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(Securities Code 6814)
May 12, 2021

To Shareholders with Voting Rights:

Yukio Furuno
President and CEO
FURUNO ELECTRIC CO., LTD.
9-52 Ashihara-cho, Nishinomiya City,
Hyogo, Japan

**NOTICE OF
THE 70th ANNUAL SHAREHOLDERS' MEETING**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby announce that the 70th Annual Shareholders' Meeting of FURUNO ELECTRIC CO., LTD. (hereinafter the "Company") will be held for the purposes as described below.

To prevent the spread of novel coronavirus infection, you are kindly asked to exercise your voting rights by mail or via the Internet wherever possible. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by no later than 5:20 p.m. on Wednesday, May 26, 2021, Japan time.

1. Date and Time: Thursday, May 27, 2021 at 10:00 a.m. JST (Japan Standard Time)

2. Place: 5F, Plela Nishinomiya (PLELA HALL)
4-8 Takamatsu-cho, Nishinomiya City, Hyogo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 70th Fiscal Year (March 1, 2020 to February 28, 2021) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 70th Fiscal Year (March 1, 2020 to February 28, 2021)

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Election of Six (6) Directors
Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk to confirm your identity. In addition, we ask that you kindly print out this Notice by yourselves, only when it is considered necessary, to reduce paper consumption.
 - ◎ The following items are posted on the Company's website (<https://www.furuno.co.jp>), in accordance with the provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation, and are therefore not included in the documents accompanying this Notice.
 1. "Systems for Ensuring the Appropriateness of Business Activities" and "Operational Status of Systems for Ensuring the Appropriateness of Business Activities" in the Business Report
 2. "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 3. "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial StatementsAccordingly, the documents accompanying this Notice comprise part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
 - ◎ Should the Reference Documents for the Shareholders' Meeting, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.furuno.co.jp>).
 - ◎ The results of this meeting will be posted on the Company's website (<https://www.furuno.co.jp>), in place of sending a Notice of Shareholders' Meeting Resolutions.

Proposals and References

Proposal 1: Distribution of Surplus

The Company considers its dividend policy one of its most important management policies. The Company's basic policy when making decisions about the distribution of profits is to comprehensively take into consideration the Company's financial position, level of profitability, dividend payout ratio, and other factors while keeping in mind continuous and stable dividend. In addition, the Company intends to utilize internal reserves for far-sighted investment and further strengthening of the Company's corporate structure.

The Company proposes a year-end dividend for the fiscal year under review as follows, in order to reward shareholders for their support while taking into consideration the management environment surrounding the Company and business performance in the fiscal year under review.

The Company previously paid out 10 yen per share as an interim dividend and the aggregate amount of annual dividends will therefore amount to 40 yen per share.

Items Related to the Year-end Dividend

- (1) Type of dividend property
Cash
- (2) Items related to the allocation of dividend property to shareholders and its total amount
30 yen per common share of the Company, for a total of 945,716,940 yen
- (3) Date on which the distribution of surplus comes into effect
May 28, 2021

Proposal 2: Election of Six (6) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of six (6) Directors is proposed, decreasing the number of Directors by four (4) to enable swift decision-making.

The candidates for Director are as follows:

No.	Name	Position	Responsibilities	Attendance at meetings of the Board of Directors	Candidate attributes
1	Yukio Furuno	President and CEO	General Manager, Security Assurance & Export Control Committee Chief AEO (Authorized Economic Operator) Control Officer	100% (12 out of 12 meetings)	Reappointment
2	Muneyuki Koike	Executive Vice President, Executive Officer and CMO	Head of Potential Growth Business	100% (12 out of 12 meetings)	Reappointment
3	Shinji Ishihara	Director, Managing Executive Officer and CTO	Head of Research & Development, Production and Quality, Environment, Quality Commanding & Supervisory Office, and R&D Planning & Management Center Energy Management Control Officer	100% (12 out of 12 meetings)	Reappointment
4	Hidenori Yamamiya	Director, Managing Executive Officer and CFO	Head of Management Planning & Intelligence Department, Information Technology Department, Legal Office, Accounting & Financing Department, and Procurement & Logistics General Manager, Management Planning & Intelligence Department	100% (12 out of 12 meetings)	Reappointment
5	Hideo Higuchi	Director		100% (12 out of 12 meetings)	Reappointment External Independent
6	Shingo Kagawa	Director		100% (10 out of 10 meetings)	Reappointment External Independent

