

*This document has been translated from the Japanese original for the convenience of non-Japanese shareholders. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.*

Securities code: 5991  
June 6, 2016

To Our Shareholders,

Kazumi Tamamura,  
President & Chief Executive Officer,  
Representative Member of the Board  
**NHK SPRING CO., LTD.**  
3-10, Fukuura, Kanazawa-ku, Yokohama

## Notice of the 96th Annual General Meeting of Shareholders

You are cordially invited to attend the 96th Annual General Meeting of Shareholders of NHK SPRING CO., LTD. (the “Company”) to be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing and electromagnetic means. Please examine the Reference Documents for the General Meeting of Shareholders contained herein and exercise the voting rights by 5:15 p.m. on Monday, June 27, 2016 (JST).

### 【Exercise of Voting Rights via the Internet】

Please access the website for exercising voting rights designated by the Company (<http://www.evotage.jp/>), enter the “login ID” and “temporary password” provided on the enclosed Voting Rights Exercise Card and follow the instructions on the screen to indicate your approval or disapproval of the proposals by 5:15 p.m. on Monday, June 27, 2016 (JST).

Please refer to “Notes on the Use of the Exercise of Voting Rights via the Internet” (Japanese only) when using the Internet to vote.

**1. Date and time:** Tuesday, June 28, 2016, at 10:00 a.m. (Reception starts at 9:00 a.m.)

**2. Venue:** Conference Room, NHK SPRING CO., LTD.  
3-10, Fukuura, Kanazawa-ku, Yokohama

### **3. Purpose of the meeting**

#### **Matters to be reported:**

1. Report on the Business Report, the Consolidated Financial Statements, and audit results of the Non-consolidated Financial Statements and Consolidated Financial Statements by the Financial Auditor and the Board of Corporate Auditors for the 96th term (from April 1, 2015 to March 31, 2016)
2. Report on the Non-consolidated Financial Statements for the 96th term (from April 1, 2015 to March 31, 2016)

#### **Matters to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Two (2) Members of the Board  
**Proposal 3:** Election of Three (3) Corporate Auditors  
**Proposal 4:** Election of One (1) Substitute Corporate Auditor

(Request)

- \* If you attend the meeting in person, please present the enclosed Voting Rights Exercise Card at the reception desk upon your arrival at the meeting.  
In the case of attendance by a proxy, please present a letter of proxy with enclosed Voting Rights Exercise Card at the reception desk. As per the Article 15 of the Company's Articles of Incorporation, shareholders may appoint as their proxy one (1) other shareholder of the Company entitled to vote.

(Notice)

- \* Pursuant to laws and regulations and the provision of Article 17 of the Company's Articles of Incorporation, the following items, among documents to be attached to this notice, are posted on the Company's website (<http://www.nhkspg.co.jp/>) and are not included in this notice and the attached documents. Accordingly, the attached documents to this notice are part of the documents that were audited by the Corporate Auditors and the Financial Auditor in preparing the audit reports.
  - 1) Notes to the Consolidated Financial Statements
  - 2) Notes to the Non-consolidated Financial Statements
- \* Any corrections in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements will be posted on the Company's website (<http://www.nhkspg.co.jp/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company recognizes distribution of profits to our shareholders as the top priority and our basic policy is to continue to distribute dividends stably.

With consideration given to such matters as consolidated business performance and dividend payout ratio comprehensively, the Company proposes that the year-end dividend for the term be 11 yen per share.

<Year-end dividend>

(1) Type of dividend property

Cash

(2) Assignment of the dividend property to shareholders and the total amount:

11 yen per share of common stock of the Company                      Total amount: 2,671,803,860 yen

(3) Effective date of dividends of surplus

June 29, 2016

**Proposal 2: Election of Two (2) Members of the Board**

In order to further reinforce management structure, we request the election of two (2) Members of the Board, including one (1) Outside Member of the Board. In accordance with the Company's Articles of Incorporation, the terms of office of newly-elected Members of the Board shall be until the expiration of the terms of Members of the Board currently in office.

The candidates for positions of Members of the Board are as follows:

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned	
1	Ryuichi Shibata (September 9, 1955)  [New election]	Apr. 1979 Jun. 2006	Joined the Company Director, Machinery & Equipment Parts Dept., Industrial Machinery & Equipment Div.	9,600
		Jun. 2010 Apr. 2013 Apr. 2015 Apr. 2016	Corporate Officer Vice President, Industrial Machinery & Equipment Div. Senior Corporate Officer President, Industrial Machinery & Equipment Div. Senior Corporate Officer President, Precision Spring and Components Div. Executive Corporate Officer President, Precision Spring and Components Div. (present)	
<p><b>Reason for election</b> Mr. Ryuichi Shibata has extensive management experience as President of multiple production divisions, and accordingly, we request his election as a Member of the Board.</p>				
2	Katsuko Tanaka (September 3, 1945)  [New election] [Outside Member of the Board]	Apr. 1970 Jul. 1970 May 1976 May 1998 Apr. 2000 Apr. 2004 Apr. 2006 Apr. 2013 Mar. 2015	Researcher, hygiene class, Okayama University Medical School (Worked in the local hospital.) Medical license registration (No. 207731) Worked at Yokohama City Hall Mayor, Sakae Ward, Yokohama City Director, Social Welfare Bureau, Yokohama City Director, Civic Affairs Bureau, Yokohama City Trustee and Secretary General, Public University Corporation Yokohama City University Chairperson of the Board of Trustees and CEO, Public University Corporation Yokohama City University Retired Chairperson of the Board of Trustees and CEO, Public University Corporation Yokohama City University	None
		<p><b>Reason for election</b> Ms. Katsuko Tanaka has had no experience of involvement in corporate management, but she has extensive experience relating to organizational management of public bodies and can be expected to provide objective opinions on the operation of a business enterprise, and accordingly, we request her election as an Outside Member of the Board.</p>		

- Notes:
1. There is no special interest between the candidates and the Company.
  2. Ms. Katsuko Tanaka is a candidate for Outside Member of the Board.
  3. The Company's Articles of Incorporation provide for agreements limiting liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and if Ms. Katsuko Tanaka's election is approved as proposed, the Company plans to enter into such a limited liability agreement with her.
  4. If the election of Ms. Katsuko Tanaka is approved as proposed, the Company plans to register her with Tokyo Stock Exchange as an independent officer pursuant to the rules of the exchange.

