(English Translation)
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In the event of any discrepancy, the Japanese version prevails.

Securities code: 6947
June 8, 2020

To Our Shareholders

Jinya Katsube, President and Representative Director
ZUKEN Inc.
2-25-1, Edahigashi Tsuzuki-ku, Yokohama

NOTICE OF CONVOCATION OF THE 44th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you that the 44th Ordinary General Meeting of Shareholders of Zuken Inc. to be held as follows.

If you are unable to attend the meeting, you may submit your votes in writing. Please read the Reference Documents for the General Meeting of Shareholders. You are requested to indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it so that it will reach us by 5:45 p.m. on Thursday, June 25, 2020.

1. Time and Date: 10 a.m., Friday, June 26, 2020

2. Place: Zuken Hall, 1F, Head Office/Central Research Facility
2-25-1, Edahigashi Tsuzuki-ku, Yokohama

3. Objectives of the Meeting:

Reports:

1. Reports on the Business Report and the Consolidated Financial Statements, and the Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 44th Fiscal Year (April 1, 2019 to March 31, 2020)
2. Report on the Non-consolidated Financial Statements for the 44th Fiscal Year (April 1, 2019 to March 31, 2020)

Agenda:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Ten (10) Directors
Proposal No. 4: Election of Two (2) Audit & Supervisory Board Members
Proposal No. 5: Election of One (1) Substitute Audit & Supervisory Board Member
Proposal No. 6: Revision of Compensation for Directors

For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk.

If any amendment is made to the Reference Documents for the General Meeting of Shareholders, the Business Report, or the Consolidated and/or Non-consolidated Financial Statements, the amended information will be disclosed on Zuken's website (https://www.zuken.co.jp).

Reference Documents for the General Meeting of Shareholders

Proposal No.1: Appropriation of Surplus

Distributing profits to shareholders is one of the highest management priorities of Zuken Inc. The basic policy is to pay a stable dividend in light of factors including our business performance and operating conditions.

Regarding the business performance for the fiscal year ended March 31, 2020, the Zuken Group achieved higher sales and earnings with the fourth consecutive fiscal year of record-high sales. Upon having considered the above business results and the dividend policy mentioned above, we propose the year-end dividend and the appropriation of retained earnings for the 44th fiscal year as follows:

We plan to increase the year-end dividend by 1 yen to 15 yen per share.

1. Matters concerning year-end dividend

(1) Type of dividend property
Cash

(2) Matters concerning allotment of dividend property and total amount to be distributed
A dividend of 15 yen per share of the Zuken common shares
Total dividends: 348,742,335 yen

With the interim dividend of 14 yen per share, this will result in a dividend of 29 yen per share for the fiscal year ended March 31, 2020.

(3) Effective date of the distribution of retained earnings
June 29, 2020

2. Matters concerning the appropriation of retained earnings

(1) Item and amount of decrease in surplus
Retained earnings brought forward: 1,500,000,000 yen

(2) Item and amount of increase in surplus
General reserve: 1,500,000,000 yen

Proposal No. 2: Partial Amendments to the Articles of Incorporation

The details of the proposed amendments to a part of the current Articles of Incorporation are as follows.

1. Reason for Amendments

In consideration of the current management system, the Company proposes to amend the Articles of Incorporation in order to flexibly convene and operate the General Meeting of Shareholders and Board of Directors meetings.

2. Details of Amendments

The details of amendments are as follows.

(The underlined parts indicate the proposed amendments.)

Current Articles of Incorporation	Proposed Amendments
Convener and Chairperson of the General Meeting of Shareholders	Convener and Chairperson of the General Meeting of Shareholders
Article 14 The Director and President shall convene the General Meeting of Shareholders and preside as the chairperson, unless otherwise provided for in laws and regulations, based on a resolution of the Board of the Directors. In the case of accident to the Director and President, other Director shall convene the General Meeting of Shareholders and preside as the chairperson according to the order determined in advance by the Board of Directors.	Article 14 The Director and Chairman or the Director and President shall convene the General Meeting of Shareholders and preside as the chairperson, unless otherwise provided for in laws and regulations, based on a resolution of the Board of the Directors. In the case of accident to the Director and Chairman and the Director and President, other Director shall convene the General Meeting of Shareholders and preside as the chairperson according to the order determined in advance by the Board of Directors.
Convocation of the Board of Directors	Convocation of the Board of Directors
Article 22 The Director and President shall convene the Board of Directors and preside as the chairperson, unless otherwise provided for in laws and regulations. In the case of accident to the Director and President, other Director shall convene the Board of Directors and preside as the chairperson according to the order determined in advance by the Board of Directors.	Article 22 The Director and Chairman or the Director and President shall convene the Board of Directors and preside as the chairperson, unless otherwise provided for in laws and regulations. In the case of accident to the Director and Chairman and the Director and President, other Director shall convene the Board of Directors and preside as the chairperson according to the order determined in advance by the Board of Directors.
2. (Omitted)	2. (Omitted)

