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Securities code: 6941

June 7, 2018

To our shareholders:

Yoshitaka Ota
President
YAMAICHI ELECTRONICS CO., LTD.
2-16-2, Minamikamata, Ota-ku, Tokyo, JAPAN

NOTICE OF THE 63RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 63rd Ordinary General Meeting of Shareholders of YAMAICHI ELECTRONICS CO., LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet. We request that you follow the instructions laid out below and exercise your voting rights on or before 5:15 p.m. on Tuesday, June 26, 2018 (JST) after considering the following Reference Documents for the General Meeting of Shareholders.

- 1. Date and Time:** Wednesday, June 27, 2018 at 10:00 a.m. (JST)
- 2. Venue:** Fourth floor, Convention Hall, Ota City Industrial Plaza (PiO)
1-20-20 Minamikamata, Ota-ku, Tokyo

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 63rd Term (from April 1, 2017 to March 31, 2018), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 63rd Term (from April 1, 2017 to March 31, 2018)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
Proposal 2: Election of eight (8) Directors
Proposal 3: Election of one (1) Substitute Audit & Supervisory Board Member

4. Instructions on Exercising Voting Rights

- (1) Voting by mail (in writing)
Please complete the enclosed voting form by indicating “for” or “against” for the proposals and return the form so that it arrives by 5:15 p.m. on Tuesday, June 26, 2018 (JST).
- (2) Voting via the Internet
Please refer to “Information on Exercising Voting Rights via the Internet” and vote by 5:15 p.m. on Tuesday, June 26, 2018 (JST). (Japanese only)
- (3) Handling of multiple votes by mail and via the Internet
If you vote twice, by mail and via the Internet, we will consider only the vote via the Internet to be valid.
- (4) Handling of multiple votes via the Internet
If you vote more than once via the Internet, we will consider only the final vote to be valid.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company's basic policy for profit distribution is to raise corporate value in the medium to long term, maintain stable dividends and return profits appropriately to shareholders, while also strengthening our financial structure and business foundation.

In light of a comprehensive assessment of earnings in this fiscal year, future business trends and the financial foundation, we propose to pay the following dividends, to the amount of 30 yen per share.

Including the interim dividend of 5 yen per share, the annual dividend per share will be 35 yen per share.

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property and total amount thereof
30 yen per common share of the Company
Total amount of dividends: 678,586,530 yen
- (3) Effective date of distribution of dividends of surplus
June 28, 2018

Proposal 2: Election of eight (8) Directors

The terms of office of all six Directors expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose the election of eight Directors, including three Outside Directors.

