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**For institutional investors**  
**The Company participates in the electronic voting rights exercise platform operated by ICJ.**

Securities Code No. 7278

June 11, 2020

To Shareholders:

Hidehito Hisakawa  
President and Representative Director  
**EXEDY Corporation**

1-1-1 Kidamotomiya, Neyagawa-shi, Osaka

## NOTICE OF CONVOCAION OF THE 70TH ANNUAL SHAREHOLDERS MEETING

Dear Shareholder,

Thank you for your continued interest in EXEDY Corporation (the "Company").

You are hereby notified that the 70th Annual Shareholders Meeting (the "Meeting") will be held as stated below.

**To avoid the risk of COVID-19 infection, we strongly recommend that you abstain from attending the Meeting and exercise your voting rights in writing or via the internet instead. In such case, after examining the Reference Documents for Shareholders Meeting hereinafter, please duly exercise your voting rights by 5:00 p.m. on June 25, 2020 (Thursday).**

Sincerely,

Details

1. Date and Time 10:00 a.m. June 26, 2020 (Friday)
2. Place EXEDY Hall, 2nd Floor, Main Building  
EXEDY Corporation  
1-1-1 Kidamotomiya, Neyagawa-shi, Osaka
3. Meeting Agenda  
Matters to be Reported
  1. Report on the Business Report, and the Consolidated and Non-consolidated Financial Statements for the 70th Business Year (from April 1, 2019 to March 31, 2020)
  2. Report on the Audit Results of the Consolidated Financial Statements for the 70th Business Year by the Accounting Auditor and the Board of Corporate AuditorsMatters to be Resolved
  - Proposal No. 1: Appropriation of Surplus
  - Proposal No. 2: Election of Eleven (11) Directors

-End-

If attending the meeting in person, please submit the enclosed Voting Rights Exercise Form to the receptionist. Furthermore, to save valuable resources, please bring this "Notice of Convocation" with you when attending the Shareholders Meeting.

Of all documents to be provided with this Notice of Convocation of the Annual Shareholders Meeting, the consolidated statement of changes in equity, the notes to consolidated financial statements, the statement of changes in net assets, and the notes to financial statements are not included in the documents attached to this convocation notice, as they are noted on our website (<http://www.exedy.com>) according to provisions of the relevant laws and regulations, and Article 14 of the Articles of Incorporation of the Company.

In the event that any change is made in the Reference Documents for the Shareholders Meeting, the Business Report, or the Consolidated and Non-consolidated Financial Statements, such changes will be notified on our website (<http://www.exedy.com>).

## Regarding COVID-19

We will take the following measures to prevent infection and spread of COVID-19. We ask for your understanding and cooperation so we can ensure the safety of our shareholders and employees.

1. We request you to exercise your voting rights in advance in writing or on the Internet, when possible, and to abstain from attending the Meeting.
2. The Meeting will be held on a smaller scale and the program will be shortened.
3. We will not be handing out gifts at the Meeting.
4. The plant tour that is usually held after the Meeting will also be canceled.
5. We will not operate the usual shuttle service from and to the nearest train station for the Meeting.
6. As we widened the space between the seats, the number of available seats will be limited. As a result, you may not be able to enter the venue. We would like to ask for your understanding.
7. We ask all visiting shareholders to wear masks.
8. Company directors and employees will also wear masks.
9. Before entering the venue, we may ask you to disinfect your hands with alcohol and measure your body temperature, etc. If you refuse to cooperate with these measures, or if you are not feeling well, you will not be allowed to enter the venue.

The above information may be revised depending on changes in circumstances. Any changes will be announced on our website (<http://www.exedy.com>).