Proposal No. 3: Election of Ten (10) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this General Meeting of Shareholders. The Company proposes to add two more Directors to the Board to further strengthen and enhance the management system. Accordingly, election of ten (10) Directors (including two (2) Outside Directors) is proposed.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)		Number of the Company's shares held
1	Makoto Kaneko (Mar. 15, 1945)	Dec. 1976	Established Zukei Shori Gijutsu Kenkyusho Inc. (Currently Zuken Inc.)	4,500,731
			President and Representative Director	
		Apr. 2020	Chairman and CEO (Current)	
2	Jinya Katsube (Oct. 13, 1942)	Jan. 1982	Joined the Company as General Manager of Sales Department	65,100
		Jan. 1984	Director and General Manager of Sales Division	
		Jun. 1995	Senior Managing Director and General Manager of Business Administration Division, Overseas Business Division and Technology Division	
		Apr. 1999	Senior Managing Director	
		Jun. 2004	COO and Representative Director	
		Apr. 2020	President and COO (Current)	
3	Yoshikazu Soma (Jan. 15, 1960)	Mar. 1991	Joined the Company	15,000
		Apr. 2001	General Manager of General Affairs Department	
		Jan. 2004	General Manager of General Affairs and Human Resources Department	
		Apr. 2005	General Manager of Finance and Administration Division	
		Jun. 2005	Director and General Manager of Finance and Administration Division	
		Jun. 2016	Managing Director and General Manager of Finance and Administration Division	
		Apr. 2020	Executive Vice President and Director and General Manager of Finance and Administration Division (Current)	
4	Kazuhiro Kariya (Nov. 27, 1960)	Oct. 1986	Joined the Company	2,000
		Apr. 1994	General Manager of EDA Development Department, Technology Division	
		Apr. 2002	Deputy General Manager of EDA Business Unit	
		Jun. 2004	Director and Deputy General Manager of EDA Business Unit	
		Apr. 2005	Director and General Manager of Technology Division	
		Jun. 2013	Managing Director and General Manager of EDA Business Unit	
		Apr. 2020	Managing Director and General Manager of Technology Division (Current)	

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)		Number of the Company's shares held
5	Yasuo Ueno* (Sep. 28, 1962)	Apr. 1985	Joined the Company	5,000
		Apr. 1999	General Manager of Dynamic Solutions Business Unit	
		Jun. 2001	Director, General Manager of Dynamic Solutions Business Unit	
		Apr. 2005	Director and General Manager of Sales Division	
		Apr. 2010	Director and General Manager of PreSight Division	
		Jun. 2011	Managing Director and General Manager of PreSight Division	
		Apr. 2016	President and Representative Director of Zuken PreSight Inc.	
		Apr. 2020	General Manager of Business Division of the Company (Current)	
6	Takeo Osawa (Jul. 11, 1962)	Apr. 1986	Joined the Company	300
		Apr. 2002	General Manager of Solutions Sales Department, Dynamic Solutions Business Unit	
		Apr. 2005	General Manager of PLM Sales Department, Sales Division	
		Jun. 2011	Director and General Manager of Design Solutions Sales Department, Sales Division	
		Apr. 2013	Director and Senior General Manager of Sales Department, EDA Business Unit	
		Apr. 2017	Director and Deputy General Manager of Automotive and Machinery Business Unit	
		Apr. 2018	Director and General Manager of Automotive and Machinery Business Unit	
		Apr. 2020	Director and General Manager of A&M Business Unit, Business Division (Current)	
7	Koichi Saotome (Jul. 11, 1964)	Apr. 1987	Joined the Company	1,400
		Apr. 2012	Deputy General Manager of Technology Division	
		Apr. 2013	Senior General Manager of Technology Department, EDA Business Unit	
		Apr. 2015	General Manager of Automotive and Machinery Business Unit	
		Jun. 2016	Director and General Manager of Automotive and Machinery Business Unit	
		Apr. 2018	Director and Automotive & Machinery Global Strategy Planning	
		Apr. 2020	Director and General Manager of A&M Development Department, Technology Division (Current)	
8	Hiroyuki Fujiwara* (Sep. 15, 1964)	Jun. 1992	Joined the Company	1,000
		Apr. 2013	General Manager of Sales Department 2, EDA Business Unit, and General Manager of Business Development Office	
		Apr. 2017	General Manager of PI Department, EDA Business Unit	
		Apr. 2018	General Manager of Sales Department, EDA Business Unit	
		Apr. 2020	General Manager of EDA Business Unit, Business Division (Current)	

