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Securities Code: 6905
July 13, 2018

To Our Shareholders:

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

Notice of the 49th Annual General Meeting of Shareholders

You are cordially invited to attend the 49th 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 Wednesday, August 8, 2018 (JST).

1. **Date and Time:** Thursday, August 9, 2018, at 10:00 a.m.
2. **Venue:** 3F "Hakuho-no-ma," Toyama Dai-ichi Hotel
   10-10 Sakuragi-cho, Toyama City, Toyama
3. **Purpose of the Meeting**

   Matters to be reported

   1. The Business Report and Consolidated Financial Statements for the 49th Fiscal Year (from May 21, 2017 to May 20, 2018), as well as the audit reports of the Financial Auditors and the Audit & Supervisory Board for Consolidated Financial Statements
   2. Financial Statements for the 49th Fiscal Year (from May 21, 2017 to May 20, 2018)

   Matters to be resolved

   Proposal No. 1 Election of Nine (9) Directors

   Proposal No. 2 Election of One (1) Audit & Supervisory Board Member
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 No. 1 Election of Nine (9) Directors

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

Therefore, the Company proposes to elect nine (9) Directors.

The candidates for Directors are as follows:

<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">1</td><td>Masato Tanikawa
(August 8, 1956)</td><td>Mar. 1979
Jul. 1998
Aug. 2003

Jun. 2004
May 2008
Jun. 2008
Aug. 2013
Nov. 2013
</td><td>Joined the Company
General Manager, Application Design Department
Director
(incumbent)
General Manager, Quality Management Department
Supervisor of Production, Materials and Information Systems
Managing Director and Supervisor of Production and Materials
Managing Director and Supervisor of Sales, Production and Materials
President and Representative Director
(incumbent)</td><td>74,941 shares</td></tr>
<tr><td colspan="4">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.</td></tr>
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<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="3">2</td><td rowspan="3">Morio Saito
(July 14, 1959)</td><td>Mar. 1982
Feb. 2003
May 2006
Aug. 2008
Aug. 2011
Dec. 2011

Aug. 2013

Aug. 2013
May 2014
Aug. 2015
Aug. 2016
Aug. 2017
</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
Supervisor of Production
Managing Director and Supervisor of Production
(incumbent)</td><td rowspan="2">25,256 shares</td></tr>
<tr><td colspan="2">(Significant Concurrent Position outside the Company)
• Legal Representative, Wuxi Cosel Electronics Co., Ltd.</td></tr>
<tr><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 Supervisor of Production and 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.</td></tr>
<tr><td rowspan="3">3</td><td rowspan="3">Yukichi Konishi
(February 3, 1958)</td><td>Jul. 2011
Jul. 2011
Aug. 2013

Aug. 2013
May 2015
Aug. 2015

Aug. 2017
</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
Managing Director, in charge of General Affairs and Accounting, and General Manager, Accounting Department
(incumbent)</td><td>6,709 shares</td></tr>
<tr><td colspan="4">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.</td></tr>
</table>

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
4	Takashi Yamakage (February 8, 1958)	Mar. 1980 Joined the Company Jun. 1993 General Manager, On-Board Department May 1995 President, COSEL USA INC. May 2004 General Manager, International Sales Department Aug. 2005 Director (incumbent) Aug. 2010 Supervisor of Sales Aug. 2011 Supervisor of Development Management Aug. 2013 In charge of Quality Management Dec. 2013 In charge of Quality Management and Information Systems May 2014 In charge of Quality Management and Information Systems and General Manager, Information Systems Department Aug. 2016 In charge of Materials and Information Systems and General Manager, Information Systems Department Aug. 2017 In charge of Materials and Information Systems and in charge of Subsidiary in Vietnam (incumbent)	91,694 shares
	Reasons for nomination as candidate for Director Mr. Takashi Yamakage appropriately supervises the management of the Company as Director in charge of Materials and Information Systems operations. At the Board of Directors, he provides sufficient and appropriate explanations on matters regarding profit-generating activities, thereby enhancing the decision-making function of the Board. Also, he contributes to risk reduction by working to engage in effective dialogue with suppliers and build trust with them, promoting the improvement of procurement capabilities, and appropriately responding to information system risks. 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.		

