

Proposal 3: Election of Seven Directors

The terms of office of all ten Directors will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the Company proposes to reduce the number of Directors by three and elect seven Directors with an aim to improve the efficiency of its management structure.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hiroyuki Hashikura (July 5, 1952)	<p>January 1987 Joined the Company</p> <p>June 1997 Director, assistant to Manufacturing Headquarters and General Manager, Development Department, the Company</p> <p>March 2004 Director of Manufacturing Engineering, the Company</p> <p>February 2005 Managing Director, Director of Development, the Company</p> <p>June 2006 Deputy President, Director of Engineering, the Company</p> <p>April 2007 Deputy President, Director of Manufacturing, the Company</p> <p>June 2007 President, the Company (to present)</p>	47,900
<p>[Reason for the nomination as Director] Mr. Hiroyuki Hashikura has considerable experience, achievements and insight concerning management as President of the Company. As he is judged to be qualified to make decisions on material management matters and execute business activities across the entire Group, we decided to nominate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
2	Akira Kasai (May 10, 1968)	July 2012	Joined the Company	400
		January 2013	Office Manager, Urawa Sales Office, the Company	
January 2015	General Manager, Domestic Sales Management Division and Office Manager, Nagoya Sales Office, the Company			
April 2016	Deputy Chief, Sales Headquarters, the Company			
April 2017	Deputy Chief, Sales Headquarters and Office Manager, Urawa Sales Office, the Company			
June 2017	Director of Sales Headquarters, the Company			
June 2018	Managing Director, Director of Sales Headquarters, the Company			
		October 2018	Deputy President, Director of Sales Headquarters, the Company (to present)	
[Reason for the nomination as Director] Mr. Akira Kasai has been engaged in corporate management as Deputy President of the Company and performed his roles and duties effectively. He currently serves as Director of Sales Headquarters with his considerable experience and extensive knowledge about all aspects of the thermistor industry. As he is judged to be qualified to make decisions on material management matters and execute business activities, we decided to nominate him as a candidate for Director.				
3	Takumi Hamada (August 31, 1956)	April 1979	Joined the Company	4,400
		February 2007	Executive Officer, the Company	
October 2009	Executive Officer, Assistant Chief, Manufacturing Headquarters and General Manager, Logistics Department, the Company			
June 2011	Director of Manufacturing and General Manager, Logistics Department and General Manager, Production Management Department, the Company			
July 2014	Director of Manufacturing, the Company			
June 2017	Managing Director and Assistant to President, the Company			
October 2018	Managing Director in charge of company-wide manufacturing, the Company (to present)			
[Reason for the nomination as Director] Mr. Takumi Hamada has been engaged in corporate management as Managing Director of the Company and performed his roles and duties effectively. He currently serves as the person in charge of company-wide manufacturing with his considerable experience and extensive knowledge in domestic and overseas manufacturing operations. As he is judged to be qualified to make decisions on material management matters and execute business activities, we decided to nominate him as a candidate for Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Kazuo Hosoi (April 16, 1956)	October 2006 Joined the Company	3,100
		July 2008 Executive Officer, General Manager, Internal Audit Office, the Company	
April 2011 Executive Officer, General Manager, Administration Division, the Company			
June 2011 Director, General Manager, Administration Division, the Company			
November 2016 Director of Administration, the Company			
June 2018 Managing Director and Director of Administration, the Company (to present)			
[Reason for the nomination as Director] Mr. Kazuo Hosoi has been engaged in corporate management as Managing Director of the Company and performed his roles and duties effectively. He currently serves as Director of Administration with his considerable experience and extensive knowledge in the overall administrative management field including finance, accounting and human resources management. As he is judged to be qualified to make decisions on material management matters and execute business activities, we decided to nominate him as a candidate for Director.			
5	Kazuto Koshimizu (July 23, 1962)	April 1986 Joined the Company	1,700
		June 2011 General Manager, Development Department, the Company	
January 2013 Assistant to Engineering Headquarters, the Company			
June 2017 Director, the Company (to present)			
[Significant concurrent positions] President, FUKUSHIMA SHIBAURA ELECTRONICS CO., LTD.			
[Reason for the nomination as Director] Mr. Kazuto Koshimizu has been engaged in corporate management as Director of the Company and performed his roles and duties effectively. He currently serves as President of FUKUSHIMA SHIBAURA ELECTRONICS CO., LTD. with his considerable experience and extensive knowledge in the overall technologies and development field including his expertise in the development of thermistor elements. As he is judged to be qualified to make decisions on material management matters and execute business activities, we decided to nominate him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Kazunao Kudo (March 8, 1953)	<p>April 1977 Joined Sumitomo Electric Industries, Ltd.</p> <p>January 2000 General Manager, Wire Products, Electronics Materials Division, Sumitomo Electric Industries, Ltd.</p> <p>June 2007 Director and President, Sumidense Mediatech Suzhou Co., Ltd.</p> <p>June 2008 Executive Officer, Sumitomo Wiring Systems, Ltd.</p> <p>June 2015 Supreme Advisor, Sumidense Mediatech Suzhou Co., Ltd.</p> <p>July 2016 Senior Advisor, Qingdao Kyungshin Electronic Co., Ltd.</p> <p>March 2018 Director, Sodick Co., Ltd. (to present)</p> <p>June 2018 Director, the Company (to present)</p>	0
<p>[Reason for the nomination as Director]</p> <p>Mr. Kazunao Kudo has a wealth of experience concerning business management as well as considerable manufacturing engineering and production know-how. We, therefore, decided to nominate him as a candidate for Outside Director to receive his advice on overall manufacturing and the management of the Group. Although he worked for Sumitomo Wiring Systems, Ltd., with which the Group has a business relationship, in each of Sumitomo Wiring Systems, Ltd. and the Company, the amount of annual transaction between the companies during the fiscal year under review accounts for less than one percent only.</p>			
7	* Isao Abe (September 23, 1960)	<p>April 1984 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Tokyo Office</p> <p>April 1987 Registered as a certified public accountant</p> <p>June 1997 Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>September 2016 Chief, Abe Certified Public Accountant Office (to present)</p>	0
<p>[Reason for the nomination as Director]</p> <p>Mr. Isao Abe has professional knowledge as well as a wealth of experience and insight concerning finance, accounting, and internal controls, which have been developed through his duties as a certified public accountant. We, therefore, decided to nominate him as a candidate for Outside Director to receive his advice on the management of the Company from the expert viewpoint.</p>			

