

**NOTICE OF THE 20th ORDINARY
GENERAL MEETING OF SHAREHOLDERS**

***TVE* TOA Valve Engineering Inc.**

Note: The following is an English translation of the original Japanese version, prepared only for the convenience of non-Japanese speaking shareholders. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

December 9, 2019

To Shareholders:

Koumei Sasano
President, Representative Director
Toa Valve Engineering Inc.
5-12-1, Nishitachibana-cho,
Amagasaki-shi, Hyogo, Japan

Notice of the 20th Ordinary General Meeting of Shareholders

You are cordially invited to the 20th Ordinary General Meeting of Shareholders of Toa Valve Engineering Inc. (the “Company”) to be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your approval or disapproval of the matters to be resolved on the voting form enclosed herewith and return it by postal mail so that it is received by no later than 5:00 p.m., Monday, December 23, 2019 (JST).

- 1. Date and Time:** Tuesday, December 24, 2019 at 10:00 a.m. (JST)
2. Place: Miyako Hotel Amagasaki (formerly, Miyako Hotel New Archaic),
Ho-Oh South (3rd floor) 2-7-1, Showa-dori, Amagasaki-shi, Hyogo, Japan

3. Agenda for the Meeting:

Matters to be reported

1. The Business Report, Consolidated Financial Statements, and Audit Report of Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee for the 20th Fiscal Year (from October 1, 2018 to September 30, 2019)
2. The Non-consolidated Financial Statements for the 20th Fiscal Year (from October 1, 2018 to September 30, 2019)

Matters to be resolved

- Proposal No. 1** Appropriation of Surplus
Proposal No. 2 Partial Amendments to the Articles of Incorporation
Proposal No. 3 Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
Proposal No. 4 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

- If you attend the meeting in person, please submit the enclosed voting form at the reception desk of the meeting.
 - As the reception desk is expected to be crowded just before the meeting starts, please arrive earlier if possible. The reception desk is scheduled to open at 9:00 a.m.
 - Pursuant to relevant laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following documents are not included in the documents attached to this notice since they have been made accessible on the Company's website (<https://www.toavalve.co.jp>) instead.
 - (1) "3. Systems for Ensuring Properness of Business Operations" of the Business Report
 - (2) "Notes to Consolidated Financial Statements" attached to the Consolidated Financial Statements
 - (3) "Notes to Non-consolidated Financial Statements" attached to the Non-consolidated Financial Statements
- The documents attached to this notice make up only a part of what was audited for the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements by the Audit and Supervisory Committee in the course of the preparation of its audit report. Furthermore, these documents also make up only a part of what was audited for the Consolidated Financial Statements and the Non-consolidated Financial Statements by the Financial Auditor in the course of the preparation of the financial audit report.
- If any modification(s) or amendment(s) are made to any of the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, the Company will post such modifications or amendments on the Company's website (<https://www.toavalve.co.jp>).
 - Please note that instead of sending a "Notice of Voting Results" to shareholders by postal mail, the Company will disclose the results of the resolutions of the General Meeting of Shareholders on the Company's website (<https://www.toavalve.co.jp>).

If you have any questions or doubts regarding the contents of Reference Documents, please send the Company an e-mail (address: tve@toavalve.co.jp).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

Year-end dividends

Concerning profit distribution, the Company has a basic policy of bringing about maximum profit through efficient use of optimal allocation of management resources and of providing stable dividends, and implements a policy of paying dividends that allows shareholders to hold shares in a long-term and stable manner.

In the Company's consolidated results for the fiscal year under review, sales increased slightly, while ordinary income decreased slightly. Nevertheless, as the result of resuming recording of deferred tax assets from the current fiscal year, profit attributable to owners of parent increased by 48.8% year on year. As deferred tax assets were not recorded due to the unstable business performance caused by the accident at the Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company, in the fiscal year under review the recorded amount increased as a direct consequence of the increase in profit attributable to owners of parent.

Therefore, in accordance with the dividend policy, and after considering the situation and background described above, the Company proposes to pay a year-end dividend for the fiscal year of ¥25 per share, an increase of ¥5 per share compared with the previous fiscal year.