- (Notes) 1. CEO, CMO, CTO, and CFO stand for Chief Executive Officer, Chief Marketing Officer, Chief Technology Officer, and Chief Financial Officer, respectively.
2. As Mr. Shingo Kagawa was appointed Director at the 69th Annual Shareholders' Meeting of the Company held on May 28, 2020, his number of attendance at the meetings of the Board of Directors differs from those of other candidates for Directors.

Reappointment	Candidate for reappointment as Director	External	Candidate for appointment as External Director	Independent	Independent Director pursuant to the rules of the Tokyo Stock Exchange
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No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
1	<p style="text-align: center;">Yukio Furuno (February 2, 1948)</p> <div style="border: 1px solid black; padding: 2px; margin: 10px auto; width: fit-content;">Reappointment</div>	<p>March 1987 Deputy General Manager, Administration Division, the Company May 1987 Director and Deputy General Manager, Administration Division March 1990 Director and General Manager, Administration Division May 1990 Managing Director and General Manager, Administration Division March 1997 Managing Director and Divisional General Manager, SI Division May 1999 Senior Managing Director and General Manager, TOKYO Regional Head Office March 2007 President March 2021 President and CEO (present) [Responsibilities at the Company] General Manager, Security Assurance & Export Control Committee and Chief AEO (Authorized Economic Operator) Control Officer</p>
	<p>[Number of shares of the Company held] 317,400 [Term of office as Director] 34 years (at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for Director] Mr. Yukio Furuno has driven the management of the Group with leadership based on his abundant experience and achievements as a manager, and contributed to the further development of the Group. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>
2	<p style="text-align: center;">Muneyuki Koike (March 7, 1957)</p> <div style="border: 1px solid black; padding: 2px; margin: 10px auto; width: fit-content;">Reappointment</div>	<p>March 2002 General Manager, International Marketing Department, Marine Electronic Products Division, the Company May 2005 Director and General Manager, International Marketing Department, Marine Electronic Products Division March 2009 Director and Deputy Divisional General Manager, Marine Electronic Products Division May 2009 Managing Director and Deputy Divisional General Manager, Marine Electronic Products Division March 2012 Managing Director and Divisional General Manager, Marine Electronic Products Division May 2016 Senior Managing Director and Divisional General Manager, Marine Electronic Products Division March 2021 Executive Vice President, Executive Officer and CMO (present) [Responsibilities at the Company] Head of Potential Growth Business</p>
	<p>[Number of shares of the Company held] 48,300 [Term of office as Director] 16 years (at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for Director] Mr. Muneyuki Koike has abundant experience as a manager as well as knowledge of all aspects of operations concerning sales and marketing, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
3	<p style="text-align: center;">Shinji Ishihara (January 30, 1961)</p> <div style="border: 1px solid black; padding: 2px; margin: 10px auto; width: fit-content;">Reappointment</div>	<p>February 2006 General Manager, Research & Development Department, Marine Electronic Products Division, the Company</p> <p>May 2007 Director and General Manager, Research & Development Department, Marine Electronic Products Division</p> <p>May 2016 Managing Director and General Manager, Research & Development Department, Marine Electronic Products Division</p> <p>March 2018 Managing Director and Integration Chief Manager, Product Designing, Development & Value-engineering Head office, Marine Electronic Products Division</p> <p>March 2021 Director, Managing Executive Officer and CTO; Energy Management Control Officer (present)</p> <p>[Responsibilities at the Company] Head of Research & Development, Production and Quality, Environment, Quality Commanding & Supervisory Office, and R&D Planning & Management Center</p>
	<p>[Number of shares of the Company held] 31,100</p> <p>[Term of office as Director] 14 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for Director] Mr. Shinji Ishihara has abundant experience as a manager as well as knowledge of all aspects of operations concerning development and technology, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>