No.	Name (Date of birth)	Past experience, positions and responsibilities (Significant concurrent positions)	Number of the Company's shares held
9	Takashi Sano (Apr. 3, 1948)	Oct. 1973 Joined Arthur Andersen Feb. 1979 Joined NEMIC-LAMBDA K.K. Jun. 1986 President of NEMIC-LAMBDA Singapore PTE. LTD. Dec. 1992 Joined Inoue Saito Eiwa Audit Corporation (Currently KPMG AZSA LLC) Jan. 1993 Registered as a CPA Aug. 1997 Representative Partner of Asahi Audit Corporation (Currently KPMG AZSA LLC) Dec. 2007 Established Sano CPA Office as President (Current) (Concurrent) Jun. 2011 Audit & Supervisory Board Member of the Company Jun. 2014 Director of the Company (Current) (Significant concurrent positions) President of Sano CPA Office	-
10	Yoichi Arai (Apr. 25, 1944)	Apr. 1971 Registered as an attorney at law (Admitted to Tokyo Bar Association) Apr. 1977 Head of Yoichi Arai Law Office (Currently Arai Sogo Law Offices) (Current) (Concurrent) Jan. 1990 Audit & Supervisory Board Member of the Company Jun. 2016 Director of the Company (Current) (Significant concurrent positions) Head of Arai Sogo Law Offices	10,395

Notes: 1. No material conflict of interest exists between the Company and any of the above candidates.

2. The asterisk mark (*) indicates a candidate to be newly elected as Director.

3. Mr. Takashi Sano and Mr. Yoichi Arai are candidates for Outside Directors.

4. Reasons for nominating Mr. Takashi Sano and Mr. Yoichi Arai as candidates for Outside Directors

1) Mr. Takashi Sano has a wealth of experience as a top corporate management as well as professional knowledge and experience cultivated for many years as a certified public accountant. The Company proposes the election of Mr. Sano as an Outside Director to leverage his knowledge and experience in its management.

2) Mr. Yoichi Arai has not directly been involved in company management in the past, but has a wealth of professional knowledge and experience cultivated for many years as a lawyer. The Company proposes the election of Mr. Arai as an Outside Director to leverage his knowledge and experience in its management.

5. The term of office of Mr. Takashi Sano as an Outside Director of the Company will be about six years. The Company has registered Mr. Sano as an Independent Director as provided for the rules of the Tokyo Stock Exchange.

6. The term of office of Mr. Yoichi Arai as an Outside Director of the Company will be about four years. The Company has registered Mr. Arai as an Independent Director as provided for the rules of the Tokyo Stock Exchange.

Proposal No. 4: Election of Two (2) Audit & Supervisory Board Members

The terms of office of two Audit & Supervisory Board Members Mr. Fusao Wada and Mr. Yoshinobu Maeba will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of two (2) Audit & Supervisory Board Members is proposed.

This proposal has received the consent of the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Members are as follows.