The Group, in order to promote the further strengthening of the “growth strategy” and “structural reform” as two strategies towards achieving the medium term management plan, as well as to contribute to the sustainable growth and further improvement in corporate value of the Group, and with the objective of strengthening the management system and governance system even more, has decided to increase the number of Directors by two, including one Outside Director.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company’s shares owned
1	Yoshitaka Ota (October 10, 1948)	<p>May 2002 Joined the Company</p> <p>Apr. 2004 Senior Executive Officer and Senior General Manager of Manufacturing Div.</p> <p>Oct. 2005 Manager of Sakura Factory</p> <p>Apr. 2007 General Manager of Corporate Planning Dept.</p> <p>June 2008 Director</p> <p>June 2009 Executive Vice-president, Pricon Microelectronics, Inc.</p> <p>June 2010 Audit & Supervisory Board Member of the Company (full-time)</p> <p>June 2013 President (present position)</p> <p>May 2017 In charge of Optical-related Business (present position)</p>	118,900
<p>Reasons for nomination as candidate for Director</p> <p>Yoshitaka Ota possesses wide-ranging knowledge and experience in the Company’s overall operations from his experience in each division, and given his achievements as the President, we have nominated him as a candidate for Director.</p>			
2	Takeshi Tsuchiya (June 1, 1961)	<p>Apr. 1984 Joined the Company</p> <p>Feb. 2004 Executive Officer</p> <p>Apr. 2006 President, Yamaichi Electronics Shenzhen Co., Ltd.</p> <p>Apr. 2008 Executive Officer and Senior General Manager of TS Business Div. of the Company (present position)</p> <p>June 2013 Director and Senior Executive Officer (present position)</p> <p>June 2016 In charge of Optical-related Business</p>	36,900
<p>Reasons for nomination as candidate for Director</p> <p>Takeshi Tsuchiya possesses extensive knowledge and experience in the Company’s operations, particularly in the sales division, and also has experience in corporate management at subsidiaries. Given his achievements as Director, we have nominated him as a candidate for Director.</p>			
3	Junichi Kameya (June 29, 1964)	<p>Apr. 1987 Joined the Company</p> <p>Oct. 2007 President, Yamaichi Electronics Shenzhen Co., Ltd.</p> <p>Apr. 2012 Executive Officer and Senior General Manager of Manufacturing Div., General Manager of Manufacturing Control Dept. of the Company</p> <p>Apr. 2013 Senior General Manager of CS Business Div. (present position)</p> <p>June 2013 Director and Senior Executive Officer (present position)</p>	28,100
<p>Reasons for nomination as candidate for Director</p> <p>Junichi Kameya possesses extensive knowledge and experience in the Company’s operations, particularly in the sales division and the manufacturing division, and also has experience in corporate management at subsidiaries. Given his achievements as Director, we have nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned	
4	Kazuhiro Matsuda (April 11, 1964)	Dec. 1988 Apr. 2009	Joined the Company General Manager of Overseas Sales Dept., Sales Headquarters, Business Control Headquarters	20,300
		Apr. 2014 Apr. 2015 June 2017	President, Yamaichi Electronics USA, Inc. Executive Officer of the Company Director and Senior Executive Officer (present position) Senior General Manager of Administration Div. (present position)	
<p>Reasons for nomination as candidate for Director Kazuhiro Matsuda possesses extensive knowledge and experience in the Company's operations, particularly in the administration division and the overseas sales division, and also has experience in corporate management at subsidiaries. Given his achievements as Director, we have nominated him as a candidate for Director.</p>				
5	Nobuhiro Kishimura (September 24, 1964) New election	Nov. 1988 Feb. 2004 Apr. 2008	Joined the Company General Manager of Sales Dept. II General Manager of West Japan Sales Dept., General Manager of TS Planning and Special Items Dept.	18,000
		Apr. 2011 Apr. 2013 June 2013 Apr. 2014	General Manager of TS Business Promotion Dept. General Manager of TS Business Promotion Gr. (present position) General Manager of TS Sales Dept. Acting Senior General Manager of TS Business Div. (present position) Executive Officer (present position)	
<p>Reasons for nomination as candidate for Director Nobuhiro Kishimura possesses extensive knowledge and experience in the Company's operations, particularly in the sales division, and also has experience in business operation as an executive officer. Given his achievements, we have newly nominated him as a candidate for Director.</p>				
6	Kensho Kusumi (February 1, 1940)	Apr. 1963 June 1998	Joined Nissan Motor Co., Ltd. Executive Vice President, Nissan Motor Co., Ltd.	-
		Apr. 2002 June 2002 June 2002 July 2005 June 2009 June 2015	Visiting professor, Graduate School of Economics of Chuo University Outside Statutory Auditor, Nissan Shatai Co., Ltd. Outside Audit & Supervisory Board Member, Calsonic Kansei Corporation President, SME Region Shared Service Corporation Outside Director, Hibiya Engineering, Ltd. (present position) Outside Director of the Company (present position)	
<p>Reasons for nomination as candidate for Outside Director Kensho Kusumi has extensive experience over many years as a corporate executive and possesses wide-ranging knowledge. He provides objective and unbiased advice on management, and we have nominated him as a candidate for Outside Director.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Tomohiro Murata (June 17, 1968)	Apr. 1991 Joined Daiwa Securities Co. Ltd. July 1994 Joined Daiwa Institute of Research Ltd. Sept. 1996 Joined Morgan Stanley Japan Limited Feb. 2009 Joined Frontier Management Inc. Managing Director (present position) June 2015 Outside Director of the Company (present position)	—
		<p>Reasons for nomination as candidate for Outside Director Tomohiro Murata has extensive experience as a management consultant and possesses wide-ranging knowledge. He provides objective and unbiased advice on management, and we have nominated him as a candidate for Outside Director. While he does not have experience in working directly in corporate management, for the reasons given above, we believe that he would fulfill his responsibilities as an Outside Director.</p>	
8	Yoichiro Sakuma (September 4, 1955) New election	Apr. 1980 Joined Nitto Electric Industrial Co., Ltd. (currently Nitto Denko Corporation) June 2006 Vice President, Nitto Denko Corporation June 2010 Director, Vice President, Nitto Denko Corporation June 2013 Director, Executive Vice President, Nitto Denko Corporation June 2017 Retired from Nitto Denko Corporation	—
		<p>Reasons for nomination as candidate for Outside Director Yoichiro Sakuma has extensive experience over many years as a corporate executive and possesses wide-ranging knowledge. He is expected to provide objective and unbiased advice on management, and we have newly nominated him as a candidate for Outside Director.</p>	

