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: 6905
July 15, 2016

To Our Shareholders:

Masato Tanikawa
President and Representative Director
COSEL CO., LTD.
6-43 Kamiakaemachi, 1-chome,
Toyama City, Toyama

Notice of the 47th Annual General Meeting of Shareholders

You are cordially invited to attend the 47th Annual General Meeting of Shareholders of COSEL CO., LTD. (the "Company"), which will be held as indicated below.

If you are unable to attend the Meeting in person, you may exercise your voting rights by mail. Please examine the attached Reference Documents for General Meeting of Shareholders and return the enclosed voting card indicating your vote of approval or disapproval of the proposal no later than 5:15 p.m. on Monday, August 8, 2016 (JST).

1. **Date and Time:** Tuesday, August 9, 2016, at 10:00 a.m.
2. **Venue:** Hall 10F, The Toyama Chamber of Commerce and Industry
   1-3 Sogawa 2-chome, Toyama City, Toyama
3. **Purpose of the Meeting**

   Matters to be reported

   1. The Business Report and Consolidated Financial Statements for the 47th Fiscal Year (from May 21, 2015 to May 20, 2016), as well as the audit reports of the Financial Auditors and the Audit & Supervisory Board for Consolidated Financial Statements
   2. Financial Statements for the 47th Fiscal Year (from May 21, 2015 to May 20, 2016)

   Matter to be resolved

   Proposal Election of Eight (8) Directors
4. **Matter prescribed for convocation**

   If you diversely exercise your voting rights, you are requested to notify the Company in writing of your intention to do so and state the reason for this no later than three (3) days before the Meeting.

◎ When you attend the Meeting, you are kindly requested to present the enclosed voting card at the reception.

◎ If any changes are made to the Reference Documents for General Meeting of Shareholders, such changes will be posted on the Company's website (https://www.cosel.co.jp/).

Reference Documents for General Meeting of Shareholders

Proposal Election of Eight (8) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this meeting.

Directors Keiichi Fukumura and Toshimichi Machino will take this opportunity to retire from office.

Therefore, the Company proposes to elect eight (8) Directors, including one (1) new candidate.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career Summary, Position and Responsibility in the Company (Significant Concurrent Position outside the Company)		Number of the Company's shares held
1	Masato Tanikawa (August 8, 1956)	Mar. 1979	Joined the Company	60,400 shares
		Jul. 1998	General Manager, Application Design Department	
		Aug. 2003	Director	
		Jun. 2004	General Manager, Quality Management Department	
		May 2008	Supervisor of Production, Materials and Information Systems	
		Jun. 2008	Managing Director and Supervisor of Production and Materials	
		Aug. 2013	Managing Director and Supervisor of Sales, Production and Materials	
		Nov. 2013	President and Representative Director (incumbent)	
		Aug. 2015	Supervisor of Production and Materials (incumbent)	
	Reasons for nomination as candidate for Director Mr. Masato Tanikawa appropriately supervises the management of the Company as President and Representative Director. He appropriately manages the Board of Directors as a chair, enhancing the decision-making function of the Board based on reports from executive directors concerning important business matters. He also leads the management of the Company and strives to pursue sustainable growth and increase of corporate value through the dissemination and practice of its corporate philosophy within the Group. Taking into account the above facts, the Company determines that he is suitable for the leader of the Company to realize its medium- and long-term vision; therefore, the Company appoints him as a candidate for Director for re-election. Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.			

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
(Significant Concurrent Position outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">2</td><td>Takashi Yamakage
(February 8, 1958)</td><td>Mar. 1980
Jun. 1993
May 2004
Aug. 2005

Aug. 2010
Aug. 2011
Aug. 2013
Dec. 2013
May 2014

</td><td>Joined the Company
General Manager, On-Board Department
General Manager, International Sales Department
Director
(incumbent)
Supervisor of Sales
Supervisor of Development Management
In charge of Quality Management
In charge of Quality Management and Information Systems
In charge of Quality Management and Information Systems and General Manager, Information Systems Department
(incumbent)</td><td>83,200 shares</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Mr. Takashi Yamakage appropriately supervises the management of the Company as Director in charge of Quality Management and Information Systems operations. At the Board of Directors, he puts together the medium- and long-term vision of the Company and provides sufficient and appropriate explanations on matters regarding quality management and assurance, thereby enhancing the decision-making function of the Board. He also strives to promote effective dialogue with customers and build trust with them, based on his broad experience and past performance in the areas of international sales operations and sales supervision. Taking into account the above facts, the Company determines that he is suitable for achieving sustainable growth and enhanced corporate value; therefore, the Company appoints him as a candidate for Director for re-election.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.</td></tr>
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<tr><td rowspan="2">3</td><td rowspan="2">Satoshi Kiyosawa
(September 28, 1960)</td><td>Apr. 1983
May 2002
Aug. 2010
Aug. 2011

