

This Notice is an excerpt translation of the Japanese original for reference purposes only. In the event of any discrepancy between this translated Notice and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities Code No. 7864

June 2, 2016

President & CEO Shigeko Okazaki

Fuji Seal International, Inc.

4-1-9, Miyahara, Yodogawa-ku, Osaka

Convocation Notice of the 58th Annual General Meeting of Shareholders

To our shareholders. Thank you for your support.

We would like to take this opportunity to express our condolences for all those affected by the Kumamoto Earthquakes.

You are cordially invited to attend the 58th Annual General Meeting of Shareholders as follows.

If you are unable to attend in person on the day, you can exercise your voting rights by mail (voting form) or electronic voting (Internet).

Please exercise your vote by 5:00 p.m. on June 22, 2016, after examining the following “Reference Documents for the General Meeting of Shareholders” and the “Guide to Exercising Voting Rights” on the following page.

Thank you.

1. Date and Time	11:00 a.m. on June 23, 2016 (Thursday) (Reception will open from 10:30 a.m.)
2. Venue	5F “Canale,” Mielparque Osaka 4-2-1, Miyahara, Yodogawa-ku, Osaka
3. Agenda	Matters to be Reported 1. Report on the Business Report and the consolidated financial statements for the 58th business year (April 1, 2015, to March 31, 2016), and report on the audit results of the Business Report and consolidated financial statements by the outside accounting auditor and the Audit Committee 2. Report on the non-consolidated financial statements for the 58th Business Year (April 1, 2015, to March 31, 2016), Matters to be Resolved Proposal Election of nine directors

If attend the meeting, kindly submit the enclosed voting form at reception. Also, please bring this Notice of Convocation with you to the meeting.

In accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, the following items to be submitted are available on the Company's Internet website (<http://www.fujiseal.com>) rather than being attached to this Notice of Convocation:

- Notes to the consolidated financial statements
- Notes to the non-consolidated financial statements.

Any amendments to the Reference Documents for 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.fujiseal.com>).

Reference Documents for the Annual General Meeting of Shareholders

Proposals and Reference Information

Proposal: Election of Nine (9) Directors

All nine (9) directors' terms of office will expire at the end of this General Meeting of Shareholders. Accordingly, the Company requests the election of nine (9) directors based on the decision of the Nomination Committee. The Nomination Committee has selected appropriate candidates for directors making reference to the Selection Criteria for Directors.

The Director candidates are as follows:

Candidate No.	Name	Candidate characteristics	Present position and responsibilities
1	Fumio Kato	Reelection Outside Independent	Outside Director
2	Yuzo Toga	Reelection Outside Independent	Outside Director
3	Akira Toyama	Reelection Outside Independent	Outside Director
4	Hiroumi Shioji	Reelection Outside Independent	Outside Director
5	Hiroo Okazaki	Reelection	Director
6	Shigeko Okazaki	Reelection	Director, President & CEO
7	Takato Sonoda	Reelection	Director, Executive Officer (In charge of Finance)
8	Rikio Furusawa	Reelection	Director, Executive Officer (In charge of Manufacturing and Development)
9	Ritsuo Aikawa	Reelection	Director, Executive Officer (In charge of ASEAN operations)

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
<p>1</p> <p>Fumio Kato</p> <p>Reelection Outside Independent</p> <p>Born May 7, 1948</p> <p>Number of the Company's Shares Owned - shares</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1972 Joined Tomen Corporation May 1998 Joined Zoshinkai Publishers Inc. April 2005 President, Representative Director, Zoshinkai Publishers Inc. June 2012 Director of the Company (current) October 2013 Chairman of the Board of Education, Shizuoka Prefecture</p> <p><u>Reasons for Nomination as Outside Director</u></p> <p>Mr. Kato has abundant experience and broad insight as the manager of a holding company and through his involvement in education. He has been nominated as a candidate for outside director to provide accurate advice and supervision for enhancing the Group's functional systems and promoting Group management as a holding company.</p> <p><u>Number of Years since Appointment as an Outside Director</u></p> <p>4 years</p> <p><u>Significant Concurrent Posts</u></p> <p>Committee Member of Board of Education at Shizuoka Prefecture</p>
<p>2</p> <p>Yuzo Toga</p> <p>Reelection Outside Independent</p> <p>Born December 12, 1940</p> <p>Number of the Company's Shares Owned 200 shares</p>	<p><u>Career and Positions Held in the Company</u></p> <p>April 1966 Joined Daicel Corporation June 1998 Executive Managing Director and Head of the Corporate Development Division, Daicel Corporation June 2004 Established YT Techno Frontier Representative of YT Techno Frontier (current) June 2013 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director</u></p> <p>Mr. Toga has experience as the responsible manager of a research and development division in the chemical field, and has been the director of a globally expanding company. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding the Company's management structure from technological and management perspectives.</p>

