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(Securities Code 8078)
June 7, 2016

To Those Shareholders with Voting Rights:

Hironari Furukawa
Representative Director and President
Hanwa Co., Ltd.
4-3-9 Fushimi-machi,
Chuo-ku, Osaka, Japan

NOTICE OF THE 69TH ORDINARY GENERAL SHAREHOLDERS MEETING

Dear Shareholders:

We offer our deepest sympathies to the people who were affected by the 2016 Kumamoto Earthquake and sincerely hope for the earliest recovery from this disaster.

You are cordially invited to attend the 69th Ordinary General Shareholders Meeting of Hanwa Co., Ltd. (“the Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by either of the following methods. Please review the Reference Materials for the General Shareholders Meeting (page 5 through 12), and cast your vote by 5:00 p.m. on Tuesday, June 28, 2016 Japan time.

■ **Exercise of voting rights in writing**

Indicate your approval or disapproval of each proposal on the enclosed Voting Form and return it to the Company so that it may arrive before the above voting deadline.

■ **Exercise of voting rights electronically (via the Internet)**

Refer to the “Guide to Exercising Voting Rights Electronically (via the Internet)” described in the page 4 of this document, and access the website designated by the Company (<http://www.web54.net>) to enter your approval or disapproval of each proposal before the above voting deadline by following the instructions provided in the website.

1. Date and Time: Wednesday, June 29, 2016 at 10:00 a.m. Japan time

2. Place: Seventh Floor Conference Room
Hanwa Co., Ltd.
HK Yodoyabashi Garden Avenue Bldg., 4-3-9 Fushimi-machi, Chuo-ku, Osaka

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 69th Fiscal Year (April 1, 2015 - March 31, 2016) and results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the Company’s 69th Fiscal Year (April 1, 2015 - March 31, 2016)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Fourteen (14) Directors
Proposal No. 3: Election of Three (3) Corporate Auditors

- In accordance with laws and regulations as well as Article 18 of the Company's Articles of Incorporation, the following items are posted on the Company's website (<http://www.hanwa.co.jp>) and therefore not included in the attached documents to this Notice.
 - 1) Notes to Consolidated Financial Statements
 - 2) Notes to Non-Consolidated Financial StatementsThe "Notes to Consolidated Financial Statements" and "Notes to Non-Consolidated Financial Statements" have been combined with the Consolidated Financial Statements and Non-Consolidated Financial Statements for the auditing process, in order for the preparation of the Audit Report and the Independent Auditor's Report by the Corporate Auditors and the Independent Auditor.
- Revisions to the Reference Materials for the General Shareholders Meeting, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, if any, will be posted on the Company's website (<http://www.hanwa.co.jp>).

Guide to Exercising Voting Rights

| Voting by attending the General Shareholders Meeting in person | |
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| If you plan to attend the Meeting, please present the enclosed Voting Form to the receptionist when you arrive at the venue. | Date and time of the Meeting: Wednesday, June 29, 2016 at 10:00 a.m. Japan time |
| <ul style="list-style-type: none"> • Please bring with you this Notice to the venue on the day of the Meeting. • As the light clothing (Cool Biz) dress code will be followed at the Meeting, we would appreciate it if you could come to the Meeting wearing casual attire. | |

| Voting in writing | |
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| Please indicate your approval or disapproval of each proposal on the enclosed Voting Form and return it. | Deadline for voting: By 5:00 p.m. on Tuesday, June 28, 2016 Japan time (Arrival of Voting Forms) |

| Voting via the Internet | |
|--|--|
| Please enter your approval or disapproval of each proposal on the website designated by the Company (http://www.web54.net). | Deadline for voting: By 5:00 p.m. on Tuesday, June 28, 2016 Japan time (Acceptance of entries) |

< Information concerning use of Electronic Voting Platform >

Instead of submitting votes via the Internet as explained above, nominee shareholders such as trust banks acting as administrators (including standing proxies) can use the Electronic Voting Platform operated by ICJ, Inc., which is owned jointly by Tokyo Stock Exchange, Inc. and other companies, to submit votes electronically at the Ordinary General Shareholders Meeting. To use this method, the shareholders are required to apply in advance for the use of the Electronic Voting Platform.