Since an interim dividend of ¥15 per share was paid for the fiscal year, total annual dividends will be ¥40 per share.

1. Type of dividend property

Cash

2. Allotment of dividend property to shareholders and the aggregate amount thereof

¥25 per common share of the Company Total dividends of ¥57,098,075

As an interim dividend of ¥15 per common share of the Company was paid in June this year, annual dividends will amount to ¥40 per share.

3. Effective date of dividends of surplus

December 25, 2019

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) As the Company approaches the 100th anniversary of its founding in 2022, we have set reaching the Global Niche Top as our future vision as stated in the Medium-Term Management Plan released in June 2019, and we will change the Company’s trade name to increase recognizability and familiarity on a global level.
- (2) In light of the current conditions of the businesses of the Company, in order to reflect more accurately our business activities and in response to the diversification thereof, the Company proposes to amend Article 2 (Purpose) of the current Articles of Incorporation.
- (3) The Company will make the necessary changes accompanying the above amendments.

2. Details of the amendments

Details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
Chapter I General Provisions	Chapter I General Provisions
(Trade Name)	(Trade Name)
Article 1 The name of the Company shall be “ <u>Toa Valve Engineering Kabushiki Kaisha</u> ” and in English it shall be “ <u>Toa Valve Engineering Inc.</u> ”	Article 1 The name of the Company shall be “ <u>Kabushiki Kaisha TVE</u> ” and in English it shall be “ <u>TVE Co., Ltd.</u> ”
(Purpose)	(Purpose)
Article 2 The purpose of the Company shall be to engage in the following business activities:	Article 2 (Unchanged)
1. – 11. (Omitted) (Newly established)	1. – 11. (Unchanged)
<u>12.</u> (Omitted)	<u>12. Commissioned and contracted services for research on decommissioning of nuclear power stations</u>
<u>13.</u> (Omitted)	<u>13.</u> (Unchanged)
Articles 3 – 44 (Omitted) (Newly established)	Articles 3 – 44 (Unchanged)
	<u>Supplementary Provision</u> <u>The amendments to Article 1 (Trade Name) shall take effect on October 1, 2020. Meanwhile, this supplementary provision shall be deleted after the effective date of the amendments to Article 1.</u>

Proposal No. 3 Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven Directors (Excluding Directors who are Audit and Supervisory Committee Members. The same applies in this proposal.) will expire at the conclusion of this meeting.

At this juncture, it is proposed that six Directors be elected.

The Company's Audit and Supervisory Committee had no matters to point out regarding this proposal.

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	Koumei Sasano (September 10, 1953)	<p>Mar. 1982 Joined Toa Engineering Co., Ltd.</p> <p>Apr. 2010 Executive Officer, General Manager of Sales Headquarters of the Company</p> <p>Dec. 2012 Director, Managing Executive Officer, General Manager of Sales Headquarters</p> <p>July 2014 Director, Senior Managing Officer, General Manager of Sales Headquarters</p> <p>July 2014 Director of Toa Create Co., Ltd.</p> <p>Oct. 2014 Director-President of Toa Valve Overseas Pte. Ltd.</p> <p>Apr. 2015 Director, Senior Managing Officer, General Manager of Sales Headquarters and Reform Promotion Headquarters of the Company</p> <p>Dec. 2015 Director-Vice President, Executive Officer, General Manager of Sales Headquarters and Reform Promotion Headquarters</p> <p>June 2016 Director-Vice President, Executive Officer, General Manager of Sales Headquarters and Reform Promotion Headquarters, In charge of Maintenance Headquarters</p> <p>June 2016 Director of Toa Service Co., Ltd.</p> <p>Sept. 2016 Director-Vice President, Executive Officer, General Manager of Sales Headquarters, In charge of Maintenance Headquarters of the Company</p> <p>Dec. 2017 Representative Director-President, Chief Executive Officer (present position)</p>	7,897
[Special interest in the Company] The candidate has no special interest in the Company.			
[Reasons for nomination as a candidate for Director] The Company once again nominated Mr. Koumei Sasano as a candidate for Director because it judged that he has strong leadership capabilities and is highly reform-minded, as well as having considerable business experience and knowledge gained while working at the Company for many years and having served as Representative Director-President, Chief Executive Officer since 2017, that he is appropriate for being a manager who would help the Company sustainably increase its corporate value.			
[Attendance at Board of Directors meetings during the 20th Fiscal Year] He attended 14 of the 14 Board of Directors meetings held this fiscal year.			