	<p><u>Number of Years since Appointment as an Outside Director</u> 3 years</p> <p><u>Significant Concurrent Posts</u> Representative of YT Techno Frontier</p>
<p>3 Akira Toyama</p> <p>Reelection Outside Independent</p> <p>Born September 10, 1948</p> <p>Number of the Company's Shares Owned - shares</p>	<p><u>Career and Positions Held in the Company</u> April 1973 Joined ASAHI GLASS CO., LTD. March 2006 Director, Senior Executive Officer, Chief Technology Officer of ASAHI GLASS CO., LTD April 2010 Joined TOENEC CORPORATION June 2015 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director</u> Mr. Toyama has abundant experience and broad insight in manufacturing as a manager responsible for safety, projects, and technology development, mainly in the engineering field. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding the Company's management structure.</p> <p><u>Number of Years since Appointment as an Outside Director</u> 1 year</p> <p><u>Significant Concurrent Posts</u> -</p>
<p>4 Hiroumi Shioji</p> <p>Reelection Outside Independent</p> <p>Born January 28, 1957</p> <p>Number of the Company's Shares Owned - shares</p>	<p><u>Career and Positions Held in the Company</u> April 1987 Lawyer April 1991 Established Shioji Law Office April 1991 Director, Shioji Law Office (current) June 2015 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director</u> Mr. Shioji has abundant experience and broad insight cultivated through his work as a lawyer. He has been nominated as a candidate for outside director to provide accurate advice and supervision regarding the Company's management structure. Furthermore, although until now Mr. Shioji has no experience of direct involvement in corporate management other than as an outside</p>

	<p>director, the Company considers him capable of performing the duties of an outside director appropriately for the reasons stated above.</p> <p><u>Number of Years since Appointment as an Outside Director</u> 1 year</p> <p><u>Significant Concurrent Posts</u> Director of Shioji Law Office Outside auditor of TACHIBANA ELETECH CO.,LTD.</p>
<p>5</p> <p>Hiroo Okazaki</p> <p>Reelection</p> <p>Born January 5, 1953</p> <p>Number of the Company's Shares Owned 444,060 shares</p>	<p><u>Career and Positions Held in the Company</u> January 1980 Joined the Company October 1987 Director April 1995 General Manager, Corporate Planning Department April 1998 Director, General Manager. Accounting Department April 2000 Executive Managing Director April 2002 General Manager, Administration Department Jun 2004 Director, Executive Officer June 2014 Director (current)</p> <p><u>Significant Concurrent Posts</u> Representative Director and President, Fuji Seal B.V.</p>
<p>6</p> <p>Shigeko Okazaki</p> <p>Reelection</p> <p>Born April 5, 1957</p> <p>Number of the Company's Shares Owned 901,560 shares</p>	<p><u>Career and Positions Held in the Company</u> August 1990 Joined the Company December 1999 General Manager, Corporate Planning Department January 2001 General Manager, Corporate Planning Center June 2002 Director June 2004 Director, Executive Officer June 2006 Director, Executive Officer (in charge of corporate planning) March 2007 Representative Director and President of Fuji Seal Europe S.A.S. June 2007 Director, Executive Officer (in charge of corporate planning, Europe operatios) March 2008 Director, President and CEO (current)</p> <p><u>Significant Concurrent Posts</u></p>