4	<p style="text-align: center;">Hidenori Yamamiya (October 29, 1963)</p> <div style="border: 1px solid black; padding: 2px; margin: 10px auto; width: fit-content;">Reappointment</div>	<p>February 2011 Branch Manager, Dojima Branch, Mizuho Bank, Ltd.</p> <p>September 2015 General Manager, Administration Department, Avionics and Defense Electronics Division, the Company</p> <p>March 2018 General Manager Responsible for Management Planning & Intelligence Department</p> <p>May 2018 Director; General Manager, Management Planning & Intelligence Department and Energy Management Control Officer</p> <p>March 2021 Director, Managing Executive Officer and CFO; General Manager, Management Planning & Intelligence Department (present)</p> <p>[Responsibilities at the Company] Head of Management Planning & Intelligence Department, Information Technology Department, Legal Office, Accounting & Financing Department, and Procurement & Logistics</p>
	<p>[Number of shares of the Company held] 6,440</p> <p>[Term of office as Director] 3 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for Director] Mr. Hidenori Yamamiya has expertise as someone who previously served at a financial institution as well as knowledge of all aspects of operations, mainly in management planning and other administrative departments, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
5	<p style="text-align: center;">Hideo Higuchi (March 5, 1950)</p> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">Reappointment</div> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">External</div> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">Independent</div>	<p>June 2004 Executive Officer and Senior General Manager, Operational Reform HQ, OMRON Corporation</p> <p>June 2007 Managing Executive Officer and Senior General Manager, Business Process Innovation HQ</p> <p>December 2008 Managing Executive Officer; Senior General Manager, Business Process Innovation HQ and Senior General Manager, Corporate Strategic Planning HQ</p> <p>March 2009 Managing Executive Officer and Senior General Manager, Corporate Strategic Planning HQ</p> <p>November 2011 Outside Director, SOLOEL Co., Ltd.</p> <p>March 2012 Director</p> <p>June 2012 Outside Audit & Supervisory Board Member, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p>May 2016 External Director, the Company (present)</p> <p>June 2016 Outside Director, Toyo Business Engineering Corporation (currently Business Engineering Corporation) (present)</p> <p>[Significant concurrent positions] Outside Director, Business Engineering Corporation</p>
	<p>[Number of shares of the Company held] —</p> <p>[Term of office as External Director] 5 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for External Director and outline of expected role] Mr. Hideo Higuchi has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience as a corporate manager in the manufacturing industry and an external officer as well as his advanced knowledge. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	
6	<p style="text-align: center;">Shingo Kagawa (March 8, 1958)</p> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">Reappointment</div> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">External</div> <div style="text-align: center; border: 1px solid black; width: fit-content; margin: 5px auto; padding: 2px;">Independent</div>	<p>April 2012</p> <p>June 2012</p> <p>April 2015</p> <p>April 2016</p> <p>April 2018</p> <p>April 2020</p> <p>May 2020</p> <p>October 2020</p> <p>October 2020</p>	<p>Corporate Executive Officer; Group President, Network Service Business Unit; Head of Image Internet Service Business Division, FUJITSU LIMITED</p> <p>Corporate Executive Officer; Group President, Outsourcing Business Unit; Head of Image Internet Service Business Division</p> <p>Corporate Executive Officer; Vice President, Integration Services Business; Group President, Network Service Business Unit</p> <p>Corporate Executive Officer; Chief Technology Officer; Head of Digital Services Business</p> <p>President and Representative Director, FUJITSU RESEARCH INSTITUTE</p> <p>Special Adviser, APAMAN Co., Ltd.</p> <p>External Director, the Company (present)</p> <p>President and Representative Director, DigiIT Corporation (currently SS Technologies Corporation) (present)</p> <p>Representative Director, Foresight Consulting Ltd. (present)</p> <p>[Significant concurrent positions] President and Representative Director, SS Technologies Corporation; Representative Director, Foresight Consulting Ltd.</p>
	<p>[Number of shares of the Company held] —</p> <p>[Term of office as External Director] 1 year (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 10 out of 10 meetings</p>	<p>[Reason for nomination as candidate for External Director and outline of expected role] Mr. Shingo Kagawa has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience and advanced knowledge as a corporate manager of an ICT (information and communication technology) company. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>	

