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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 4, 2019

To Shareholders:

Hidehito Hisakawa
President and Representative Director

EXEDY Corporation

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

NOTICE OF CONVOCAATION OF THE 69TH ANNUAL SHAREHOLDERS MEETING

Dear Shareholder,

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

You are hereby notified that the 69th Annual Shareholders Meeting will be held as stated below.

You are respectfully requested to attend the Meeting.

In the event that you are unable to attend the Meeting, you may exercise your voting rights in writing or via the Internet. 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, 2019 (Tuesday).

Sincerely,

Details

1. Date and Time 10:00 a.m. June 26, 2019 (Wednesday)
2. Place EXEDY Hall, 2nd Floor, Main Building
EXEDY Corporation
1-1-1 Kidamotomiya, Neyagawa-shi, Osaka
3. Meeting Agenda
 1. Report on the Business Report, and the Consolidated and Non-consolidated Reported Financial Statements for the 69th Business Year (from April 1, 2018 to March 31, 2019)
 2. Report on the Audit Results of the Consolidated Financial Statements for the 69th Business Year by the Accounting Auditor and the Board of Corporate Auditors

Matters to be Resolved

- Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of Eleven (11) Directors
Proposal No. 3: Election of Three (3) Auditors

-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>).

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.

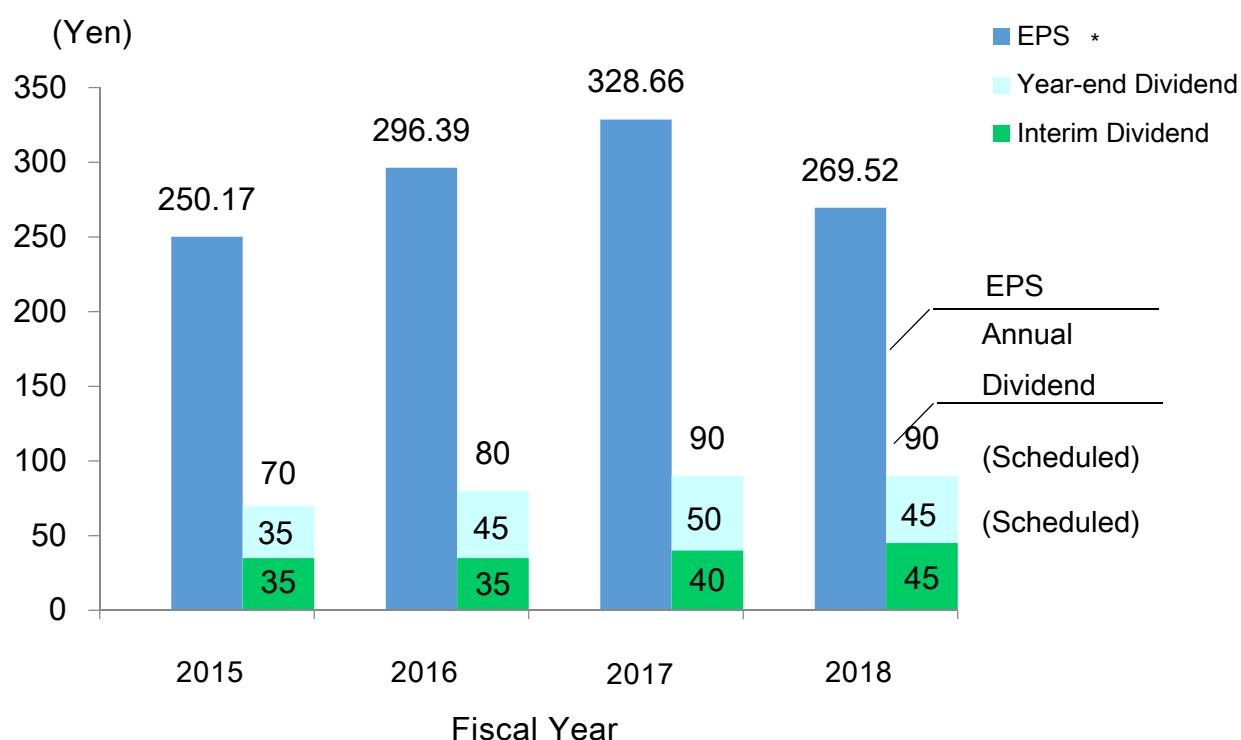
In this regard, the surplus will be appropriated as follows.