	Representative Director and President, Soho KK
<p>7</p> <p>Takato Sonoda</p> <p>Reelection</p> <p>Born April 3, 1955</p> <p>Number of the Company's Shares Owned 11,080 shares</p>	<p><u>Career and Positions Held in the Company</u></p> <p>March 1979 Joined the Company</p> <p>April 1999 General Manager, Osaka Office</p> <p>August 2000 Representative Director and President, Fuji Seal Europe Ltd.</p> <p>November 2002 Representative Director and President, Fuji Seal Europe S.A.S.</p> <p>June 2004 Director, Executive Officer</p> <p>October 2004 Director, Executive Officer (in charge of the Americas operations)</p> <p>Representative Director and President, American Fuji Seal, Inc.</p> <p>August 2011 Director, Executive Officer (in charge of Japan operations)</p> <p>Representative Director and President, Fuji Seal, Inc.</p> <p><u>Area of Responsibility</u></p> <p>In charge of finance</p> <p><u>Significant Concurrent Posts</u></p> <p>Chairperson, Fuji Seal, Inc.</p>
<p>8</p> <p>Rikio Furusawa</p> <p>Reelection</p> <p>Born January 29, 1957</p> <p>Number of the Company's Shares Owned 2,700 shares</p>	<p><u>Career and Positions Held in the Company</u></p> <p>January 1987 Joined the Company</p> <p>July 2001 General Manager, Tsukuba Factory, Production Division (Executive Officer)</p> <p>June 2004 General Manager, Production Division (Executive Officer)</p> <p>June 2005 Director, General Manager, Production Division</p> <p>June 2008 Director, Executive Officer (in charge of Japan operations)</p> <p>Representative Director and President, Fuji Seal, Inc.</p> <p>August 2011 Director, Executive Officer (in charge of the Americas operations)</p> <p>Representative Director and President, American Fuji Seal, Inc.</p> <p>June 2014 Director, Executive Officer (current)</p>

	<p><u>Area of Responsibility</u> In charge of manufacturing and development</p> <p><u>Significant Concurrent Posts</u> -</p>
<p>9 Ritsuo Aikawa</p> <p>Reelection</p> <p>Born April 2, 1955</p> <p>Number of the Company's Shares Owned 3,085 shares</p>	<p><u>Career and Positions Held in the Company</u></p> <p>June 2002 Joined the Company General Manager, Yuki Factory, Production Division</p> <p>June 2004 General Manager, Tsukuba Factory, Production Division (Executive Officer)</p> <p>June 2006 Director, Factory Manager, Fuji Seal Poland Sp.zo.o.</p> <p>September 2007 Director, Fuji Seal Europe S.A.S. Director, Fuji Seal Europe Ltd.</p> <p>June 2012 Director, Executive Officer (in charge of Europe operations) Representative Director and President, Fuji Seal Europe S.A.S.</p> <p>June 2014 Director, Executive Officer (current)</p> <p><u>Area of Responsibility</u> In charge of ASEAN operations</p> <p><u>Significant Concurrent Posts</u> Chairperson, Fuji Seal Vietnam Co., Ltd.</p>

Notes:

1. No special interest exists between the candidates and the Company.

2. Selection Criteria for Directors

The Nomination Committee has provided 13 criteria (practice of the corporate philosophy, sensitivity to change, sensitivity to risk, reputation in and outside the company, expert knowledge, experience, etc.) covering the five fields of basic stance, decision-making, Fuji Seal Group leadership, ethical values, and experience and knowledge. The committee has referred to these criteria in deciding on the following candidates for director: Hiroo Okazaki, Shigeo Okazaki, Takato Sonoda, Rikio Furusawa, and Ritsuo Aikawa.

3. Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji are candidates for outside directors as provided in Article 2, paragraph 3, item 7 of the Ordinance for Enforcement of the Companies Act. Moreover, provided their election is approved, the Company plans to designate Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji as independent corporate officers as stipulated by Tokyo Stock Exchange, Inc. and submit notification of their status as such.

4. There are no special relationships between the Company and the companies where the outside director candidates hold key concurrent positions.
5. The Company has concluded liability limitation agreements to limit the liability of Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji to the minimum liability amount stipulated in Article 425 paragraph 1 of the Companies Act of Japan. If their re-election is approved, the Company plans to conclude the same liability limitation agreements with them again.
6. The Company's Nomination Committee deems the outside director candidates to be sufficiently independent for outside directors. They meet the criteria for outside directors stipulated in the Companies Act of Japan, as well as the criteria for independence of outside directors in the selection criteria for director candidates determined by the Company's Nomination Committee.

Reference: Criteria for Independence of Outside Directors

As a criteria for independence of outside directors, the Selection Criteria for Directors stipulates that none of the following cases may apply to outside directors.

Person Related to the Fuji Seal Group

- A person from the Fuji Seal Group
- A person whose family member (spouse, child, relative within the second degree by blood or marriage) has been a director, executive officer, corporate auditor, or member of corporate management within the past five years

Person Related to an Important Transaction Partner

An executive director, executive officer, or employee of an important transaction partner, where the transaction has accounted for 2% or more of net sales over the past three consecutive years of both or either of the Fuji Seal Group and the company to which the candidate belongs

Person Providing Specialist Services (Lawyer, Accountant, Tax Accountant, Attorney, Judicial Scrivener, etc.)

