

Outline of Evaluation Results Related to Effectiveness of the Board of Directors for the Fiscal Year Ended March 31, 2019

Based on the Corporate Governance Guidelines, Maxell Holdings, Ltd. (the Company) regularly conducts evaluation related to the effectiveness of its Board of Directors with the purpose of enhancing the Board's effectiveness and improving the Company's corporate value.

The Company today announces the outline of analysis and evaluation results related to effectiveness of the Board of Directors for the fiscal year ended March 31, 2019 as follows.

1. Methods for analysis and evaluation related to the effectiveness of the Board of Directors

The Company carried out an anonymous survey among its directors containing the following items. The Company sought the assistance of an outside consultant in calculating and analyzing the survey's results in order to ensure anonymity and objectivity. Based on the survey's results and the opinions of the outside consultant, the Board of Directors analyzed and evaluated its effectiveness as well as examined ways to make improvements going forward.

Survey Content (Main Items)

1. Board of Director's structure
2. Board of Director's effectiveness
3. Effectiveness of appointment and remuneration systems for directors and executives
4. Board of Director's management
5. Personal evaluation
6. Structure of support and cooperation for outside directors
7. Roles of Audit and Supervisory Committee members and expectations to them
8. Relationship with shareholders and other stakeholders

*For the comparison with previous year's evaluation results, the items are same as previous year.

2. Outline of analysis and evaluation results related to the effectiveness of the Board of Directors

The number of outside directors has been increased after the Annual General Meeting of Shareholders last year, the evaluation confirmed that the appropriateness of the Board of Directors' structure, and of the communication and cooperation between outside directors, and between outside directors and business operation members.

On the other hand, same as the previous year's evaluation results, the evaluation confirmed again that further enhancement of the holding company structure and enrichment of successor training plan are the subjects the Company must continuously work on. Also, as the new subjects, the evaluation confirmed that sophistication of management control is necessary, such as for appropriate measures for unprofitable business and for follow-up method of investments.

3. Future measures based on the analysis and evaluation related to the effectiveness of the Board of Directors

Based on the above analysis and evaluation, the Company will further enhance the effectiveness of the Board of Directors by implementing the following improvements in the fiscal year ending March 2020.

- (1) The Company will speed up management and strengthen corporate governance by further clarification of responsibility and authority for both holding company and operational subsidiaries, such as clarification of matters must be discussed at Board of Directors.
- (2) The Company will enrich and implement successor training plan steadily with more proactive involvement of Nomination and Remuneration Committee and Board of Directors.
- (3) The Company will enhance follow-up system of investments, review investment criteria and implement follow-up activities steadily.

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