(Notes)

1. An asterisk (*) indicates a new candidate for Director.
2. No conflict of interest exists between each candidate and the Company.
3. Messrs. Kazunao Kudo and Isao Abe are candidates for Outside Director. The Company has designated Mr. Kazunao Kudo as an independent officer as prescribed by the Tokyo Stock Exchange and filed him as such with the Exchange. In the event that the election of Mr. Isao Abe is approved, the Company intends to file him as an independent officer with the said Exchange.
4. The term of office of Mr. Kazunao Kudo as Outside Director of the Company will be one year at the conclusion of this Annual General Meeting of Shareholders.
5. Agreement to limit liability with Outside Director
Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Kazunao Kudo to limit his liability for damages as stipulated in Article 423, Paragraph 1 of said Act. In the event that the reelection of Mr. Kazunao Kudo is approved, the Company will limit his liability to the amount set forth in laws and regulations and continue said agreement with him. In the event that the election of Mr. Isao Abe is approved, the Company plans to enter into a similar limited liability agreement with him.

Proposal 4: Election of One Corporate Auditor

Upon the conclusion of this Annual General Meeting of Shareholders, the term of office of Corporate Auditor Mr. Tetsu Hirowatari will expire. Accordingly, we propose to elect one Corporate Auditor.

The candidate for Corporate Auditor is as follows:

The Board of Corporate Auditors has previously given its consent to this proposal.

Name (Date of birth)	Career summary, positions and significant concurrent positions		Number of shares of the Company held
Kenichi Nakano (July 14, 1952)	April 1980	Registered as an attorney-at-law Joined Anderson Mori & Rabinowitz (currently, Anderson Mori & Tomotsune)	0
	April 1985 January 1989	Admitted to New York Bar Partner, Anderson Mori & Rabinowitz (currently, Anderson Mori & Tomotsune) (to present)	
[Reason for the nomination as Corporate Auditor] Mr. Kenichi Nakano has an excellent track record of corporate legal affairs from the expert viewpoint as an attorney-at-law and possesses a wealth of experience and knowledge. We, therefore, decided to nominate him as a candidate for Corporate Auditor to receive his supervision over all aspects of management of the Company as well as useful advice.			

(Notes)

1. Mr. Kenichi Nakano is a new candidate for Corporate Auditor.
2. No conflict of interest exists between the candidate and the Company.
3. Mr. Kenichi Nakano is a candidate for Outside Corporate Auditor. The Company intends to designate Mr. Kenichi Nakano as an independent officer as prescribed by the Tokyo Stock Exchange and to file him as such with the Exchange.
4. Limited liability agreement with Outside Corporate Auditor
In the event that the election of Mr. Kenichi Nakano is approved, the Company intends to enter into a limited liability agreement with Mr. Kenichi Nakano to limit his liability for damages to the amount set forth in laws and regulations as stipulated in Article 423, Paragraph 1 of the Companies Act.

Proposal 5: Payment of Bonuses to Corporate Officers

We propose to pay executive bonuses in the amount of ¥70 million in total to eight Directors excluding two Outside Directors among ten Directors as of the end of the fiscal year under review, taking the business performance of the period, etc. into consideration.