A person who has received compensation from the Fuji Seal Group of ¥10 million or more within the past five years

Other

A person participating in a mutual dispatch of directors with another company

A person in any other material interest in the Fuji Seal Group

Business Report
(April 1, 2015 to March 31, 2016)

1. Status of the Group

(1) Status of operations during the fiscal year under review

(i) Business conditions and results

In the Fuji Seal Group's business environment for the fiscal year ended March 31, 2016 (the "fiscal year under review,") the Japanese economy saw a continued improvement trend in corporate earnings and employment, supported by the government's economic policies and the fiscal easing measures taken by the Bank of Japan, among other factors. Nevertheless, the outlook remains uncertain due to a sense of caution over the economic slowdown in emerging economies and increasing geopolitical risks in Europe and the Middle East, as well as changes in the fiscal policy of the United States.

In this environment, the Fuji Seal Group made a combined effort to recover from the fire that occurred at its plant in Poland in December 2014, and continued to provide valuable products and services to its customers under the basic policy of "to always be the customers' first choice as partner, We provide differentiated products and services by comprehending customers' needs for packaging."

We are focused on increasing our corporate value through sustainable business growth. Specifically, under our medium-term management plan we are working towards targets for the fiscal year ending March 31, 2018 of consolidated net sales of ¥150.0 billion and an operating income margin of 9%.

As a result of our efforts, during the fiscal year under review, net sales at Fuji Seal International, Inc. came to ¥138,488 million (up 5.7% year on year), operating income was ¥8,792 million (down 7.9%), and ordinary income totaled ¥8,400 million (down 16.4%) due to the recording of a foreign exchange loss arising mainly from loans between consolidated subsidiaries. The Company also recorded an extraordinary loss of ¥4,098 million for the costs associated with a fire at the consolidated subsidiary Fuji Seal Poland Sp.zo.o (Poland). These costs included fixed expenses incurred during the suspension of operations, along with recovery expenses and production relocation expenses, such as subcontracting, to continue supplying products. In addition, the Company recorded insurance income of ¥3,313 million associated with the fire as an extraordinary gain. As a result, net income attributable to owners of the parent was ¥4,187 million (down 6.7%).

The following is a breakdown of business performance by segment.

[Japan]

Sales of shrink labels increased 4.5% year on year to ¥42,394 million, mainly reflecting higher sales to the dairy and food industries. Sales of self-adhesive labels increased 6.9% to ¥10,587 million, mainly for use in liquor and sundry goods. Soft pouch sales climbed 39.4% to ¥9,642 million atop strong sales for use in sundry goods. Machinery sales decreased 9.7% to ¥6,610 million. Sales of

other products increased 8.6% to ¥11,449 million.

As a result, total sales in Japan came to ¥80,684 million (up 7.2% year on year). On the earnings front, operating income was up 18.2% to ¥9,003 million due to higher net sales and improved productivity, despite an increase in operating costs at the Ube Plant, which started operations in January 2016

[Americas]

Sales of shrink labels rose 17.8% (up 2.9% on a local currency basis) year on year to ¥23,162 million. Sales of other labels increased 15.2% (up 0.7% on a local currency basis) to ¥1,654 million. Sales of self-adhesive labels increased by 383.8% (up 322.6% on a local currency basis) to ¥529 million. Sales of soft pouches climbed 603.3% (up 514.3% on a local currency basis) to ¥534 million. Machinery sales increased 36.0% (up 18.8% on a local currency basis) to ¥3,004 million.

As a result, total sales in the Americas increased 22.9% (up 7.4% on a local currency basis) to ¥28,885 million. On the earnings front, operating income decreased 2.1% (down 14.5% on a local currency basis) to ¥2,054 million, mainly reflecting an increased depreciation expense resulting from upfront investments.

[Europe]

Sales of shrink labels decreased 19.1% (down 15.4% on a local currency basis) to ¥10,627 million, as a consequence of the fire in Poland. Soft pouch sales climbed 98.4% (up 107.3% on a local currency basis) to ¥924 million. Sales of machinery decreased 4.9% (down 0.6% on a local currency basis) to ¥3,785 million.

