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(Stock Exchange Code 3132)
June 5, 2018

To Shareholders with Voting Rights:

Kiyoshi Nakashima
President and Representative Director
MACNICA FUJI
ELECTRONICS HOLDINGS, INC.
6-3, Shinyokohama 1-chome, Kohoku-ku,
Yokohama-shi, Kanagawa

NOTICE OF
THE 3RD 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 3rd Annual General Meeting of Shareholders of MACNICA FUJI ELECTRONICS HOLDINGS, INC. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights either in writing or via the Internet. Please review the "Reference Documents for the General Meeting of Shareholders" described hereinafter, and exercise your voting rights no later than 5:00 p.m. on Monday, June 25, 2018, Japan time.

1. **Date and Time:** Tuesday, June 26, 2018 at 10:00 a.m. Japan time

2. **Place:** Queen's Hall, 2nd floor, South Building, Shin Yokohama Kokusai Hotel
18-1, Shinyokohama 3-chome, Kohoku-ku, Yokohama-shi, Kanagawa, Japan

3. **Meeting Agenda:**

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the Company's 3rd Fiscal Year (April 1, 2017 - March 31, 2018), and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 3rd Fiscal Year (April 1, 2017 - March 31, 2018)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of One (1) Director

◎ The reception will open at 9:00 a.m.
◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the meeting venue.
◎ On the day of the meeting, staff will be wearing light attire ("Cool Biz"). We appreciate your understanding, and also encourage shareholders to attend in light attire.
◎ Regarding Disclosure of "Notes" on the Internet
Of the documents to be provided with this Notice of Convocation, "Matters Related to the Company's Share Options, etc." and "System to Ensure Adequacy of Business and the Operational Status" of the Business Report, "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements, and "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements are posted on the Company's website (https://www.macfehd.co.jp/ir/ja/Top.html) in accordance with the stipulations of applicable laws and regulations and Article 16 of the Company's Articles of Incorporation, and are not included in the attached documents.
Furthermore, the attached documents to be posted on the above website have been audited by the Audit & Supervisory Board and the Accounting Auditor in preparing the audit report, as part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements.
Subsequent amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, if any, will be listed on the above website.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy for dividends is to secure the required internal reserves to further enrich and strengthen future business expansion and the management structure while returning profits as much as possible to shareholders, with the focus of continuing stable dividends in consideration of all factors concerned.

Based on the above basic policy, in view of trends in business results for the fiscal year under review and the future business environment, the Company proposes year-end dividends as shown below.

(1) Type of dividend property
Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount
32.5 yen per share of common stock
Total dividends of 2,040,840,165 yen
Furthermore, as 17.5 yen per share has been paid as interim dividends in December 2017, annual dividends will be 50 yen per share for the fiscal year under review.

(3) Effective date of distribution of surplus
June 27, 2018

Proposal 2: Election of One (1) Director

The Company proposes to increase the number of Outside Directors by one (1), with the intent of further strengthening the management structure and governance function. Accordingly, the Company proposes the election of one (1) Director. The term of office of the newly elected Director will be up to the expiration of the term of office of other incumbent Directors, as defined by the Articles of Incorporation of the Company.

The candidate for Director is as follows:

Name (Date of birth)	Career Summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
Hitoshi Kinoshita (February 19, 1955) [New appointment] [Outside] [Independent]	April 1978 Joined Mitsubishi Research Institute, Inc. March 1985 Established ASTEC, Inc. (currently Rworks, Inc.), President and Representative Director October 2015 Advisor and Director, Rworks, Inc. (to present) October 2015 President and Director, System Consultant Co., Ltd. September 2016 President and Representative Director, System Consultant Co., Ltd. (to present) [Significant concurrent positions] Advisor and Director, Rworks, Inc. President and Representative Director, System Consultant Co., Ltd.	0
[Reason for nomination as candidate for Director] Mr. Hitoshi Kinoshita possesses extensive experience and expertise in corporate management, primarily in the IT industry, and the Company expects to receive a variety of advice and opinions on the Company's businesses, strategy formulation, and other matters, as well as reflect his experience, broad knowledge, etc. in the oversight of the Company's management. Therefore the Company nominated him as a candidate for Outside Director.		

(Notes)

1. The candidate is a new candidate and candidate for Outside Director.
2. If the election of the candidate is approved, the Company intends to appoint the candidate as an Independent Director as prescribed by the Tokyo Stock Exchange.
3. Independence of Outside Directors
   In accordance with the independence standards of the Tokyo Stock Exchange, the Company excludes parties that hold the Company and its group operating companies as major transaction partners and business executives thereof, consultants, etc., that receive a significant amount of remuneration from the Company and parties affiliated with said organizations, and parties that are relatives, etc., of parties to which the above items apply.
   The Company has concluded with the candidate an advisory agreement that is effective up to the day of this General Meeting, on the premise that he will take office as Outside Director. The objective is to have the candidate understand the management conditions and business contents, etc., of the Company prior to assuming office as Outside Director. This advisory agreement has been concluded with the candidate since October 2017, and the amount of remuneration is 0.50 million yen per month.
4. If the election of the candidate is approved, the Company will enter into a liability limitation agreement with the candidate pursuant to Article 28 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum amount of liability as prescribed by laws and regulations.