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
5	Satoshi Kiyosawa (September 28, 1960)	Apr. 1983	Joined the Company	21,194 shares
		May 2002	General Manager, General Affairs Department	
		Aug. 2010	General Manager, Eastern Japan Sales Department	
		Aug. 2011	Director (incumbent)	
		Aug. 2011	Supervisor of Domestic Sales and General Manager, Domestic Sales Department	
		Dec. 2012	Supervisor of Sales	
		Aug. 2013	In charge of Personnel and Labor and General Manager, Human Resources Development Department	
		Nov. 2013	Supervisor of Sales, in charge of Personnel and Labor, and General Manager, Human Resources Development Department	
		May 2014	Supervisor of Sales and in charge of Personnel and Labor	
		Aug. 2016	In charge of Quality Management and Quality Assurance System Innovation and in charge of Personnel and Labor (incumbent)	
	Reasons for nomination as candidate for Director Mr. Satoshi Kiyosawa appropriately supervises the management of the Company by using his wide-ranging experience and past performance in personnel and human resources development amid a company-wide effort to promote total quality management (TQM), which is a pillar of management, from a perspective of strengthening the structures formed by links between individuals and the organization, and between organizations. 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 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.		

<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">6</td><td rowspan="2">Isao Yasuda
(January 11, 1963)</td><td>Apr. 1985</td><td>Joined the Company</td><td rowspan="2">18,096 shares</td></tr>
<tr><td colspan="2">May 2007 General Manager, Application Standard Design Department
May 2013 General Manager in charge of Intelligent Power System Business Promotion
Aug. 2013 Director (incumbent)
Aug. 2013 Supervisor of Development
Dec. 2013 Supervisor of Development and General Manager, On-Board Standard Design Department
May 2015 Supervisor of Development
Aug. 2016 Supervisor of Sales and in charge of Sales and International R&D
May 2018 Supervisor of Sales (incumbent)</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Mr. Isao Yasuda appropriately supervises management of the Company as the Supervisor of Sales and Director in charge of Sales. At Board of Directors, he provides appropriate explanations on matters regarding progress and results on management plans in light of market and customer trends, thereby enhancing the decision-making function of management.
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.</td></tr>
<tr><td rowspan="2">7</td><td rowspan="2">Tatsuya Mano
(September 7, 1969)</td><td>Mar. 1995</td><td>Joined the Company</td><td rowspan="2">1,948 shares</td></tr>
<tr><td colspan="2">May 2011 General Manager, New-market Standard Design Department
May 2013 General Manager, R&D Department
Dec. 2013 General Manager, Intelligent Power System Design Department
Aug. 2016 Director (incumbent)
Aug. 2016 Supervisor of R&D, in charge of New Business Promotion, and General Manager, Intelligent Power System Design Department (incumbent)</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Mr. Tatsuya Mano has advanced technological expertise and knowledge as the Supervisor of R&D and Director in charge of New Business Promotion, and he advances product development based on customer needs, appropriately taking into consideration dialogue with customers and market trends. Also, he strives for sustainable increases in corporate value by promoting the practical application of the Company's current technologies, the development of technology that leads to new business, and the development activities in Wuxi, China, with the goal of overseas sales expansion.
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.</td></tr>
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<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">8</td><td>Yasuro Uchida
(May 2, 1966)</td><td>Apr. 1998
Apr. 2000
Apr. 2007
Apr. 2008
Oct. 2010

Apr. 2013
Aug. 2014

Apr. 2015
Jul. 2015

Aug. 2015

Apr. 2018

(Significant Concurrent Positions outside the Company)
• Professor, Graduate School of Business, University of Hyogo
• Professor Emeritus, University of Toyama
• Director, Japan Academy of International Business Studies
• Director, Transcultural Management Society
• Director, Academy of Multinational Enterprises</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
Director, Japan Academy of International Business Studies
(incumbent)
Head, Faculty of Economics, Department of Business Administration, University of Toyama
Director, Transcultural Management Society
(incumbent)
Deputy Dean, Faculty of Economics, University of Toyama
Director, Academy of Multinational Enterprises
(incumbent)
Outside Director, the Company
(incumbent)
Professor, Graduate School of Business, University of Hyogo
Professor Emeritus, University of Toyama
(incumbent)</td><td>-</td></tr>
<tr><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 Professor Emeritus of University of Toyama. The Company provides donations to the university, and has paid 100,000 yen as donation in the fiscal year ended May 20, 2018. 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>
</table>