As a result, total sales in Europe declined 12.7% (down 8.8% on a local currency basis) to ¥15,336 million. On the earnings front, an operating loss of ¥1,494 million was recorded (compared to operating income of ¥714 million in the corresponding period of the previous fiscal year).

[PAGO]

Sales of self-adhesive labels decreased 5.8% (down 1.6% on a local currency basis) to ¥15,719 million as efforts on a revival plan did not achieve a real solution to issues. On the earnings front, an operating loss of ¥933 million was recorded (compared to an operating loss of ¥801 million in the previous fiscal year).

[ASEAN]

Sales increased 18.9% to ¥2,052 million due to an increase in shrink label sales. On the earnings front, operating income of ¥25 million was recorded (compared to an operating loss of ¥99 million in the previous fiscal year), mainly reflecting the increase in sales. The Company has changed its reporting segments from the fiscal year under review. As a result, the figures for the corresponding period of the previous fiscal year have been restated based on the current reporting segments.

(ii) Status of capital expenditures

Capital expenditures during the fiscal year under review (excluding eliminations on consolidation) came to ¥15,558 million. Breaking this amount down by segment, the Group spent ¥8,458 million in the Japan segment, ¥1,774 million in the Americas segment, ¥3,282 million in the Europe segment, ¥1,931 million in the PAGO segment, and ¥110 million in the ASEAN segment.

This capital expenditure was aimed at strengthening the production system to support future growth to achieve the medium-term management plan. The expenditure was mainly focused on production equipment for shrink labels, self-adhesive labels, and soft pouches.

Expenditure in Japan includes capital expenditure for construction of the Ube Plant, and in Europe it includes capital expenditure for recovery from the fire at the plant in Poland.

(iii) Status of fund procurement

Funds required for capital investment were provided from the Company's own funds and from loans from financial institutions.

Status of assets and earnings in the last three business years

	55th Business Year (Fiscal year ended March 2013)	56th Business Year (Fiscal year ended March 2014)	57th Business Year (Fiscal year ended March 2015)	58th Business Year (Fiscal year ended March 2016) (Fiscal year under review)
Net sales (¥ million)	98,947	121,015	131,008	138,488
Ordinary income (¥ million)	8,279	10,047	10,054	8,400
Net income attributable to owners of the parent (¥ million)	5,179	5,410	4,486	4,187
Earnings per share (¥)	183.26	191.03	158.18	147.28
Total assets (¥ million)	100,435	119,252	131,036	140,294
Net assets (¥ million)	58,343	72,078	79,035	80,069
Net assets per share (¥)	2,061.67	2,542.96	2,784.30	2,810.84
Number of ordinary shares issued at the end of the year	30,080,978	30,080,978	30,080,978	30,080,978

Notes

Net income per share is calculated based on the total average number of issued shares during the fiscal year (excluding treasury stock), and net assets per share is calculated based on the total number of issued shares at the end of the fiscal year (excluding treasury stock).

Treasury stock includes shares of the Company held by a saving-type employee stock ownership plan (ESOP) trust account and a performance incentive-type ESOP trust account.

Moreover, the saving-type ESOP finished at the end of the fiscal year ended March 31, 2015, and the performance incentive-type ESOP finished at the end of the fiscal year under review.

Issues to be Addressed by the Group

The Group recognizes that continuing global growth increasingly depends on the ability to respond rapidly to the diversifying economic situation, accelerating markets, and changes in customers' needs.

Build a global manufacturing system that can address customers' changing needs and swiftly provide solutions, as well as providing further services.

Get close up with customers on their front lines to hear about their packaging challenges, improve the speed and quality of packaging solutions, and strengthen our developing systems to answer for the challenges of tomorrow.

Develop human resources who will share the Group's values and lead our growth.

Remain constantly aware of growing risks such as market changes and natural disasters, and implement risk management appropriate to changes.

Strengthen the Group's financial structure and promote use of global funds as well as strengthening management to continue strategic investments from a customer-oriented perspective to drive further growth.

Strengthen corporate governance as a mechanism for transparent, fair, speedy, and bold decision-making, and strive to work together appropriately with all stakeholders, such as shareholders, customers, suppliers, employees, and local communities.