# Reference Documents for the Shareholders Meeting

## Proposal No. 1: Appropriation of Surplus

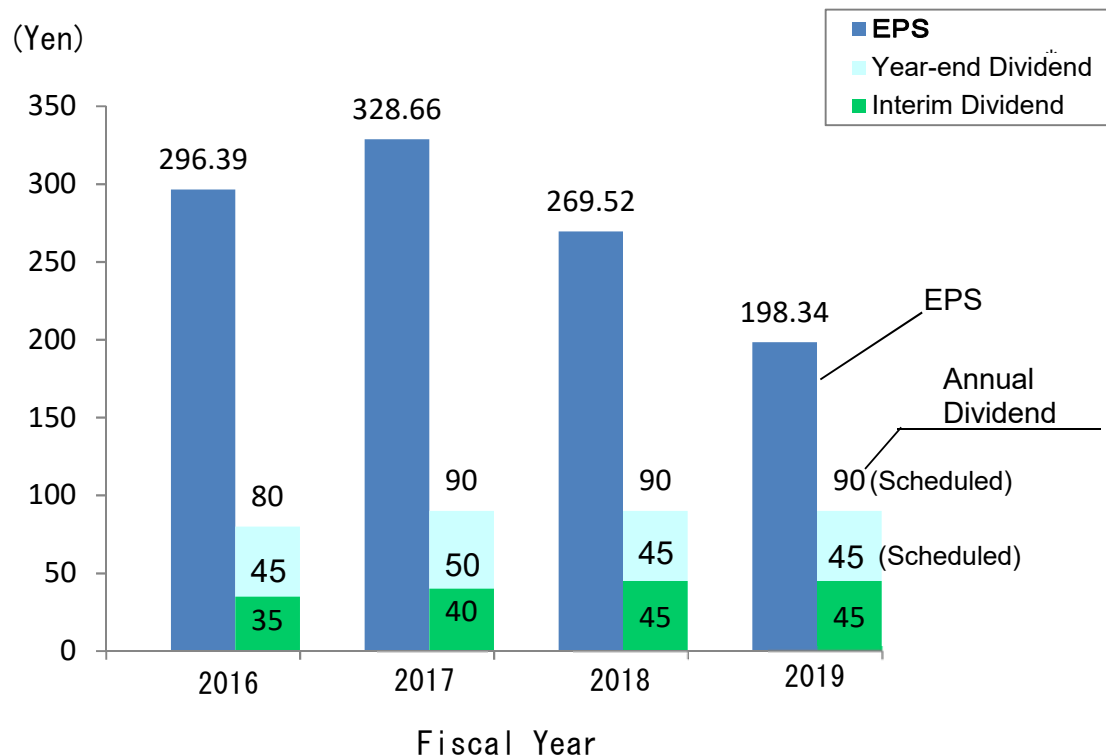
The Company will redistribute profits in an appropriate manner that meets shareholder expectations, by taking into consideration capital demands, business results, payout ratio, etc. in a comprehensive manner.

In this regard, the surplus will be appropriated as follows.

1. Matters concerning the year-end dividend
  - (1) Matters concerning and the total amount of the dividend property to be allotted to shareholders  
¥45 per share of the Company  
Total of ¥2,111,165,145  
  
Together with the interim dividend of ¥45 per share paid on November 22, 2019, the annual dividend is ¥90 per share.
  - (2) Effective date of dividends from the surplus  
June 29, 2020
2. Other matters concerning the appropriation of surplus
  - (1) Items and amount of decreasing surplus  
Retained earnings brought forward    ¥4,000,000,000
  - (2) Items and amount of increasing surplus  
General reserves    ¥4,000,000,000

## Dividend History

DPS (Yen)



## Proposal No. 2: Election of Eleven (11) Directors

All ten (10) Directors will complete their terms of office at the close of this Shareholders Meeting.

Consequently, the Company proposes the increase of Outside Director by one (1) to reinforce and enhance the structure of corporate governance additionally, and the election of eleven (11) Directors, including four (4) Outside Directors.

The candidates for Directors are as follows:

Candidate No.		Name			Current position of the Company	Attendance of Board of Director's Meetings
1	Re-appointed	Hidehito Hisakawa			Representative Director and President	12/12 (100%)
2	Re-appointed	Shogo Okamura			Representative Director and Senior Executive Managing Officer, Executive General Manager of Purchasing Headquarters	12/12 (100%)
3	Re-appointed	Hiroshi Toyohara			Director and Senior Executive Managing Officer, Executive General Manager of Administrative Headquarters	12/12 (100%)
4	Re-appointed	Tetsuya Yoshinaga			Director and Executive Managing Officer, Ueno Division General Manager, Executive General Manager of AT Manufacturing Headquarters	10/10 (100%)
5	Re-appointed	Shinji Fujimoto			Director and Senior Executive Officer, Executive General Manager of Development Headquarters	12/12 (100%)
6	Re-appointed	Yuzuru Hirose			Director and Senior Executive Officer, Executive General Manager of Sales Headquarters	10/10 (100%)
7	Re-appointed	Junji Yamakawa			Director and Senior Executive Officer, Executive General Manager of Quality Assurance Headquarters	10/10 (100%)
8	Re-appointed	Makoto Mitsuya	Outside		Outside Director	12/12 (100%)
9	Re-appointed	Ichizo Yoshikawa	Outside	Independent	Outside Director	12/12 (100%)
10	Re-appointed	Toshiki Takano	Outside	Independent	Outside Director	12/12 (100%)
11	Newly appointed	Takashi Hayashi	Outside	Independent	—	—