Guide to Exercising Voting Rights Electronically (via the Internet)

If you plan to vote using the Internet, please read the following instructions and precautions first.

1. Votes can be submitted via the Internet only on the website designated by the Company for this purpose. This site can be accessed from a mobile phone, too.
URL for votes: <http://www.web54.net>
2. To vote via the Internet, use the voting rights code and password that are shown on the enclosed Voting Form and then enter your votes by following instructions provided by the website.
3. Internet votes must be received no later than the day immediately before the date of the General Shareholders Meeting during the business hours (by 5:00 p.m. on Tuesday, June 28, 2016 Japan time). However, shareholders are asked to submit votes as soon as possible in order to expedite the vote tabulation process.
4. If a shareholder submits two votes in writing and via the Internet, only the Internet votes will be counted as effective ones.
5. If a shareholder submits votes using the Internet more than once, or submits multiple votes using a personal computer and a cell phone, only the last votes received will be treated as valid.
6. When voting via the Internet, shareholders are responsible for Internet Service Provider connection fees and communication carrier fees.
7. Submitting votes using the website listed above requires the following hardware and software.
 - 1) Internet access
 - 2) When using a personal computer to vote, the Internet browser must be Microsoft® Internet Explorer 6.0 or a subsequent version. In addition, hardware that can use the above browser is required.
 - 3) When using a mobile phone to vote, the handset must be capable of using 128-bit SSL encryption. (Since votes can be submitted using only handsets that can use 128-bit SSL encryption in order to ensure security, votes cannot be submitted using some handsets. You may also exercise voting rights using the full browser function of mobile phones, including smartphones, but please note that such exercise may not be possible depending on the mobile phone model.)

(Microsoft is a registered trademark in the U.S. and other countries of Microsoft Corporation.)

8. Please use the phone number below for any questions concerning how to submit votes via the Internet.

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| <p>Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support Dedicated Line: Toll-free: 0120-652-031 (9:00-21:00) For inquiries concerning matters other than exercising voting rights, call 0120-782-031 (9:00-17:00 on weekdays; not available on weekends and holidays)</p> |
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Reference Materials for the General Shareholders Meeting

Proposals and References

Proposal No. 1: Appropriation of Surplus

Proposal for the appropriation of surplus is as follows:

Matters concerning the year-end dividend for the 69th fiscal year

The Company regards the sustainable return of earnings to shareholders as one of the most important management responsibilities. The fundamental policy is to continuously pay stable dividends to shareholders while building sufficient internal reserves for the reinforcement of management base and investment in future growth fields, and to pursue growth in dividend payments taking into consideration the profit level, business environment, payout ratio and other factors.

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| (1) Type of dividend | Cash |
| (2) Matters concerning distribution of the dividend to shareholders and the aggregate amount of dividend | The Company proposes to pay a year-end dividend of ¥10 per common share. The aggregate dividend will be ¥2,072,073,030. Since the Company paid an interim dividend of ¥8 per common share in December 2015, this will result in an annual dividend of ¥18 per common share. |
| (3) Effective date of dividend payment | June 30, 2016 |

Proposal No. 2: Election of Fourteen (14) Directors

The terms of office of all fifteen (15) Directors will expire at the conclusion of this General Shareholders Meeting. Consequently, shareholders are requested to elect fourteen (14) Directors.

The candidates for Directors are as follows:

| No. | Name (Date of birth) | Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions) |
|-----|--|--|
| 1 | Shuji Kita (January 28, 1943) ■Number of shares of the Company held 487,089 shares | <p>April 1966 Joined Ministry of International Trade and Industry (MITI)</p> <p>April 1980 Appointed Consul, Consulate-General of Japan in Los Angeles</p> <p>April 1983 Appointed Director-General, Commerce and Industry Department, Osaka Bureau of International Trade and Industry</p> <p>May 1987 Appointed President, Jakarta Office, Japan External Trade Organization</p> <p>October 1989 Appointed Director General, General Coordination and Policy Planning Department, MITI, Kanto Bureau</p> <p>June 1991 Appointed Councilor to Economic Planning Agency</p> <p>June 1993 Retired from MITI</p> <p> Joined the Company, Appointed Managing Director</p> <p>February 1994 Appointed Representative Director and President</p> <p>April 2011 Appointed Representative Director and Chairman (current position)</p> <p>June 2011 Appointed Outside Director of Keihan Electric Railway Co., Ltd. (currently Keihan Holdings Co., Ltd.) (current position)</p> <p>(Significant concurrent positions)</p> <p> Director of Hanwa Scholarship Foundation</p> <p> Outside Director of Keihan Holdings Co., Ltd.</p> |
| 2 | Hironari Furukawa (October 30, 1946) ■Number of shares of the Company held 118,976 shares | <p>March 1969 Joined the Company</p> <p>April 1996 Executive Vice President of Hanwa Co., (Hong Kong) Ltd. and Vice General Manager of Asian Region (China & Hong Kong)</p> <p>June 1997 Appointed Director</p> <p>April 2003 Appointed Managing Director</p> <p>April 2005 Appointed Senior Managing Director</p> <p>April 2009 Appointed Representative Director and Executive Vice President</p> <p>April 2011 Appointed Representative Director and President (current position)</p> |
| 3 | Hideo Kawanishi (March 15, 1950) ■Number of shares of the Company held 106,666 shares | <p>April 1973 Joined the Company</p> <p>April 2005 Appointed Corporate Officer</p> <p> In charge of Osaka HQ Steel Plate, Steel Sheets Sales and Structural Steel Sheets</p> <p>June 2005 Appointed Director</p> <p>April 2008 Appointed Managing Director</p> <p>April 2012 Appointed Director and Senior Managing Executive Officer</p> <p>April 2014 Appointed Director and Executive Vice President (current position)</p> <p>April 2016 Senior General Manager of Osaka Head Office</p> <p> In charge of Osaka HQ Steel and Machinery (current position)</p> |

| No. | Name (Date of birth) | Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions) | |
|-----|---|---|---|
| 4 | Hiroshi Serizawa (December 26, 1951) ■Number of shares of the Company held 46,845 shares | April 1975 April 2005 June 2005 April 2010 April 2012 April 2015 April 2016 | Joined the Company Appointed Corporate Officer In charge of Tokyo Steel Plates and General Manager of Tokyo HQ Steel Plates and Steel Sheets Dept. Appointed Director Appointed Managing Director Appointed Director and Senior Managing Executive Officer Appointed Director and Executive Vice President (current position) In charge of Tokyo HQ Steel, Steel Processing Project Promote (current position) |
| 5 | Akihiko Ogasawara (September 30, 1953) ■Number of shares of the Company held 43,433 shares | April 1976 April 2006 June 2006 April 2011 April 2012 April 2013 April 2016 | Joined the Company Appointed Corporate Officer In charge of Non-ferrous Metals, Metals & Alloys and Special Metals & Alloys and General Manager of Metals and Alloys Dept. Appointed Director Appointed Managing Director Appointed Director and Managing Executive Officer Appointed Director and Senior Managing Executive Officer (current position) In charge of Non-Ferrous Metals, Metals & Alloys, Special Metals & Alloys and Hedging Administration Office (current position) |
| 6 | Naoyuki Togawa (February 18, 1952) ■Number of shares of the Company held 33,113 shares | March 1974 April 2009 June 2009 April 2012 April 2015 | Joined the Company Appointed Corporate Officer General Manager of Nagoya Branch Office Appointed Director Appointed Director and Managing Executive Officer Appointed Director and Senior Managing Executive Officer (current position) General Manager of Nagoya Branch Office and in charge of Shizuoka Sales Office (current position) |
| 7 | Yasumichi Kato (April 26, 1955) ■Number of shares of the Company held 106,825 shares | April 1978 April 2009 June 2010 April 2012 April 2015 April 2016 | Joined the Company Appointed Corporate Officer In charge of Osaka HQ Steel Plates, Structural Steel Sheets and Steel Sheets Sales Appointed Director Appointed Director and Managing Executive Officer In charge of International Trade Dept. 1, International Trade Dept. 2, Trade Administration Dept. and Lumber & Plywood Dept. (current position) Appointed Director and Senior Managing Executive Officer (current position) |

