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Securities Code: 4345

May 29, 2020

To our shareholders:

Taizo Yokoshima
Representative Director and President
CTS Co., Ltd.
115, Kosato, Ueda-shi, Nagano

Notice of the 30th Annual General Meeting of Shareholders

You are cordially invited to attend the 30th Annual General Meeting of Shareholders of CTS Co., Ltd. (the “Company”), which will be held as indicated below.

Instead of attending the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, June 18, 2020 (JST).

- 1. Date and Time:** Friday, June 19, 2020, at 10:00 a.m. (JST)
- 2. Place:** UEDA TOKYU REI HOTEL, 3F “Shinano”
4-24-1, Tenjin, Ueda-shi, Nagano

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 30th fiscal year (from April 1, 2019 to March 31, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 30th fiscal year (from April 1, 2019 to March 31, 2020)

Matter to be resolved:

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|-----------------------|--|
| Proposal No. 1 | Election of Six Directors |
| Proposal No. 2 | Election of One Audit & Supervisory Board Member |

Information on matters posted on the Company’s website

1. Among the documents to be provided with this notice, the items below are posted on the Company’s website (<https://www.cts-h.co.jp/>) pursuant to laws and regulations, as well as Article 14 of the Articles of Incorporation.
 - (1) Consolidated Statement of Changes in Shareholders’ Equity and Notes to Consolidated Financial Statements
 - (2) Non-consolidated Statement of Changes in Shareholders’ Equity and Notes to Non-consolidated Financial StatementsIn addition, these items are included in the Consolidated Financial Statements and Non-consolidated Financial Statements, which have been audited by Audit & Supervisory Board Members to prepare the audit report and by Financial Auditor to prepare the accounting audit report.
2. Any corrections in the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Non-consolidated Financial Statements will be posted on the Company’s website (<https://www.cts-h.co.jp/>).

Measures to Prevent the Spread of novel coronavirus disease (COVID-19)

We have established the following policies for this year's General Meeting of Shareholders in order to prevent the spread of COVID-19 and protect our shareholders.

- We strongly recommend that you exercise your voting rights in writing or via the Internet without attending the meeting to avoid the risk of the infection.

- Shareholders who are elderly, have any underlying disease, or are pregnant are strongly requested to exercise careful judgment, as people in such conditions are perceived to be significantly affected by the infection.
- We ask all shareholders attending the meeting to wear a mask and use the alcoholic disinfectant spray that will be provided at the venue.
- Officers and management staff attending the General Meeting of Shareholders will be wearing masks.
- Please refer to our website (<https://www.cts-h.co.jp/>) for details of the precautions and requests we have established for holding the General Meeting of Shareholders.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Election of Six Directors