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
2	Kiyotaka Arimatsu (May 7, 1958)	<p>Mar. 1982 Joined Kitazawa Valve Co., Ltd. (now KITZ Corporation)</p> <p>Apr. 2016 Deputy Manager of Product Management Center, Valve Business Management Division</p> <p>Dec. 2016 Director of the Company</p> <p>Apr. 2017 Counselor of Valve Business Management Division, KITZ Corporation</p> <p>Dec. 2017 Director-President of Toa Valve Overseas Pte. Ltd. (present position)</p> <p>Dec. 2017 Director, Senior Managing Officer, General Manager of Business Development Headquarters of the Company (present position)</p> <p>May 2018 Director-Vice President of Toa Create Co., Ltd. (present position)</p> <p>Oct. 2019 Director of TVE Refine Metal Co., Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] Director-President of Toa Valve Overseas Pte. Ltd. Director-Vice President of Toa Create Co., Ltd. Director of TVE Refine Metal Co., Ltd.</p>	3,017
[Special interest in the Company] The candidate has no special interest in the Company.			
[Reasons for nomination as a candidate for Director] The Company once again nominated Mr. Kiyotaka Arimatsu as a candidate for Director because it judged that he will fully utilize his strengths as a leader of the further enhancement of the Company's ability to develop businesses and of the promotion of global strategies by making use of his considerable experience and broad knowledge related to the valve industry gained while working for many years in said industry.			
[Attendance at Board of Directors meetings during the 20th Fiscal Year] He attended 14 of the 14 Board of Directors meetings held this fiscal year.			

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	Akihiko Iida (July 18, 1959)	<p>Apr. 1983 Joined Toa Valve Co., Ltd.</p> <p>Dec. 2004 General Manager of Accounting Department of the Company</p> <p>Nov. 2007 Director of Toa Valve Overseas Pte. Ltd. (present position)</p> <p>Oct. 2008 Deputy General Manager of Administrative Headquarters, General Manager of Accounting Department, Chief of Corporate Planning Team of the Company</p> <p>July 2012 Executive Officer, General Manager of Administrative Headquarters, Deputy General Manager of "Seven Arrows Project"</p> <p>Dec. 2014 Director-President of Toa Service Co., Ltd. (present position)</p> <p>Dec. 2015 Director, Managing Executive Officer, General Manager of Administrative Headquarters, Deputy General Manager of "Seven Arrows Project" of the Company</p> <p>June 2016 Director of Toa Create Co., Ltd. (present position)</p> <p>Sept. 2016 Director, Managing Executive Officer, General Manager of Administrative Headquarters of the Company</p> <p>Dec. 2016 Director, Managing Executive Officer, General Manager of Administrative Headquarters, In charge of Risk Management, General Manager of Internal Control (present position)</p> <p>Oct. 2019 Director of TVE Refine Metal Co., Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] Director-President of Toa Service Co., Ltd. Director of Toa Valve Overseas Pte. Ltd. Director of Toa Create Co., Ltd. Director of TVE Refine Metal Co., Ltd.</p>	4,615
<p>[Special interest in the Company] The candidate has no special interest in the Company.</p>			
<p>[Reasons for nomination as a candidate for Director] The Company once again nominated Mr. Akihiko Iida as a candidate for Director because it judged that he has considerable experience, accomplishments and knowledge in management and accounting & finance, gained while having served in a supervisory position in finance & accounting and corporate planning over many years at the Company, in addition to being qualified with respect to promoting management of the Group and streamlining operations of the respective Group companies.</p>			
<p>[Attendance at Board of Directors meetings during the 20th Fiscal Year] He attended 14 of the 14 Board of Directors meetings held this fiscal year.</p>			