## 1 Hidehito Hisakawa (January 24, 1955)

Number of shares of the Company held 37,728 shares



Re-appointed

### ▶ Career summary, position and duties at the Company (Important concurrent positions)

- |            |   |
|------------|---|
| April 1978 | Joined the Company  |
| June 2006  | Director of the Company in charge of overseas businesses            |
| April 2009 | Executive General Manager, Sales Headquarters, of the Company       |
| June 2009  | Director and Executive Managing Officer of the Company              |
| April 2011 | Director and Senior Executive Managing Officer of the Company       |
| April 2012 | Representative Director of the Company                              |
| April 2015 | Representative Director and President of the Company to the present |

### ▶ Reasons for candidacy for a director's position

Mr. Hidehito Hisakawa has long been engaged in corporate management since he was appointed Director of the Company in June 2006, and has led the management as Representative Director and President since April 2015. The Company has thus continued to appoint him as a candidate for a director's position because, with his abundant experience and versatile perspective on corporate management, he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

## 2 Shogo Okamura (September 16, 1956)

Number of shares of the Company held 13,764 shares



Re-appointed

### ▶ Career summary, position and duties at the Company (Important concurrent positions)

- |                |   |
|----------------|---|
| March 1982     | Joined the Company  |
| July 2002      | Branch Manager of Tokyo Sales Office  |
| June 2005      | Director of the Company   |
| September 2006 | Representative EXEDY ASEAN Regional Office  |
| April 2010     | Executive Managing Officer of the Company   |
| April 2015     | Senior Executive Managing Officer of the Company to the present                   |
|                | Executive General Manager, Sales Headquarters, of the Company                     |
| June 2015      | Director of the Company   |
| June 2019      | Representative Director of the Company to the present                             |
| April 2020     | Executive General Manager, Purchasing Headquarters, of the Company to the present |

### ▶ Reasons for candidacy for a director's position

Mr. Shogo Okamura has long worked overseas as an expatriate and accumulated experience and achievements in ASEAN- and India-related business operations, etc. , and has been broadly engaged in management of the Group business since he was appointed Representative Director and Senior Executive Managing Officer since June 2019. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

### 3 Hiroshi Toyohara (August 19, 1962)

Number of shares of the Company held 8,455 shares



Re-appointed

▶ Career summary, position and duties at the Company (Important concurrent positions)

January 1995    Joined the Company  
April 2010     Executive Officer of the Company  
April 2011     Executive General Manager, Financial Planning Headquarters, of the Company  
June 2012     Director of the Company to the present  
April 2013     Senior Executive Officer of the Company  
Executive General Manager, Administrative Headquarters, of the Company to the present  
April 2016     Executive Managing Officer of the Company  
April 2020     Senior Executive Managing Officer of the Company to the present

▶ Reasons for candidacy for a director's position

Mr. Hiroshi Toyohara has abundant experience and achievements in general administrative operations, as head of the financial and planning departments, etc., and has been broadly engaged in the execution of the Group business since his appointment as Director and Senior Executive Managing Officer in April 2020. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

### 4 Tetsuya Yoshinaga (January 3, 1960)

Number of shares of the Company held 3,231 shares



Re-appointed

▶ Career summary, position and duties at the Company (Important concurrent positions)

July 1988      Joined the Company  
March 2009    President of EXEDY America  
June 2009     Executive Officer of the Company  
April 2016    President of EXEDY DYNAX Shanghai  
April 2017    Senior Executive Officer of the Company  
June 2019     Director of the company to the present  
Executive General Manager, AT Manufacturing Headquarters, of the Company to the present  
Ueno Division General Manager of the Company to the present  
April 2020    Executive Managing Officer of the Company to the present

▶ Reasons for candidacy for a director's position

Mr. Tetsuya Yoshinaga has long worked overseas as an expatriate and accumulated experience and achievements in China-related business operations, etc., and has been broadly engaged in management of the Group business since he was appointed Director and Executive Managing Officer since April 2020. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

## 5 Shinji Fujimoto (June 5, 1962)

Number of shares of the Company held 6,629 shares



Re-appointed

▶ Career summary, position and duties at the Company (Important concurrent positions)

- March 1985      Joined the Company
- April 2007      Deputy Executive General Manager, Engineering & Development Headquarters, of the Company
- April 2012      Executive Officer of the Company
- April 2015      Executive General Manager, Development Headquarters, of the Company to the present
- April 2016      Senior Executive Officer of the Company to the present
- June 2018      Director of the Company to the present