Aug. 2011

Dec. 2012
Aug. 2013

Nov. 2013

May 2014

</td><td>Joined the Company
General Manager, General Affairs Department
General Manager, Eastern Japan Sales Department
Director
(incumbent)
Supervisor of Domestic Sales and General Manager, Domestic Sales Department
Supervisor of Sales
In charge of Personnel and Labor and General Manager, Human Resources Development Department
Supervisor of Sales, in charge of Personnel and Labor, and General Manager, Human Resources Development Department
Supervisor of Sales and in charge of Personnel and Labor
(incumbent)</td><td>12,700 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as candidate for Director
Mr. Satoshi Kiyosawa appropriately supervises the management of the Company as Director supervising Sales and in charge of Personnel and Labor operations. At the Board of Directors, he provides appropriate explanations on the progress, outcomes, etc. of the Company's business plans based on market and customer trends, thereby enhancing the decision-making function of the Board regarding business operations. He also strives to improve the quality of decision-making on the overall business operations as well as the effectiveness of governance systems of the entire Group based on his experience and past performance in the areas of personnel, labor and human resources development, by focusing on dialogue with on-site employees while providing advice on human resources development initiatives such as small-group activities at a company-wide level and career support activities.
Taking into account the above facts, the Company determines that he is suitable for achieving sustainable growth and enhanced corporate value; therefore, the Company appoints him as a candidate for Director for re-election.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.</td></tr>
<tr><td rowspan="2">4</td><td rowspan="2">Yukichi Konishi
(February 3, 1958)</td><td>Jul. 2011
Jul. 2011
Aug. 2013

Aug. 2013

May 2015

Aug. 2015

</td><td>Joined the Company
General Manager, General Affairs Department
Director
(incumbent)
In charge of General Affairs and Accounting and General Manager, Administration Department
In charge of General Affairs and Accounting and General Manager, Accounting Department
In charge of General Affairs, Accounting and Subsidiary in Vietnam, and General Manager, Accounting Department
(incumbent)</td><td>3,600 shares</td></tr>
<tr><td colspan="3">Reasons for nomination as candidate for Director
Mr. Yukichi Konishi appropriately supervises the management of the Company focusing on legal compliance and financial matters as Director in charge of General Affairs and Accounting based on his experience of working in financial institutions. At the Board of Directors, he reports on financial results status and provides sufficient and appropriate opinions on important business matters, thereby enhancing the decision-making function of the Board.
Taking into account the above facts, the Company determines that he is capable of contributing to the promotion of effective corporate governance; therefore, the Company appoints him as a candidate for Director for re-election.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.</td></tr>
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(Significant Concurrent Position outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">5</td><td rowspan="2">Morio Saito
(July 14, 1959)</td><td>Mar. 1982
Feb. 2003
May 2004
Aug. 2006
Aug. 2011
Dec. 2011

Aug. 2013

Aug. 2013
May 2014
Aug. 2015
</td><td>Joined the Company
General Manager, On-Board Production Department
General Manager, Eastern Japan Sales Department
General Manager, Unit Production Department
Project Leader, Wuxi Cosel Development Project
Legal Representative, Wuxi Cosel Electronics Co., Ltd.
(incumbent)
Director
(incumbent)
In charge of Global Procurement and Production
In charge of Middle-range Global Power Supply
In charge of Production in China
(incumbent)</td><td rowspan="2">18,900 shares</td></tr>
<tr><td colspan="2">(Significant Concurrent Position outside the Company)
• Legal Representative, Wuxi Cosel Electronics Co., Ltd.</td></tr>
<tr><td></td><td colspan="4">Reasons for nomination as candidate for Director
Mr. Morio Saito has broad experience in the areas of Production including innovative activities as well as Sales. He also appropriately supervises the management of the Company from global perspectives as the leader of production projects in China, thereby enhancing the decision-making function of the Board of Directors based on such experience and insight.
Taking into account the above facts, the Company determines that he is suitable for achieving sustainable growth and enhanced corporate value; therefore, the Company appoints him as a candidate for Director for re-election.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.</td></tr>
<tr><td rowspan="2">6</td><td rowspan="2">Isao Yasuda
(January 11, 1963)</td><td>Apr. 1985
May 2007