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 ¥2,167,970,175

Together with the interim dividend of ¥45 per share paid on November 19, 2018, the annual dividend is ¥90 per share.
 - (2) Effective date of dividends from the surplus
 - June 27, 2019
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)



*EPS is calculated based on the JGAAP for FY2015 and International Financial Reporting Standards (IFRS) for FY2016 and later.

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

All eleven (11) Directors will complete their terms of office at the close of this Shareholders Meeting.

Consequently, the Company proposes the election of eleven (11) Directors, including three (3) Outside Directors.

The candidates for Directors are as follows:

1 Hidehito Hisakawa (January 24, 1955)

Number of shares of the Company held 32,458 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 12,502 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 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 Director and Senior Executive Managing Officer since June 2015. 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 7,647 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 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 in June 2012. 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 Shinji Fujimoto (June 5, 1962)

Number of shares of the Company held 5,598 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 Senior Executive Officer in April 2016. 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 Tetsuya Yoshinaga (January 3, 1960)

Number of shares of the Company held 2,500 shares



Newly 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 to the present
April 2017	Senior Executive 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 Senior Executive Officer since April 2017. The Company has thus newly appointed 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 2,906 shares



Newly
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

▶ 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 Senior Executive Officer since April 2018. The Company has thus newly appointed 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 800 shares



Newly
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

▶ 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 Senior Executive Officer since April 2018. The Company has thus newly appointed 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 |

▶ 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 Koji Akita (February 17, 1962)

Number of shares of the Company held 3,574 shares



Re-appointed

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

- | | |
|------------|---|
| March 1985 | Joined the Company |
| June 2006 | Director of the Company |
| June 2009 | Senior Executive Officer of the Company |
| April 2011 | Director and Executive Managing Officer of DYNAX Corporation |
| April 2013 | Director and Senior Executive Managing Officer of DYNAX Corporation |
| April 2015 | Representative Director and President of DYNAX Corporation to the present |
| June 2015 | Director of the Company to the present |

▶ Reasons for candidacy for a director's position

Mr. Koji Akita has been broadly engaged in the execution of the Group business as the representative director and president of DYNAX Corporation, the largest subsidiary in the Group, since April 2015, and as a director of the Company since June 2015. 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.

10 Ichizo Yoshikawa (May 20, 1946)

Number of shares of the Company held 2,200 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.
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.

11 Toshiki Takano (August 31, 1954)

Number of shares of the Company held 2,100 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.

(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, and Mr. Toshiaki Takano are candidates for Outside Directors.
3. Mr. Ichizo Yoshikawa's term of office, as an Outside Director, will be three (3) years at the conclusion of this Shareholders Meeting.
4. Mr. Makoto Mitsuya, and Mr. Toshiaki Takano 's term of office, as an Outside Director, will be two (2) years at the conclusion of this Shareholders Meeting.
5. AISIN SEIKI CO., LTD., of which Mr. Makoto Mitsuya is the Representative Director and Executive Vice President, paid a fine of US\$35.8 million to the United States government in February 2015 for violations of the U.S. Antitrust Law in connection with part of the sales of Variable Valve Timing ("VVT") devices, an automotive engine component.
6. 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 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.
7. The Company has entered into a contract with Mr. Makoto Mitsuya, Mr. Ichizo Yoshikawa, and Mr. Toshiaki 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.

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.
8. Mr. Ichizo Yoshikawa and Mr. Toshiaki Takano are Independent Officers stipulated by the Tokyo Stock Exchange.

Proposal No. 3: Election of Three (3) Corporate Auditors

Mr. Keizo Nishigaki, Mr. Tadashi Fukuda and Mr. Satoshi Tsubota, Corporate Auditors, will complete his term of office at the close of this Shareholders Meeting. Consequently, the Company proposes the election of three (3) Corporate Auditors, as follows.

For this proposal, the consent of the Board of Corporate Auditors has been obtained.