▶ Reasons for candidacy for a director's position

Mr. Shinji Fujimoto has abundant experience and achievements in the development field in general, and has been broadly engaged in the execution of the Group business since his appointment as Director and Senior Executive Officer in June 2018. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

## 6 Yuzuru Hirose (February 21, 1972)

Number of shares of the Company held 3,637 shares



Re-appointed

▶ Career summary, position and duties at the Company (Important concurrent positions)

- April 2001      Joined the Company
- March 2011      President of EXEDY Globalparts Corporation
- April 2014      Executive Officer of the Company
- April 2018      Senior Executive Officer of the Company to the present
- April 2019      Executive General Manager, Sales Headquarters, of the Company to the present
- June 2019      Director of the Company to the present

▶ Reasons for candidacy for a director's position

Mr. Yuzuru Hirose has long worked overseas as an expatriate and accumulated experience and achievements in sales field in general, and has been broadly engaged in management of the Group business since he was appointed Director and Senior Executive Officer since June 2019. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.



## 7 Junji Yamakawa (March 16, 1968)

Number of shares of the Company held 1,831 shares



Re-appointed

- ▶ Career summary, position and duties at the Company (Important concurrent positions)

August 2000    Joined the Company  
April 2014    President of EXEDY DYNAX Shanghai Co., Ltd.  
April 2015    Executive Officer of the Company  
January 2018   President of Exedy DYNAX Mexico, S.A. DE C.V.  
April 2018    Senior Executive Officer of the Company to the present  
June 2019    Director of the Company to the present  
Executive General Manager, Quality Assurance Headquarters, of the Company to the present

- ▶ Reasons for candidacy for a director's position

Mr. Junji Yamakawa has long worked overseas as an expatriate and accumulated experience and achievements in North Central America-related business operations, etc. , and has been broadly engaged in management of the Group business since he was appointed Director and Senior Executive Officer since June 2019. The Company has thus continued to appoint him as a candidate for a director's position because he is expected to contribute to enhancing the corporate values of the entire Group and to promoting proper management decisions.

## 8 Makoto Mitsuya (December 13, 1958)

Number of shares of the Company held 2,000 shares



Re-appointed

Outside

- ▶ Career summary, position and duties at the Company (Important concurrent positions)

April 1981    Joined AISIN SEIKI CO., LTD.  
June 2005    Managing Officer of AISIN SEIKI CO., LTD.  
June 2009    Senior Managing Director of AISIN SEIKI CO., LTD.  
June 2012    Director and Senior Managing Officer of AISIN SEIKI CO., LTD.  
June 2013    Representative Director and Executive Vice President of AISIN SEIKI CO., LTD. to the present  
June 2017    Director of the Company to the present  
April 2020    Executive Vice President of AISIN SEIKI CO., LTD. to the present

- ▶ Reasons for candidacy for an outside director's position

Mr. Makoto Mitsuya has long been engaged in management of AISIN SEIKI CO., LTD. and accumulated abundant expertise as a corporate manager in the automotive component industry. The Company has thus continued to appoint him as a candidate for an outside director's position because he is expected to provide the Company with additional management reinforcement and enhancement of supervisory functions by the Board of Directors.



## 9 Ichizo Yoshikawa (May 20, 1946)

Number of shares of the Company held 2,500 shares



Re-appointed

Outside

Independent

▶ Career summary, position and duties at the Company (Important concurrent positions)

- |             |   |
|-------------|---|
| April 1970  | Joined Suminoe Textile Co., Ltd.  |
| August 1997 | Director of Suminoe Textile Co., Ltd.   |
| August 2005 | Representative Director and President of Suminoe Textile Co., Ltd.  |
| May 2016    | Outside Director of KINTETSU Department Store Co., Ltd. to the present                                      |
| June 2016   | Representative Director and Chairman of Suminoe Textile Co., Ltd.<br>Director of the Company to the present |
| July 2016   | Representative Director and Chairman and President of Suminoe Textile Co., Ltd. to the present              |

- ▶ Reasons for candidacy for an outside director's position  
Mr. Ichizo Yoshikawa has long accumulated abundant expertise as a manager of a listed company, by fulfilling corporate management responsibilities as a representative director of Suminoe Textile Co., Ltd. The Company has thus continued to appoint him as a candidate for an outside director's position because he is expected to provide the Company with additional management reinforcement and enhancement of supervisory functions by the Board of Directors.