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
4	Masaaki Kakutani (January 15, 1959)	<p>Apr. 1981 Joined Toa Engineering Co., Ltd.</p> <p>Oct. 2008 General Manager of Valve Manufacturing Department of Valve Manufacturing Headquarters, Chief of General Safety and Health Team of the Company</p> <p>Apr. 2011 Deputy General Manager of Valve Manufacturing Headquarters, General Manager of Valve Manufacturing Department, Chief of General Safety and Health Team</p> <p>July 2012 Executive Officer, General Manager of Steel Casting Headquarters and Deputy General Manager of Valve Manufacturing Headquarters</p> <p>Dec. 2014 Executive Officer, General Manager of Valve Manufacturing Headquarters, In charge of Steel Casting Headquarters</p> <p>Dec. 2015 Director of Toa Service Co., Ltd. (present position)</p> <p>Dec. 2015 Director, Managing Executive Officer, General Manager of Valve Manufacturing Headquarters, In charge of Steel Casting Headquarters and General Safety and Health Team of the Company</p> <p>Jan. 2019 Director, Managing Executive Officer, General Manager of Engineering Headquarters, In charge of Steel Casting</p> <p>Oct. 2019 Director, Managing Executive Officer, General Manager of Maintenance Headquarters of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director of Toa Service Co., Ltd.</p>	5,115
[Special interest in the Company] The candidate has no special interest in the Company.			
[Reasons for nomination as a candidate for Director] The Company once again nominated Mr. Masaaki Kakutani as a candidate for Director because it judged that he has a wealth of expertise and a diverse perspective based on his administration and supervision experience related to maintenance, valve manufacturing and steel casting, which are the Company's core businesses, in addition to the ability to contribute to the Company's sustainable growth and increased corporate value over the medium to long term.			
[Attendance at Board of Directors meetings during the 20th Fiscal Year] He attended 14 of the 14 Board of Directors meetings held this fiscal year.			

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
5	Toshiyuki Miyake (October 13, 1959)	<p>Sept. 1983 Joined Toa Engineering Co., Ltd.</p> <p>Apr. 2009 General Manager of Maintenance Department, Maintenance Headquarters of the Company</p> <p>July 2012 Counselor, Deputy General Manager of Maintenance Headquarters, General Manager of Maintenance Department</p> <p>Dec. 2015 Executive Officer, General Manager of Maintenance Headquarters, General Manager of Maintenance Department</p> <p>Dec. 2015 Director of Toa Valve Overseas Pte. Ltd.</p> <p>Apr. 2016 Executive Officer, General Manager of Maintenance Headquarters of the Company</p> <p>Dec. 2017 Director of Toa Service Co., Ltd.</p> <p>Dec. 2017 Director, Executive Officer, General Manager of Maintenance Headquarters of the Company</p> <p>Dec. 2018 Director of Toa Valve Overseas Pte. Ltd.</p> <p>Apr. 2019 Director, Managing Executive Officer, General Manager of Maintenance Headquarters, Chief of Refine Metal Project Team, Business Development Headquarters of the Company</p> <p>Oct. 2019 Director of the Company (present position)</p> <p>Oct. 2019 Representative Director and President of TVE Refine Metal Co., Ltd. (present position)</p> <p>[Significant concurrent positions outside the Company] Representative Director and President of TVE Refine Metal Co., Ltd.</p>	7,621
[Special interest in the Company] The candidate has no special interest in the Company.			
[Reasons for nomination as a candidate for Director] The Company once again nominated Mr. Toshiyuki Miyake as a candidate for Director because it judged that he will make use of his considerable experience and broad knowledge related to maintenance, gained while working at the Company, in the management of the Company.			
[Attendance at Board of Directors meetings during the 20th Fiscal Year] He attended 12 of the 14 Board of Directors meetings held this fiscal year.			