No.	Name (Date of birth)	Past experience and positions (Significant concurrent positions)		Number of the Company's shares held
1	Fusao Wada (Apr. 23, 1949)	Dec. 1976	Joined the Company	690,700
		Jan. 1984	Director, General Manager of Technology Department and Engineering Department	
		Apr. 1984	Director and General Manager of Technology Division	
		Apr. 1999	Director (CTO)	
		Jun. 2001	Full-time Audit & Supervisory Board Member (Current)	
2	Yoshinobu Maeba* (Jun. 6, 1960)	Apr. 1984	Joined Nippon Life Insurance Company	-
		Mar. 2009	General Manager of Corporate Administration Department of Nippon Life Insurance Company	
		Mar. 2011	General Manager of Corporate Sales Planning Department of Nippon Life Insurance Company	
		Mar. 2013	Executive Officer and Deputy-Director General (International Affairs Department) of Nippon Life Insurance Company	
			Chief Executive Officer of Nissay Greatwall Life Insurance Co., Ltd.	
		Apr. 2015	Vice President and Representative Director of Nissay Information Technology Co, ltd.	
		Apr. 2016	Director and Managing Executive Officer of Mitsui Life Insurance Company Limited. (Currently Taiju Life Insurance Company Limited.)	
		Apr. 2018	COO and Representative Director of Taisay Building Management Co., Ltd. (Current)	
		(Significant concurrent positions)		
		COO and Representative Director of Taisay Building Management Co., Ltd.		

Notes: 1. No material conflict of interest exists between the Company and any of the above candidates.

2. The asterisk mark (*) indicates a candidate to be newly elected as Audit & Supervisory Board Member.

3. Mr. Yoshinobu Maeba is a candidate for Outside Audit & Supervisory Board Member.

4. Reasons for nominating Mr. Yoshinobu Maeba as a candidate for an Outside Audit & Supervisory Board Member

   Mr. Yoshinobu Maeba has a wealth of knowledge and experience cultivated through corporate management in Japan and overseas. The Company proposes the election of Mr. Maeba as an Outside Audit & Supervisory Board Member to leverage his knowledge and experience in its audit operations.

5. The Company plans to register Mr. Yoshinobu Maeba as an Independent Audit & Supervisory Board Member as provided for the rules of the Tokyo Stock Exchange.

Proposal No. 5: Election of One (1) Substitute Audit & Supervisory Board Member

To be prepared for an insufficient number of Audit & Supervisory Board Members as prescribed by laws and regulations, the Company proposes to the election of the following candidate for substitute Audit & Supervisory Board Member in advance.

The effect of this election may be cancelled by the resolution of a Board of Directors with the consent of the Audit & Supervisory Board only before the candidate assumes office as a substitute Audit & Supervisory Board Member. This proposal has received the consent of the Audit & Supervisory Board.

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

Name (Date of birth)	Past experience and positions (Significant concurrent positions)		Number of the Company's shares held
Akio Tate (Jan. 6, 1972)	Apr. 1998	Registered as an attorney at law (Admitted to Tokyo Bar Association)	-
		Joined Arai Sogo Law Offices	
	Mar. 2020	Audit & Supervisory Board Member of the Company (Current)	

Notes: 1. No material conflict of interest exists between the Company and the above candidate.

2. Mr. Akio Tate is a candidate for the substitute Outside Audit & Supervisory Board Member.

3. Reasons for nominating Mr. Akio Tate as a candidate for the substitute Outside Audit & Supervisory Board Member

   Mr. Akio Tate has not directly been involved in company management in the past, but has a wealth of professional knowledge and experience on corporate legal affairs as a lawyer. The Company proposes the election of Mr. Tate as an Outside Audit & Supervisory Board Member to leverage his knowledge and experience in its audit operations.

4. Mr. Akio Tate was as appointed as an Audit & Supervisory Board Member of the Company in March 2020 because of the retirement of Mr. Yasushi Ozaki, an Audit & Supervisory Board Member, due to his death. Mr. Akio Tate will retire as an Audit & Supervisory Board Member at the conclusion of this General Meeting of Shareholders due to the expiration of his term of office.

Proposal No. 6: Revision of Compensation for Directors

The current compensation of directors is the total amount of fixed compensation and performance-linked variable compensation. At the 38th Ordinary General Meeting of Shareholders held on June 27, 2014, shareholders approved that the fixed compensation shall be no more than 320 million yen per annum (which includes 20 million yen limit for Outside Directors), and that the variable compensation of Directors excluding Outside Directors shall be no more than 2% of consolidated ordinary profit in the previous fiscal year (with the upper limit of 50 million yen).

If Proposal No. 3 is approved and passes in its original form, the number of Directors will be increased from eight (8) (of which two (2) are Outside Directors) to ten (10) (of which two (2) are Outside Directors). To reflect this change, the Company proposes to revise the variable compensation of Directors (excluding Outside Directors) to be no more than 2.5% of consolidated ordinary profit in the previous fiscal year (with the upper limit of 80 million yen).

As in the past, the compensation of Directors does not include the employee salary portion for Directors who concurrently serve as Company employees.