The candidate for the Corporate Auditors is follows:

1 Keizo Nishigaki (September 11, 1957)

Number of shares of the Company held 3,300 shares



Re-appointed

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

March 1981	Joined the Company
November 2000	Director and President of EXEDY Friction Material Co., Ltd.
April 2010	Executive Officer, Executive General Manager, General Affairs Headquarters of the Company
June 2013	Corporate Auditor of the Company to the present

▶ Reasons for candidacy for a corporate auditor's position

Mr. Keizo Nishigaki has long accumulated abundant expertise as an Executive General Manager, General Affairs Headquarters, and management of overseas affiliate companies, etc. The Company has thus continued to appoint him as a candidate for a Corporate Auditor's position because he has abundant experiences and he is expected to reflect his abundant experience and his insight in audit.

2 Tadashi Fukuda (March 4, 1953)

Number of shares of the Company held 400 shares



Re-appointed

Outside

Independent

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

April 1986	Registered as Attorney, joined Daiichi Law Office, P.C.
June 2000	Outside Auditor to Shinyei Co., Ltd.
June 2015	Outside Director of Shinyei Co., Ltd. Corporate Auditor of the Company to the present
March 2016	Representative Partner of Daiichi Law Office, P.C. to the present
June 2016	Outside Auditor of Mitsubishi Tanabe Pharma Corporation to the present

▶ Reasons for candidacy for an outside corporate auditor's position Mr. Tadashi Fukuda has abundant experience and knowledge as a legal expert. The Company has thus continued to appoint him as a candidate for an outside Corporate Auditor's position because he is expected to provide proper proposal and advice on execution of the performance of our directors.

3 Satoshi Tsubota (August 12, 1961)

Number of shares of the Company held 600 shares



Re-appointed

Outside

Independent

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

October 1984	Joined Aoyama Audit Corporation /PricewaterhouseCoopers
August 1988	Registered as certified public accountant
April 1999	Registered as certified public tax accountant
July 2001	Participated in Kaisei Certified Public Accountant Joint Office to the present
June 2005	Outside auditor to O-WELL CORPORATION to the present
June 2015	Corporate Auditor of the Company to the present

▶ Reasons for candidacy for an outside corporate auditor's position
Mr. Satoshi Tsubota has abundant experience and knowledge as an expert on accounting and tax. The Company has thus continued to appoint him as a candidate for an Outside Corporate Auditor's position because he is expected to provide proper proposal and advice on execution of the performance of our directors.

(Note)

1. There are no special interests between each candidate and the Company.
2. Mr. Tadashi Fukuda and Mr. Satoshi Tsubota are candidates of outside corporate auditors.
3. Reason why the Company recommends Mr. Tadashi Fukuda and Mr. Satoshi Tsubota as candidates for Outside Auditors and why the Company has judged that these candidates can perform their duties properly
 - 1) Mr. Tadashi Fukuda is a qualified attorney at law, and we have judged that his expertise as a lawyer will enable him to provide us with proposals and advice concerning the performance of duties assigned to directors of the Company.
 - 2) Mr. Satoshi Tsubota has official qualifications as a qualified certified public accountant and tax accountant; and we have judged that his expertise as a specialist in accounting/tax accounting services will enable him to provide us with proposals and advice concerning the performance of duties assigned to directors of the Company.
4. Mr. Tadashi Fukuda, and Mr. Satoshi Tsubota term of office, as an Outside Auditors, will be four (4) years at the conclusion of this Shareholders Meeting.
5. Mr. Tadashi Fukuda served as an outside director of Shinyei Co., Ltd. until June 2017. However, after his resignation, unfair trading act that conducted at consolidated subsidiary of Shinyei Co., Ltd. during his term of office has been revealed.
Although he did not recognize the fact until this fraud was revealed, he regularly warned the Board of Directors of the importance of legal compliance.
6. In the event that this proposal is approved in its original form and they are appointed, the Company shall enter into contracts with Mr. Tadashi Fukuda and Mr. Satoshi Tsubota, respectively, pursuant to the provisions of the Company's Articles of Incorporation, to limit their liabilities to the company.
An outline of the contents of the contracts is as follows.
 - (1) If an Outside Auditor is liable to the Company for damages, the amount of such damages shall be limited to the minimum amount of liability prescribed in Article 425 of the Companies Act.
 - (2) The above limitation of liability is limited only when the corporate outside auditor is in good faith and does not have gross negligence.
7. Both Mr. Tadashi Fukuda and Mr. Satoshi Tsubota are Independent Officers stipulated by the Tokyo Stock Exchange.

Nothing below this line