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
9	Akio Misuta (October 6, 1954)	Apr. 1977 Joined Pokka Lemon Co., Ltd. May 1981 Joined Tombow Beverage Co. Ltd. Jun. 1987 Director and Senior Managing Officer, Tombow Beverage Co. Ltd. Jun. 1998 President and CEO, Tombow Beverage Co. Ltd. (incumbent) Aug. 2017 Outside Director, the Company (incumbent) (Significant Concurrent Positions outside the Company) • President and CEO, Tombow Beverage Co. Ltd. • Chairman, Hokuriku Soft Drink Industry Cooperative Association • Vice-Chairman, The Toyama Chamber of Commerce and Industry • Executive Secretary, Toyama Association of Corporate Executives • Chairman, Toyama Food Hygiene Association	-
	Reasons for nomination as candidate for Outside Director Mr. Akio Misuta has expert knowledge of management from his many years of involvement in management in the senior management of a long-established soft drink manufacturer. In an environment dominated by overseas companies and major domestic players, he leveraged proprietary technologies and expertise to promote product development and continues to achieve steady growth. 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.		

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

2. The number of the Company's shares held by each candidate is the number of shares held as of the end of the fiscal year under review (May 20, 2018) including the number of shares held by each candidate under the name of the COSEL Directors' and Officers' Shareholding Association.
3. Both Yasuro Uchida and Akio Misuta are candidates for Outside Director.
4. Yasuro Uchida and Akio Misuta are currently serving as Outside Directors of the Company, and at the conclusion of this meeting, their tenure will have been three years for Yasuro Uchida and one year for Akio Misuta.
5. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Yasuro Uchida and Akio Misuta to limit their 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 and Akio Misuta is approved, the Company plans to renew the aforementioned agreement with them.
6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Yasuro Uchida and Akio Misuta have been designated as independent officers as provided for by the aforementioned exchange. If the reelection of Yasuro Uchida and Akio Misuta is approved, the Company plans to maintain their positions as independent officer.

Proposal No. 2 Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Yutaka Tamou will expire at the conclusion of this meeting. Therefore, the Company proposes to elect one (1) Audit & Supervisory Board Member.

Since the Company proposes to elect Audit & Supervisory Board Member candidate Mitsuhiko Tanino as substitute for incumbent Audit & Supervisory Board Member, his term of office will expire at the conclusion of the 50th Annual General Meeting of Shareholders scheduled to be held in August 2019, when the term of office of Audit & Supervisory Board Member Yutaka Tamou expires, as per the Company's Articles of Incorporation.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career Summary and Position in the Company (Significant Concurrent Position outside the Company)		Number of the Company's shares held
* Mitsuhiko Tanino (November 27, 1955)	Jul. 1996	Joined the Company	6,800 shares
	May 2002	General Manager, Accounting Department	
	Aug. 2007	Director and Supervisor of General Affairs and Accounting, and General Manager, Accounting Department	
	Aug. 2010	Director and General Manager, Administration Department	
	Aug. 2013	Part-time Counselor	
		Joined Kaneda Accounting Office	
		(incumbent)	
	Aug. 2016	Part-time General Manager, Audit Office, the Company	
		(incumbent)	
Reasons for nomination as candidate for Audit & Supervisory Board Member Mr. Mitsuhiko Tanino has held various important positions over the years, including being a Director of the Company, and has extensive experience and insight mainly related to finance and accounting. Also, the fact that he is familiar with actual internal control systems qualifies him to be an Audit & Supervisory Board Member. Therefore, the Company appoints him as a new candidate for Audit & Supervisory Board Member.			

Notes: 1. * indicates newly-appointed candidate for Audit & Supervisory Board Member.

2. There is no special interest between the candidate and the Company.