

May 30, 2018

To Whom It May Concern

Company name Toyo Denki Seizo K.K.
Representative Kenzo Terashima, President,
Representative Director
(Code No. 6505 1st Section of the
Tokyo Stock Exchange)
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Toyo Denki Announces Change to the Operating Officer System and Appointments of Officers

Toyo Denki Seizo K.K. (hereinafter Toyo Denki) today announced that Toyo Denki changed its Operating Officer system and the meeting of the Board of Directors held today officially decided on the following appointments of Operating Officers.

Description

1. Objectives of change to the Operating Officer system

This change separates the supervisory function and the execution function of the Board of Directors for stronger corporate governance. The Board of Directors primarily assumes the role of governance and delegates the execution authority to Operating Officers to further enhance agility of management. Operating Officers shall execute and be responsible for tasks within the range resolved by the Board of Directors under instructions and orders from the President, Representative Director.

2. Overview of Toyo Denki's Operating Officer system after the change

- (1) The number of Operating Officers shall be 20 or fewer.
- (2) Directors excluding the Chairman of the Board of Directors, the President and Director and the Outside Directors shall be able to assume the role of Operating Officer at the same time.
- (3) The selection of Operating Officers and Executive Officers (Senior Executive Officers and Executive Officers) shall be proposed by the Nomination and Compensation Advisory Committee under the Board of Directors and decided by the resolution of the Board of Directors. The position of Senior Operating Officer is abolished.
- (4) The term of office for the Operating Officers shall be one year starting on June 1 and lasting until May 31 of the next year, which is the same as the business year. The Officers shall not be prevented from being reappointed.

3. Appointments of Operating Officers (Effective June 1, 2018) (Changes are underlined)

Name	New Position or Role/Area of Responsibility	Former Position or Role/Area of Responsibility	Promotion/ New Appointment
Masami Tsuchiya	Representative Director, <u>Senior Executive Officer</u> , Special Assistant to the President, with responsibility for business development	<u>Senior Managing Director</u> , Representative Director, Special Assistant to the President, with responsibility for <u>international business strategy</u> , <u>industrial systems</u> , business development and <u>Ryuo Factory Integration Division</u>	

Name	New Position or Role/Area of Responsibility	Former Position or Role/Area of Responsibility	Promotion/ New Appointment
Hiroshi Shimotakahara	<u>Director, Senior Executive Officer,</u> with responsibility for internal control, management planning, group companies, legal compliance and <u>purchasing</u>	<u>Senior Managing Director,</u> with responsibility for internal control, management planning, group companies and legal compliance	
Kenichi Goto	<u>Director, Executive Officer,</u> with responsibility for security trade management, quality management, environmental management, <u>technology, research, and development, and intellectual property</u> General Manager of Yokohama Works	<u>Managing Director,</u> with responsibility for security trade management, quality management, environmental management, <u>production, purchasing and production reform</u> General Manager of Yokohama Works, <u>General Manager of Shiga Ryuo Works</u>	
Akihiko Ishii	Director, <u>Executive Officer,</u> with responsibility for general affairs, human resources and finance, and the 100th anniversary project	Directors with responsibility for general affairs, human resources, finance, <u>intellectual property, branches</u> and the 100th anniversary project	
Akira Watanabe	Director, <u>Executive Officer,</u> with responsibility for transportation business, information equipment systems and <u>production</u> General Manager of Transportation Business Unit; <u>General Manager of International Sales Division, Transportation Business Unit</u>	Directors with responsibility for transportation business and information equipment systems General Manager of Transportation Business Unit	
Shuji Horie	<u>Executive Officer</u> General Representative of China, President of Toyo Denki (Beijing) Co., Ltd., President of Beijing Jingche Shuangyang Traction System Co., Ltd.	<u>Senior Operating Officer</u> General Representative of China, President of Toyo Denki (Beijing) Co., Ltd., President of Beijing Jingche Shuangyang Traction System Co., Ltd.	
Yoshifumi Otsubo	<u>Executive Officer</u> with responsibility for industry business General Manager of Industry Business Unit	<u>Senior Operating Officer</u> General Manager of Industry Business Unit, <u>General Manager of Ryuo Factory Integration Division</u>	
Kenji Tanimoto	<u>Executive Officer</u> General Manager of Osaka Branch	<u>Senior Operating Officer</u> General Manager of Osaka Branch	
Tetsuto Iwaki	Operating Officer General Manager of Financial Affairs Division	Operating Officer General Manager of Financial Affairs Division	
Yukimasa Tanabe	Operating Officer General Manager of Nagoya Branch	Operating Officer General Manager of Nagoya Branch	
Kenji Fujiwara	Operating Officer Research Laboratory Director	Operating Officer Research Laboratory Director	
Naoki Okuyama	<u>Operating Officer</u> Deputy General Manager of Transportation Business Unit; General Manager of International Project Division, Transportation Business Unit; <u>Manager of Transportation Business Works, Transportation Business Unit</u> President, Representative Director, TOYO DENKI USA, INC.	<u>Director</u> Deputy General Manager of Transportation Business Unit; <u>General Manager of International Sales Division, Transportation Business Unit</u> ; General Manager of International Project Division, Transportation Business Unit President, Representative Director, TOYO DENKI USA, INC.	Newly appointed

Name	New Position or Role/Area of Responsibility	Former Position or Role/Area of Responsibility	Promotion/ New Appointment
Toshihito Nakanishi	<u>Operating Officer</u> Deputy General Manager of Industry Business Unit, <u>General Manager of Shiga Ryuo Works</u>	<u>Director</u> Deputy General Manager of Industry Business Unit	Newly appointed
Furutsuki Shini	<u>Operating Officer</u> President of Changzhou Ruiyang Transmission Technology Co., Ltd.	<u>Director</u> President of Changzhou Ruiyang Transmission Technology Co., Ltd.	Newly appointed

Note 1. Kenzo Terashima, the current President and Representative Director, will not assume the position of Operating Officer at the same time.

Note 2. Toshihiko Akihiro, the current Operating Officer, will retire from the position of Operating Officer but stay on as General Manager of the IT Business Unit.

4. List of Directors (for reference)

The following is the list of Directors until the 157th Ordinary General Meeting of Shareholders scheduled for August 2018.

President, Representative Director	Kenzo Terashima
Representative Director	Masami Tsuchiya
Directors	Hiroshi Shimotakahara
Directors	Kenichi Goto
Directors	Akihiko Ishii
Directors	Akira Watanabe
Outside Director	Hirokazu Chinone
Outside Director	Takashi Yamagishi