- (Notes)
1. There are no special conflict of interest between each candidate and the Company.
 2. Mr. Hideo Higuchi and Mr. Shingo Kagawa are candidates for External Director. Furthermore, the Company has designated Mr. Hideo Higuchi and Mr. Shingo Kagawa as Independent Directors as defined by the Tokyo Stock Exchange, and if the candidates are reelected, the Company intends for them to continue acting as Independent Director.
 3. The Company has entered into a liability limitation agreement with Mr. Hideo Higuchi and Mr. Shingo Kagawa, who are candidates for External Director, respectively, and the maximum amount of liability based on the agreement is the minimum amount of liability provided for in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, the Company intends to continue the agreements.
 4. All officers of the Company are planned to enter into an indemnity agreement with the Company as stipulated in Article 430-2, Paragraph 1 of the Companies Act, and the Company shall indemnify them for the costs and the losses provided for in Item 1 and Item 2, respectively, of the said Paragraph to the extent prescribed by laws and regulations.
 5. The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Directors as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. If this proposal is approved as originally proposed and each candidate is appointed Director, they will be the insured under the said insurance contract. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability claims made against them in connection with those responsibilities. However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations and are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) The Company plans to renew the insurance contract on September 1, 2021 during the term of office of each candidate.

Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

In order to prepare for cases where there is a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, the election of one (1) Substitute Audit & Supervisory Board Member is proposed.

Furthermore, the effectiveness of the election of this candidate may be canceled by a resolution of the Board of Directors, with the consent of the Audit & Supervisory Board, provided it is before his appointment.

The consent of the Audit & Supervisory Board has been obtained in regard to this Proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions
<p>Toshifumi Kurahashi (February 18, 1954)</p> <p style="text-align: center;">External</p> <p style="text-align: center;">Independent</p>	<p>September 1980 Registered as certified public accountant</p> <p>September 1996 Employee, Asahi Audit Corp. (currently KPMG AZSA LLC)</p> <p>August 2008 Representative Partner, Ernst & Young Shinnihon Tax</p> <p>July 2010 Representative, Kurahashi General Accounting Office (present)</p> <p>September 2010 Representative Director, The Strategic M&A Institute Co., Ltd. (present)</p> <p>February 2013 Audit & Supervisory Board Member, Hayashi Pure Chemical Ind., Ltd.</p> <p>[Significant concurrent positions]</p> <p>Representative, Kurahashi General Accounting Office; Representative Director, The Strategic M&A Institute Co., Ltd.</p>
<p>[Number of shares of the Company held]</p> <p>—</p>	<p>[Reason for nomination as candidate for Substitute External Audit & Supervisory Board Member]</p> <p>Mr. Toshifumi Kurahashi has advanced knowledge as a certified public accountant. Therefore, we propose his election as Substitute External Audit & Supervisory Board Member based on the judgment that he will sufficiently fulfill his role as Audit & Supervisory Board Member.</p>

- (Notes)
1. There are no special conflict of interest between the candidate and the Company.
 2. Mr. Toshifumi Kurahashi is a candidate for Substitute External Audit & Supervisory Board Member. Furthermore, if Mr. Toshifumi Kurahashi is appointed External Audit & Supervisory Board Member, the Company intends to designate him as an Independent Auditor as defined by the Tokyo Stock Exchange.
 3. If Mr. Toshifumi Kurahashi, who is a candidate for Substitute External Audit & Supervisory Board Member, is appointed External Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with him to limit his liability to the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act.
 4. If Mr. Toshifumi Kurahashi is appointed External Audit & Supervisory Board Member, the Company intends to enter into an indemnity agreement with him as stipulated in Article 430-2, Paragraph 1 of the Companies Act, and the Company shall indemnify him for the costs and the losses provided for in Item 1 and Item 2, respectively, of the said Paragraph to the extent prescribed by laws and regulations.
 5. The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Audit & Supervisory Board Members as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability claims made against them in connection with those responsibilities. However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations and are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) If Mr. Toshifumi Kurahashi is elected and he assumes the office of External Audit & Supervisory Board Member during his term of office due to a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, he will be included in the insured under the said insurance contract.