| No. | Name (Date of birth) | Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions) |
|-----|--|---|
| 8 | <p style="text-align: center;">Osamu Seki (August 23, 1939)</p> <p>■Number of shares of the Company held 27,100 shares</p> | <p>April 1962 Joined Ministry of International Trade and Industry (MITI)</p> <p>June 1987 Appointed General Manager, Osaka Bureau of International Trade and Industry</p> <p>June 1989 Appointed Vice-Minister for Policy Planning and Coordination, Minister's Secretariat</p> <p>June 1990 Appointed Director General of Bureau of Equipment, Defense Agency</p> <p>June 1992 Appointed Director-General of Small and Medium Enterprise Agency</p> <p>June 1993 Retired from MITI</p> <p>June 1995 Appointed Managing Director of Sumitomo Electric Industries, Ltd. (SEI)</p> <p>June 1999 Appointed Vice President and Representative Director of SEI</p> <p>June 2002 Appointed Outside Director of P.S. Mitsubishi Construction Co., Ltd.</p> <p>June 2004 Appointed Chairman and Representative Director of Nuclear Fuel Industries, Ltd.</p> <p>June 2007 Appointed Director (current position)</p> <p>February 2012 Registered as an Attorney-at-Law (Shoyu Law Office) (current position)</p> <p>December 2015 Outside Director of Mach Corporation co., Ltd. (current position) (Significant concurrent position) Attorney-at-Law (Shoyu Law Office)</p> |
| 9 | <p style="text-align: center;">Ryuji Hori (September 3, 1943)</p> <p>■Number of shares of the Company held 2,227 shares</p> | <p>April 1966 Joined Iwai Sangyo Company Ltd. (currently Sojitz Corporation)</p> <p>June 1996 Appointed Director of Nissho Iwai Corporation (currently Sojitz Corporation)</p> <p>June 2000 Appointed Managing Director of Nissho Iwai Corporation</p> <p>June 2002 Appointed Senior Managing Executive Officer of Nissho Iwai Corporation</p> <p>April 2003 Professor, School of Law, Waseda University</p> <p>April 2004 Professor, Waseda Law School, Waseda University</p> <p>June 2005 Audit & Supervisory Board Member (External Auditor) of Tokuyama Corporation (current position)</p> <p>June 2011 Outside Director of Riskmonster.com (current position)</p> <p>June 2012 Outside Director of T&D Holdings, Inc. (current position)</p> <p>April 2013 Managing Director and Principal of Waseda Osaka Gakuen (current position)</p> <p>April 2014 Advisor of TMI Associates (current position) Professor Emeritus, Waseda University (current position)</p> <p>June 2014 Appointed Director (current position) (Significant concurrent positions) Audit & Supervisory Board Member (External Auditor) of Tokuyama Corporation Outside Director of Riskmonster.com Outside Director of T&D Holdings, Inc. Managing Director and Principal of Waseda Osaka Gakuen</p> |
| 10 | <p style="text-align: center;">Hiromasa Yamamoto (March 18, 1960)</p> <p>■Number of shares of the Company held 50,970 shares</p> | <p>April 1983 Joined the Company</p> <p>April 2012 Appointed Corporate Officer In charge of Machinery and Osaka HQ Steel Plates and General Manager of Machinery Dept.</p> <p>April 2013 Appointed Executive Officer</p> <p>June 2014 Appointed Director and Executive Officer</p> <p>April 2016 Appointed Director and Managing Executive Officer (current position) In charge of Osaka HQ Steel Bars & Construction Materials Dept. Machinery, Osaka HQ Steel Plates, Kyushu Branch Office, Chugoku Branch Office (current position)</p> |