### Proposal 3: Election of Three (3) Corporate Auditors

The terms of office of three (3) Corporate Auditors, Mr. Kenji Shimizu, Mr. Susumu Komori and Mr. Takeshi Ishiguro will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we request the election of three (3) Corporate Auditors, including two (2) Outside Corporate Auditors.

Consent of the Board of Corporate Auditors has been obtained concerning this proposal.

The candidates for positions of Corporate Auditors are as follows:

Name (Date of birth)		Career summary, position and important concurrent positions		Number of Company's shares owned
1	Kenji Shimizu (July 20, 1954)	Apr. 1979 Mar. 2005	Joined the Company. Director, Administration Dept., Precision Spring and Components Div.	15,832
	[Reelection]	Jun. 2008 Jun. 2012	Director, Internal Auditing Dept. Full-time Corporate Auditor (present)	
<b>Reason for election</b> Mr. Kenji Shimizu has a record of results working as Director of Internal Auditing Department based on broad experience, primarily in accounting, finance, sales, and production control and possesses considerable knowledge concerning finance and accounting, and accordingly, we request his election as Corporate Auditor.				
2	Susumu Komori (November 30, 1944)	Apr. 1968 Jan. 2005	Joined Nissho Co., Ltd. Senior Executive Vice President, Director, Executive Officer, Metal One Corporation	None
	[Reelection] [Outside Corporate Auditor]	Apr. 2007 Jun. 2008 Jun. 2008	Adviser, Sojitz Research Institute, Ltd. Full-time Corporate Auditor, Sojitz Corporation Corporate Auditor (present)	
<b>Reason for election</b> Mr. Susumu Komori has broad experience and advanced knowledge concerning management, and we request his election as an Outside Corporate Auditor so that his experience and knowledge can be reflected in the Company's audits.				
3	Kazuto Tachibana (January 5, 1959)	Apr. 1981	Joined Daido Steel Co., Ltd.	None
		Apr. 2003	General Manager, Stainless Steel Sales, Steel Division, Daido Steel Co., Ltd.	
		Jun. 2011	Member of the Board, Osaka Branch Manager and General Manager, Stainless & Tool Steel Business Division, Daido Steel Co., Ltd.	
		Apr. 2012	Member of the Board, Osaka Branch Manager and Deputy General Manager, Special Steel Products Headquarters, Daido Steel Co., Ltd.	
		Jun. 2013	Managing Director and General Manager, Functional Material Product Division, Daido Steel Co., Ltd.	
[New election] [Outside Corporate Auditor]	Jun. 2015	Managing Executive Officer, Daido Steel Co., Ltd. (present)		
<b>Reason for election</b> Mr. Kazuto Tachibana has broad experience and advanced knowledge concerning management, and we request his election as an Outside Corporate Auditor so that his experience and knowledge can be reflected in the Company's audits.				

- Notes:
1. There is no special interest between the candidates and the Company.
  2. The Company's Articles of Incorporation provide for agreements limiting liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and the Company has entered into such a limited liability agreement with Mr. Susumu Komori, who is an Outside Corporate Auditor. If his election is approved as proposed, the Company plans to renew the limited liability agreement. If Mr. Kazuto Tachibana's election is approved as proposed, the Company plans to enter into such a limited liability agreement with him.
  3. Mr. Susumu Komori is an Outside Corporate Auditor of the Company, and his term of office will be eight (8) years at the conclusion of this General Meeting of Shareholders.
  4. Mr. Kazuto Tachibana is a candidate for Outside Corporate Auditor.
  5. Mr. Kazuto Tachibana is scheduled to be appointed as Director, Managing Executive Officer of Daido Steel Co., Ltd. at that company's 92nd general meeting of shareholders and the subsequent Board of Directors meeting to be held on June 28, 2016.

**Proposal 4: Election of One (1) Substitute Corporate Auditor**

This proposal is to request the election of one (1) Substitute Corporate Auditor to provide for a case in which the number of Outside Corporate Auditors falls short of the number stipulated in laws and regulations.

Consent of the Board of Corporate Auditors has been obtained concerning this proposal.

The candidate for position of Substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary, position and important concurrent positions		Number of Company's shares owned
Nobuaki Mukai (April 19, 1969)	Apr. 1996  2001 Jan. 2004	Registered as Attorney at Law (Dai-Ichi Tokyo Bar Association) Joined Momo-o, Matsuo & Namba Registered as an Attorney at Law in New York State, USA Partner, Momo-o, Matsuo & Namba (present)	None
<b>Reason for election</b> Mr. Nobuaki Mukai has had no experience of involvement in corporate management, but he has professional knowledge and experience in corporate legal affairs as an attorney at law and therefore the Company nominates him as the candidate for Substitute Corporate Auditor of the Company.			

- Notes:
1. There is no special interest between the candidate and the Company.
  2. The candidate, Mr. Nobuaki Mukai satisfies the requirements of Outside Corporate Auditor.
  3. The Company's Articles of Incorporation provide for agreements limiting the liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and if Mr. Nobuaki Mukai is elected as a Corporate Auditor, the Company plans to enter into such a limited liability agreement with him.