## 10 Toshiki Takano (August 31, 1954)

Number of shares of the Company held 2,300 shares



Re-appointed

Outside

Independent

▶ Career summary, position and duties at the Company (Important concurrent positions)

- |              |   |
|--------------|---|
| January 1984 | Joined ROHM Co., Ltd.                               |
| June 2010    | Director of ROHM Co., Ltd.                          |
| June 2015    | Retired from the post of director of ROHM Co., Ltd. |
| June 2017    | Director of the Company to the present              |

- ▶ Reasons for candidacy for an outside director's position  
Mr. Toshiki Takano has long accumulated abundant expertise as a corporate manager, by fulfilling his responsibilities as a director of ROHM Co., Ltd. The Company has thus continued to appoint him as a candidate for an outside director's position because he is expected to provide the Company with additional management reinforcement and enhancement of supervisory functions by the Board of Directors.

# 11 Takashi Hayashi (April 22, 1956)

Number of shares of the Company held Nil



Newly  
appointed

Independent

Outside

- ▶ Career summary, position and duties at the Company (Important concurrent positions)
  - March 1979 Joined Nihon Radiator Co., Ltd. (former Calsonic Kansei Corporation, currently MARELLI)
  - June 2008 Director and Executive Vice President of Calsonic Kansei Corporation
  - June 2011 Representative Director, President and CEO of TOKYO RADIATOR MFG Co., Ltd.
  - June 2019 Director and Chairman of TOKYO RADIATOR MFG Co., Ltd. to the present
- ▶ Reasons for candidacy for an outside director's position  
Mr. Takashi Hayashi has long accumulated abundant expertise as a corporate manager in automobile component business, by fulfilling his responsibilities as a director of Calsonic Kansei Corporation (currently MARELLI) and TOKYO RADIATOR MFG Co., Ltd. The Company has thus newly appointed him as a candidate for an outside director's position because he is expected to provide the Company with additional management reinforcement and enhancement of supervisory functions by the Board of Directors.

## (Notes)

1. Mr. Makoto Mitsuya is a Representative Director and Executive Vice President of AISIN SEIKI CO., LTD., which has business transactions, including product sales and purchases, with the Company; however, the transaction value remains less than 0.4% of our consolidated revenue. The other candidates have no special vested interest with the Company.
2. Mr. Makoto Mitsuya, Mr. Ichizo Yoshikawa, Mr. Toshiki Takano and Mr. Takashi Hayashi are candidates for Outside Directors.
3. Mr. Ichizo Yoshikawa's term of office, as an Outside Director, will be four (4) years at the conclusion of this Shareholders Meeting.
4. Mr. Makoto Mitsuya, and Mr. Toshiki Takano 's term of office, as an Outside Director, will be three (3) years at the conclusion of this Shareholders Meeting.
5. Suminoe Textile Co., Ltd., of which Mr. Ichizo Yoshikawa is a Representative Director, made a correction to the financial results for the preceding year in October 2016 due to a certain inappropriate accounting problem that took place in its local subsidiary in the U.S. In addition, Kintetsu Department Stores Co., Ltd. where he is an outside director, has been subjected to on-site inspections by the Fair Trade Commission, and has received an exclusionary order and a fine payment order in October 2018 based on the Antimonopoly Act by raising the hospitality gift shipping cost. Although he did not recognize the fact until this violation was revealed, he regularly warned the Board of Directors of the importance of legal compliance. In addition, after recognizing the facts of this case, he was able to fulfill his duties, including making appropriate recommendations for efforts to prevent a recurrence.
6. The Company has entered into a contract with Mr. Makoto Mitsuya, Mr. Ichizo Yoshikawa, and Mr. Toshiki Takano pursuant to the provision of the Company's Articles of Incorporation to limit their liabilities to the Company. In the event that this proposal is approved in its original form and that they are reappointed, the Company shall continue such contracts with them respectively.  
In the event that this proposal is approved in its original form and that Mr. Takashi Hayashi is appointed, the Company shall enter into contracts with him pursuant to the provisions of the Company's Articles of Incorporation, to limit his liability to the Company.  
An outline of the contents of the liability limitation contracts is as follows.
  - (1) If an Outside Director is liable to the Company for damages, the amount of such damages shall be limited to the minimum liability amount prescribed in Article 425 of the Companies Act;
  - (2) The foregoing limitation shall be limited to cases where an Outside Director is without knowledge of the act that gives rise to damages and is not grossly negligent in performing his or her duties.
7. Mr. Ichizo Yoshikawa and Mr. Toshiki Takano are Independent Officers stipulated by the Tokyo Stock Exchange. Mr. Takashi Hayashi satisfies the requirements for an Independent Director stipulated by the Tokyo Stock Exchange, and is scheduled to be registered as such in the Exchange.

Nothing below this line