May 2013

Aug. 2013

Aug. 2013
Dec. 2013

May 2015
</td><td>Joined the Company
General Manager, Application Standard Design Department
General Manager in charge of Intelligent Power System Business Promotion
Director
(incumbent)
Supervisor of Development
Supervisor of Development and General Manager, On-Board Standard Design Department
Supervisor of Development
(incumbent)</td><td>12,000 shares</td></tr>
<tr><td></td><td colspan="4">Reasons for nomination as candidate for Director
Mr. Isao Yasuda has broad experience in the area of development operations, and appropriately supervises the management of the Company as the supervisor of development units, by steadily promoting the enhancement of new product development capabilities and the improvement of technologies to achieve lower costs. He also strives to pursue sustainable growth and increase of corporate value of the Company based on such broad experience and past performance, by expanding a lineup of new products for overseas markets, identifying needs from the customer perspective, and promoting new product developments based on such needs.
Taking into account the above facts, the Company determines that he is suitable for achieving sustainable growth and enhanced corporate value; therefore, the Company appoints him as a candidate for Director for re-election.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Directors' and Officers' Shareholding Association.</td></tr>
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(Date of birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
(Significant Concurrent Position outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">7</td><td>* Tatsuya Mano
(September 7, 1969)</td><td>Mar. 1995
May 2011

May 2013
Dec. 2013</td><td>Joined the Company
General Manager, New-market Standard Design Department
General Manager, R&D Department
General Manager, Intelligent Power System Design Department
(incumbent)</td><td>-</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Mr. Tatsuya Mano leads the entire development units of the Company, having a high level of technical expertise and experience gained since he joined the Company and was assigned to new product development operations. He has established a good level of dialogue and trust with customers, and strives to pursue sustainable growth and increase of corporate value of the Company by reflecting the needs of customers to develop new products.
Taking into account the above facts, the Company determines that he is suitable for achieving sustainable growth and enhanced corporate value; therefore, the Company newly appoints him as a candidate for Director.
Note: The number of holding shares above does not include the number of shares substantively held under the name of the COSEL Employees' Shareholding Association.</td></tr>
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(Date of birth)</th><th colspan="2">Career Summary, Position and Responsibility in the Company
(Significant Concurrent Position outside the Company)</th><th>Number of the Company's shares held</th></tr>
<tr><td rowspan="2">8</td><td rowspan="2">Yasuro Uchida
(May 2, 1966)</td><td>Apr. 1998
Apr. 2000
Apr. 2007
Apr. 2008

Oct. 2010

Apr. 2013
Jul. 2013

Jul. 2015

Apr. 2015

Aug. 2015
</td><td>Full-time Lecturer, Faculty of Economics, University of Toyama
Assistant Professor, Faculty of Economics, University of Toyama
Associate Professor, Faculty of Economics, University of Toyama
Professor, Faculty of Economics, University of Toyama
(incumbent)
Director, Japan Academy of International Business Studies
(incumbent)
Head, Faculty of Economics Department of Business Administration, University of Toyama
Coordinator, Academy of Multinational Enterprises
Director, Academy of Multinational Enterprises
(incumbent)
Deputy Dean, Faculty of Economics, University of Toyama
(incumbent)
Outside Director, the Company
(incumbent)</td><td>-</td></tr>
<tr><td colspan="2">(Significant Concurrent Positions outside the Company)
• Professor, Faculty of Economics, University of Toyama
• Director, Japan Academy of International Business Studies
• Director, Academy of Multinational Enterprises
• Deputy Dean, Faculty of Economics, University of Toyama</td></tr>
<tr><td></td><td colspan="4">Reasons for nomination as candidate for outside Director
Mr. Yasuro Uchida has never been involved in the management of a company. However, he supervises and provides appropriate advice for the management of the Company based on his professional knowledge and experience as a university professor gained from his research activities on business management strategies (global competition strategies) as well as practical business instructions through the case study of other companies.
Taking into account the above facts, the Company desires that he supervises the management of the Company for continually enhancing its corporate value; therefore, the Company appoints him as a candidate for Outside Director for re-election.
Note: Mr. Yasuro Uchida is the Deputy Dean of the Faculty of Economics, University of Toyama. The Company provides donations to the university, and has paid 100,000 yen as donation in the fiscal year ended May 31, 2016. The amount is less than 1% of the consolidated net sales of the Company. Therefore, Mr. Uchida still maintains his independence and has no relationship of special interest in the Company.</td></tr>
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(* indicates newly-appointed candidate for Director.)

Notes: 1. There is no special interest between any of the candidates and the Company.

2. Yasuro Uchida is a candidate for outside Director, and at the conclusion of this meeting, his tenure will have been one year.
3. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by Article 425, paragraph 1 of the same Act, and if the reelection of Yasuro Uchida is approved, the Company plans to renew the aforementioned agreement with him.
4. If the election of Yasuro Uchida is approved, the Company plans to submit notification to Tokyo Stock Exchange, Inc. that he has been designated as an independent officer as provided for by the aforementioned exchange.