- Notes:
1. There is no special interest between each candidate and the Company.
 2. Kensho Kusumi, Tomohiro Murata and Yoichiro Sakuma are candidates for Outside Directors. The Company has registered Kensho Kusumi and Tomohiro Murata as Independent Officers as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. If their reelections are approved, the Company will continue to register them as Independent Officers. Furthermore, Yoichiro Sakuma satisfies the requirements for an independent Officer as provided for by Tokyo Stock Exchange, Inc., and the Company plans to register him as an independent Officer to the aforementioned exchange if his election is approved.
 3. Kensho Kusumi and Tomohiro Murata are currently the Company's Outside Directors, and both will have served as Outside Directors for three years as of the conclusion of this General Meeting of Shareholders.
 4. Based on the provisions in Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with Kensho Kusumi and Tomohiro Murata that limit the liability for damages specified in Article 423, Paragraph 1 of the Companies Act to the minimum amount stipulated in Article 425, Paragraph 1 of that Act. If their reelections are approved, the Company plans to continue these agreements. If the election of Yoichiro Sakuma is approved, the Company plans to conclude the same limited liability agreement with him.

Proposal 3: Election of one (1) Substitute Audit & Supervisory Board Member

Based on the provisions of Article 329, Paragraph 3 of the Companies Act, the Company proposes to elect one substitute Audit & Supervisory Board Member to prepare for a contingency in which the Company does not have the number of Audit & Supervisory Board Members required by laws and regulations.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Kazuo Minagawa (January 27, 1951)	Apr. 1973 Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation)	—
	Oct. 2003 General Manager of Materials Division, and General Manager of Silicon Business Division, Toshiba Ceramics Co., Ltd.	
	June 2007 Senior Managing Director and General Manager, Business Division, Covalent Materials Corporation	
	June 2011 Audit & Supervisory Board Member, Covalent Materials Corporation	
	June 2012 Retired from Covalent Materials Corporation	
Reasons for nomination as candidate for substitute Outside Audit & Supervisory Board Member Kazuo Minagawa has many years of experience as a corporate manager as well as experience as an audit & supervisory board member, and is expected to supervise the Directors' execution of operations from an objective and unbiased perspective, making him a well-qualified choice for the Company's Outside Audit & Supervisory Board Member.		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Kazuo Minagawa is a candidate for substitute Outside Audit & Supervisory Board Member.
 3. If Kazuo Minagawa is appointed as Audit & Supervisory Board Member, the Company plans to conclude an agreement with him that limits the liability for damages specified in Article 423, Paragraph 1 of the Companies Act to the minimum amount stipulated in Article 425, Paragraph 1 of that Act based on the provisions in Article 427, Paragraph 1 of that Act.