The terms of office of all five currently serving Directors will expire at the conclusion of this meeting. In that regard, the Company proposes the election of six Directors, increasing the number of Directors by one to enhance the management system.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Taizo Yokoshima (June 9, 1960)	Sept. 1980 Joined the Company July 1990 Director July 1995 Senior Managing Director June 2001 Representative Director and Vice President Apr. 2003 Representative Director and President (current position) Jan. 2017 Representative Director and President of Rentarise Corporation (current position) Representative Director of CTS Linetech Corporation (current position)	76,800
(Reasons for nomination) Taizo Yokoshima served as Director of the Company from 1990 and has been serving as Representative Director and President since 2003. He established the management policy which the Company is to pursue, demonstrated strong leadership and decisiveness to realize it, and expanded business operations. The Company has determined that he will be able to achieve sustainable corporate growth and increase corporate value in the medium to long term as his experience, achievements and insight can be applied to the Company's management. Accordingly, the Company nominated him as a candidate for Director.			
2	Hideki Akiyama (April 5, 1976)	July 2000 Joined the Company July 2013 General Manager of Matsumoto Branch Apr. 2017 Executive Officer (current position) Oct. 2017 General Manager of Tokai and Koshin Sales Department Jan. 2019 General Manager of Tokai Sales Department (current position) Feb. 2019 General Manager of Kinki Sales Department June 2019 Director of the Company (current position)	6,215
(Reasons for nomination) Hideki Akiyama has contributed to business expansion as the person responsible for the sales department, and currently promotes sales activities as the General Manager of the Tokai Sales Department. The Company has determined that he will be able to achieve sustainable corporate growth and increase corporate value in the medium to long term as his experience, achievements and insight can be applied to the Company's management. Accordingly, the Company nominated him as a candidate for Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
3	Kazutoshi Kanai (November 29, 1977)	June 2002	Joined the Company	15,715
		June 2015	Acting General Manager of IT Infrastructure Team, Business Management Division	
Apr. 2016	General Manager of System Business Promotion Department			
Apr. 2017	Executive Officer (current position)			
Sept. 2018	General Manager of System Business Management Department (current position)			
June 2019	Director of the Company (current position)			
(Reasons for nomination) Kazutoshi Kanai has contributed to business expansion as the person responsible for the System Business, which is the mainstay business, and currently promotes revenue expansion as the General Manager of the System Business Management Department. The Company has determined that he will be able to achieve sustainable corporate growth and increase corporate value in the medium to long term as his experience, achievements and insight can be applied to the Company's management. Accordingly, the Company nominated him as a candidate for Director.				
4	* Ren Yokoshima (June 6, 1987)	Jan. 2014	Joined the Company	-
		June 2017	Director of Rentarise Corporation (current position)	
Jan. 2018	General Manager of Corporate Planning Department (current position)			
Apr. 2018	Director of CTS Linetech Corporation (current position)			
July 2018	General Manager of House Fittings Department (current position)			
Apr. 2019	Executive Officer (current position)			
(Reasons for nomination) Ren Yokoshima has worked in the Corporate Planning Department since joining the Company in 2014, and has contributed to strengthening the management base in his current position as General Manager of the Corporate Planning Department. He has also worked on initiatives to improve earnings as the person responsible for the House Fittings Department. The Company has determined that he will be able to achieve sustainable corporate growth and increase corporate value in the medium to long term as his experience, achievements and insight can be applied to the Company's management. Accordingly, the Company nominated him as a candidate for Director.				
5	Akihiko Kishimoto (January 1, 1953)	Apr. 1971	Joined Honda Motor Co., Ltd.	871
		Apr. 2006	General Manager of Regional Operations (South America) Planning Office	
Apr. 2008	Joined NISSIN KOGYO CO., LTD. General Manager of General Affairs Department, Accounting Department, and HR Development Department			
June 2008	Director			
June 2011	Managing Director and Chief Operating Officer of Corporate Planning & Business Management			
June 2017	Director of the Company (current position)			
(Reasons for nomination) Akihiko Kishimoto has held important posts such as Director of the corporate planning & business management during his time at Honda Motor Co., Ltd. and NISSIN KOGYO CO., LTD., and has been supervising management through his objective opinions and decision making, based on his insight into corporate management, at meetings of the Board of Directors. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors from a fair standpoint. Accordingly, the Company nominated him as a candidate for outside Director. He is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been three years.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Masaharu Miyasaka (January 29, 1953)	<p>Apr. 1975 Joined SHINSHU HAM CO., LTD.</p> <p>Sept. 2006 Executive Officer and General Manager of Sales Division</p> <p>Sept. 2008 Director</p> <p>Sept. 2010 Managing Director</p> <p>Sept. 2014 Senior Managing Director and General Manager of Business Division</p> <p>Sept. 2016 Representative Director and President (current position)</p> <p>June 2019 Director of the Company (current position)</p>	—
<p>(Reasons for nomination)</p> <p>Masaharu Miyasaka is currently playing an active role as Representative Director and President of SHINSHU HAM CO., LTD., and has been supervising management through his objective opinions and decision making, based on his insight into corporate management, at meetings of the Board of Directors. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors from a fair standpoint. Accordingly, the Company nominated him as a candidate for outside Director. He is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been one year.</p>			

- (Notes)
1. New candidates for Director are indicated by an asterisk (*).
 2. There is no special interest between any of the candidates and the Company.
 3. Akihiko Kishimoto and Masaharu Miyasaka are candidates for outside Director.
 4. The Company has entered into an agreement with Akihiko Kishimoto and Masaharu Miyasaka 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 amount provided for under laws and regulations. If this proposal is approved and adopted and the two candidates are reelected, the Company plans to renew this agreement with them.
 5. The Company has submitted notification to the Tokyo Stock Exchange that Akihiko Kishimoto and Masaharu Miyasaka have been designated as independent officers as provided for by the aforementioned exchange. If this proposal is approved and adopted and they are reelected, the Company plans for their appointment as independent officers to continue.
 6. The number of the Company's shares owned includes the candidate's holdings through CTS Officers' Shareholding Association.

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

At the conclusion of this meeting, the term of office of the Audit & Supervisory Board Member Hiromichi Sasaki will expire. The Company therefore proposes the election of one Audit & Supervisory Board Member.

In addition, 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, significant concurrent positions outside the Company, and position in the Company	Number of the Company's shares owned
Hiromichi Sasaki (November 13, 1960)	Apr. 1995 Registered as an attorney at law Apr. 1998 Established Hiromichi Sasaki Law Office (currently SASAKI LAW OFFICE), senior partner (current position) June 2008 Audit & Supervisory Board Member (current position)	—

(Reasons for nomination)

Hiromichi Sasaki has professional knowledge as a lawyer in general legal affairs including corporate legal affairs. The Company has determined that he will be able to audit the performance and duties of Directors from an impartial and fair perspective, and has therefore nominated him as a candidate for outside Audit & Supervisory Board Member. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Audit & Supervisory Board Member based on the above reasons. He is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure will have been 12 years.

- (Notes)
1. There is no special interest between Hiromichi Sasaki and the Company.
 2. Hiromichi Sasaki is a candidate for outside Audit & Supervisory Board Member.
 3. The Company has entered into an agreement with Hiromichi Sasaki to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If this proposal is approved and adopted and he is reelected, the Company plans to renew this agreement with him.
 4. The Company has submitted notification to the Tokyo Stock Exchange that Hiromichi Sasaki has been designated as an independent officer as provided for by the aforementioned exchange. If this proposal is approved and adopted and he is reelected, the Company plans for his appointment as an independent officer to continue.