| No. | Name (Date of birth) | Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions) |
|-----|--|--|
| 11 | <p>Yasushi Hatanaka (August 30, 1960)</p> <p>■Number of shares of the Company held 18,423 shares</p> | <p>April 1983 August 2012</p> <p>Joined the Company Appointed Corporate Officer In charge of Osaka HQ Steel Sheets Dept. 1, Steel Sheets Dept. 2, Steel Sheets Dept. 3 and Steel Processing Project Promote Team, Assistant to Director in charge of Tokyo HQ Steel Sheet International and General Manager of Osaka HQ Steel Sheets Dept. 3</p> <p>April 2013 June 2014 April 2016</p> <p>Appointed Executive Officer Appointed Director and Executive Officer Appointed Director and Managing Executive Officer (current position) In charge of Osaka HQ Structural Steel Sheets Dept. 1, Structural Steel Sheets Dept. 2, Steel Sheets Sales, Steel Sheets Dept. 1, Steel Sheets Dept. 2, Stainless Steel & Aluminum Sheet, Wire Products and Special Steel, and Steel Processing Project Promote Team (current position)</p> |
| 12 | <p>Hidemi Nagashima (February 15, 1960)</p> <p>■Number of shares of the Company held 32,915 shares</p> | <p>April 1983 April 2011</p> <p>Joined the Company Appointed Corporate Officer In charge of Tokyo HQ Steel Plates, Steel Sheets Sales, Structural Steel Sheets Dept. 1, Structural Steel Sheets Dept. 2, and Hokkaido Branch Office</p> <p>April 2012 June 2015 April 2016</p> <p>Appointed Executive Officer Appointed Director and Executive Officer Appointed Director and Managing Executive Officer (current position) In charge of Tokyo HQ Steel Bars & Construction Materials Dept., Steel Plates & Sheets Dept., Steel Structure Marketing Dept., Wire Products, Special Steel & Titanium, Hokkaido Branch Office, Tohoku Branch Office, Niigata Branch Office, Kanto Branch Office, and Assistant to the Executive Officer in charge of Tokyo HQ Machinery (current position)</p> |
| 13 | <p>Yoichi Nakagawa (August 14, 1961)</p> <p>■Number of shares of the Company held 15,464 shares</p> | <p>April 1986 April 2013</p> <p>Joined the Company Appointed Corporate Officer In charge of Accounting and Affiliated Enterprises, and General Manager of Accounting Dept. and Affiliated Enterprises Dept.</p> <p>April 2014 June 2015 April 2016</p> <p>Appointed Executive Officer Appointed Director and Executive Officer Appointed Director and Managing Executive Officer (current position) In charge of overall administrations (current position)</p> |
| 14 | <p><u>New candidate</u> Yasuharu Kurata (September 12, 1959)</p> <p>■Number of shares of the Company held 8,000 shares</p> | <p>April 1982 April 2011</p> <p>Joined the Company Appointed Corporate Officer General Manager of Asian Region (ASEAN, India, Middle East) In charge of Departments excluding Steel and Machinery and Chairman of HANWA SINGAPORE (PRIVATE) LTD.</p> <p>April 2012 April 2016</p> <p>Appointed Executive Officer Appointed Managing Executive Officer (current position) In charge of Petroleum Dept., Food Dept. and in charge of Hedging Administration Office (current position)</p> |

- Notes:
1. There are no special interests between any of the candidates and the Company.
 2. Mr. Osamu Seki and Mr. Ryuji Hori are candidates for the positions of Outside Directors. Both Mr. Osamu Seki and Mr. Ryuji Hori are Independent Director candidates as required by the provisions of the Tokyo Stock Exchange, Inc.
 3. Mr. Osamu Seki has been nominated for the position of Outside Director in view of his strong character and capabilities, in addition to his extensive experience in public affairs and corporate management. The Company believes that he will add a comprehensive and multidisciplinary perspective to management decision making.
 4. Mr. Osamu Seki is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting he will have served for nine years.
 5. Mr. Osamu Seki has entered into an agreement with the Company limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement follows the provisions of laws and regulations. The Company plans to continue the above agreement with Mr. Osamu Seki if he is reelected.
 6. Mr. Ryuji Hori has been nominated for the position of Outside Director in view of his strong character and capabilities in addition to his extensive experience and knowledge as an expert in legal affairs and corporate management. The Company believes that he will add a comprehensive and multidisciplinary perspective to management decision making.
 7. Mr. Ryuji Hori is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting he will have served for two years.
 8. Mr. Ryuji Hori has entered into an agreement with the Company limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement follows the provisions of laws and regulations. The Company plans to continue the above agreement with Mr. Ryuji Hori if he is reelected.
 9. The number of shares of the Company held includes the number of shares held through the Hanwa Directors Stock Ownership Plan.