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	Yukinori Yokoyama (August 23, 1960) [New election] [Outside Director]	Sept. 1989 Joined Seika Corporation Apr. 2003 Manager of Sales Department, Kita Kyushu Branch Apr. 2008 General Manager of Kita Kyushu Branch Apr. 2013 General Manager of Fukuoka Branch Apr. 2016 Executive Officer, General Manager of Fukuoka Branch Apr. 2018 Senior Executive Officer, Deputy General Manager of Business Control Division, General Manager of Power Plant Region, Osaka Branch, and Hiroshima Branch June 2018 Outside Director of TAKEMOTO AND COMPANY LIMITED (present position) Apr. 2019 Senior Executive Officer, Deputy General Manager of Business Control Division, General Manager of Power Plant Region and Osaka Branch of Seika Corporation (present position) [Significant concurrent positions outside the Company] Senior Executive Officer, Deputy General Manager of Business Control Division, General Manager of Power Plant Region and Osaka Branch of Seika Corporation Outside Director of TAKEMOTO AND COMPANY LIMITED	-
[Special interest in the Company] The candidate has no special interest in the Company.			
[Reasons for nomination as a candidate for Outside Director] The Company nominated Mr. Yukinori Yokoyama as a candidate for Outside Director because it judged that he will provide appropriate advice and opinions to the Company's management making use of his considerable experience and broad knowledge related to the electric power business, gained while working in the machinery field at a general trading firm.			
[Matters related to significant concurrent positions] Mr. Yukinori Yokoyama is the Senior Executive Officer, Deputy General Manager of Business Control Division, and General Manager of Power Plant Region and Osaka Branch of Seika Corporation. The Company has a business relationship with Seika Corporation.			
[Conclusion of a limited liability agreement] In the event that Mr. Yukinori Yokoyama is elected as an Outside Director, the Company will enter into an agreement with him to limit his liability for damages as per Article 423, paragraph (1) of the Companies Act in accordance with Article 427, paragraph (1) of the Companies Act. The maximum liability amount for damages under said agreement shall be ¥1,000,000 or the minimum liability amount as per Article 425, paragraph (1) of the Companies Act, whichever is higher.			

Proposal No. 4 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

It is proposed that one Substitute Director who is an Audit and Supervisory Committee Member be elected to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

In addition, the validity of this election can be nullified by the resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that the candidate has not yet assumed office.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:

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
Hiromi Suzuki (April 13, 1960) [Outside Director] [Independent Director]	Jan. 1986 Registered as Judicial Scrivener Jan. 1986 Joined Suzuki Judicial Scrivener Office Apr. 2005 Office Manager of Suzuki Judicial Scrivener Office (present position) [Significant concurrent positions outside the Company] Judicial Scrivener of Suzuki Judicial Scrivener Office (Office Manager) Outside Auditor of Tsutenkaku Kanko Co., Ltd. President of HYOOGO Shiho-Shoshi Lawyer's Associations Outside Audit & Supervisory Board Member of Fukuei Hiryo Co., Ltd.	–
[Special interest in the Company] The candidate has no special interest in the Company.		
[Reasons for nomination as a candidate for Substitute Outside Director who is an Audit and Supervisory Committee Member] Although Mr. Hiromi Suzuki has never been directly involved in the management of a company except as an outside officer, the Company nominated him as a candidate for Substitute Outside Director who is an Audit and Supervisory Committee Member because it judged that, in the event that he assumes the office of Outside Director who is an Audit and Supervisory Committee Member, he will make use of his expertise and experience as a judicial scrivener to benefit the Company's supervision and audit system.		
[Conclusion of a limited liability agreement] In the event that Mr. Hiromi Suzuki assumes the office of Director who is an Audit and Supervisory Committee Member, the Company will enter into an agreement with him to limit his liability for damages as per Article 423, paragraph (1) of the Companies Act in accordance with Article 427, paragraph (1) of the Companies Act. The maximum liability amount for damages under said agreement shall be ¥1,000,000 or the minimum liability amount as per Article 425, paragraph (1) of the Companies Act, whichever is higher.		
[Candidate for Independent Director] In the event that Mr. Hiromi Suzuki assumes the office of Director who is an Audit and Supervisory Committee Member, the Company plans to submit notification to the Tokyo Stock Exchange concerning his appointment as an Independent Director as provided for by the aforementioned exchange.		