Proposal No. 3: Election of Three (3) Corporate Auditors

The term of office of Corporate Auditors Kazuhiko Okada, Yasuo Naide and Hiroshige Wagatsuma will expire at the conclusion of this General Shareholders Meeting. Consequently, shareholders are requested to elect three (3) Corporate Auditors. The Board of Corporate Auditors has previously given its approval for this proposal.

The candidates for Corporate Auditors are as follows:

| No. | Name (Date of birth) | Brief career summary and positions at the Company (Significant concurrent positions) |
|-----|---|--|
| 1 | <p><u>New candidate</u> Atsuhiro Moriguchi (December 12, 1951)</p> <p>■Number of shares of the Company held 32,417 shares</p> | <p>April 1975 Joined the Company</p> <p>April 2008 Appointed Corporate Officer In charge of Accounting</p> <p>June 2008 Appointed Director</p> <p>April 2012 Appointed Director and Managing Executive Officer</p> <p>April 2014 Appointed Director and Senior Managing Executive Officer (current position)</p> |
| 2 | <p>Yasuo Naide (August 14, 1946)</p> <p>■Number of shares of the Company held 241,000 shares</p> | <p>April 1971 Joined Sumitomo Heavy Industries, Ltd.</p> <p>June 2001 Appointed Senior Vice President of Sumitomo Heavy Industries, Ltd.</p> <p>June 2003 Appointed Executive Vice President of Sumitomo Heavy Industries, Ltd.</p> <p>December 2006 Appointed Representative Director and President of Sumitomo Heavy Industries Environment Co., Ltd.</p> <p>April 2010 Appointed Representative Director and President of Sumitomo Heavy Industries Business Associates Co., Ltd.</p> <p>March 2012 Retired from Director of Sumitomo Heavy Industries Business Associates Co., Ltd.</p> <p>June 2012 Appointed Corporate Auditor (current position)</p> |
| 3 | <p><u>New candidate</u> Mitsuo Hirakata (February 5, 1954)</p> <p>■Number of shares of the Company held 0 share</p> | <p>April 1977 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2002 Appointed General Manager, Portfolio Management Dept. of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>March 2006 Appointed Corporate Auditor (full-time) of Mizuho Corporate Bank, Ltd.</p> <p>April 2009 Appointed Managing Executive Officer of Mizuho Securities Co., Ltd.</p> <p>June 2012 Appointed Corporate Auditor (full-time) of TOYO CONSTRUCTION CO., LTD.</p> <p>September 2015 Appointed Representative Director and President of Tokyo Bay Hilton Co., Ltd. (current position)</p> <p>(Significant concurrent positions) Representative Director and President of Tokyo Bay Hilton Co., Ltd.</p> |

- Notes:
1. There are no special interests between the candidates and the Company.
 2. If the election of Mr. Atsuhiro Moriguchi is approved, the Company plans to enter into an agreement with him limiting his liability for damages, in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement shall follow the provisions of laws and regulations.
 3. Mr. Yasuo Naide and Mr. Mitsuo Hirakata are candidates for the position of Outside Corporate Auditors. Both Mr. Yasuo Naide and Mr. Mitsuo Hirakata are Independent Director candidates as required by the provisions of the Tokyo Stock Exchange, Inc.
 4. Mr. Yasuo Naide has been nominated for the position of Outside Corporate Auditor because the Company believes that he will conduct effective audits, based on his professional perspectives gained through his extensive practical experience cultivated through his service in a manufacturing company.
 5. Mr. Yasuo Naide is currently an Outside Corporate Auditor of the Company. At the conclusion of this General Shareholders Meeting he will have served for four years.

6. Mr. Yasuo Naide has entered into an agreement with the Company limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement follows the provisions of laws and regulations. The Company plans to continue the above agreement with Mr. Yasuo Naide if he is reelected.
7. Mr. Mitsuo Hirakata has been nominated for the position of Outside Corporate Auditor because the Company believes that he will conduct effective audits, based on his specialized knowledge and extensive experience cultivated through his service in a financial institution, as well as expertise in overall management.
8. If the election of Mr. Mitsuo Hirakata is approved, the Company plans to enter into an agreement with him limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement shall follow the provisions of laws and regulations.
9. The number of shares of the Company held includes the number of shares held through the Hanwa Directors Stock Ownership Plan.