Current Status of the Company

(1) Status of shares (March 31, 2016)

(i) Total number of shares authorized to be issued by the Company

100,000,000 shares

(ii) Total number of issued shares

30,080,978 shares

(iii) Number of shareholders

2,346 shareholders

(iv) Major shareholders (top 10)

Name of shareholder	Number of shares	Percentage of shares held
Souhou K.K.	3,120 thousand	11.0%
GOLDMAN,SACHS&CO.REG	1,778	6.2
Fuji Seal Packaging Education and Scholarship Foundation	1,500	5.3
The Master Trust Bank of Japan, Ltd. (Trust account)	1,493	5.2
Japan Trustee Services Bank, Ltd. (Trust account)	1,284	4.5
Shigeiko Okazaki	901	3.2
The Master Trust Bank of Japan, Ltd. (Retail trust account 820079255)	900	3.2
Masaaki Fujio	900	3.2
JP MORGAN CHASE BANK 385632	894	3.1
Hiroko Fujio	892	3.1

Notes:

1. The Company holds 1,595,133 shares of treasury stock, but has been excluded from the above major shareholders.

2. Treasury stock is excluded when calculating the percentage of shares held.

(v) Other important matters concerning shares

No applicable information.

(2) Status of stock acquisition rights

No applicable information.

(3) Status of directors and executive officers

(i) Status of directors and executive officers (as of March 31, 2016)

Position	Name	Duties	Significant concurrent posts
Director	Fumio Kato	—	Committee Member of Board of Education at Shizuoka Prefecture
Director	Yuzo Toga	—	Representative of YT Techno Frontier
Director	Akira Toyama	—	
Director	Hiroumi Shioji	—	Chief of Shioji Law Office External Auditor of TACHIBANA ELETECH CO.,LTD.
Director	Hiroo Okazaki	—	Representative Director and President, Fuji Seal B.V.
Director, President & CEO	Shigeko Okazaki	—	Representative Director and President, Soho KK
Director, Executive Officer	Takato Sonoda	In charge of Finance	Director and Chairman of Fuji Seal, Inc.
Director, Executive Officer	Rikio Furusawa	In charge of Manufacturing and Development	—
Director, Executive Officer	Ritsuo Aikawa	In charge of ASEAN operations	Director and Chairman of Fuji Seal Vietnam Co., Ltd.
Executive Officer	Takayuki Ueda	In charge of Presser Sensitive Labels Division	Representative Director and President of Fuji Tack, Inc. Representative Director and President of Fuji Tack East, Inc.
Executive Officer	Kenji Takahashi	In charge of Pouch Division	Representative Director and President of Fuji Flex, Inc.
Executive Officer	Yoshinao Sakaguchi	In charge of Europe operations	Representative Director and President of Fuji Seal Europe S.A.S. Representative Director and President of Fuji Seal Europe Ltd. Representative Director and President of Fuji Seal France S.A.S.
Executive Officer	Shojiro Ueda	In charge of legal affairs	Representative Director and President of Fuji Seal Iberia, S.L.U.

Executive Officer	Masayuki Shirokawa	In charge of Americas perations	Representative Director and President of American Fuji Seal, Inc. Representative Director and President of American Fuji Technical Services, Inc. Representative Director and President of Fuji Seal Packaging de Mexico, S.A. de C.V.
Executive Officer	Koen Buijtenweg	In charge of Machinery	Representative Director and President of Fuji Seal Europe B.V. Representative Director and President of Pago S.r.l.
Executive Officer	Shinichiro Furuse	In charge of Japan operations	Representative Director and President of Fuji Seal, Inc.

Notes:

1. Directors Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji are outside directors pursuant to Article 2, item 15 of the Companies Act of Japan.

2. After March 31, 2016, the following changes in executive officers occurred:

Name	New Position	Former Position	Date of change
Takato Sonoda	Responsible for Finance	In charge of Japan operations	June 22, 2015
Shojiro Ueda	In charge of for legal affairs	In charge of finance and legal affairs	June 22, 2015
Shinichiro Furuse	In charge of Japan operations	—	June 22, 2015
Ritsuo Aikawa	In charge of ASEAN operations	In charge of Fuji Ace Co., Ltd.	March 1, 2016
Yoshinao Sakaguchi	In charge of Europe operations	In charge of ASEAN operations	March 1, 2016

Mr. Joaquin Muntane (responsible for Europe operations) retired on July 1, 2015.

3. Committee members of the company with a nomination committee as provided in the Companies Act Article 2 item 12 were selected at the Board of Directors meeting held on June 22, 2015 and appointed on the same day, pursuant to the Companies Act Article 400 paragraph 2.

Nomination Committee: Shigeko Okazaki (chairperson) Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji

Compensation Committee: Shigeko Okazaki (chairperson), Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji

Audit Committee: Fumio Kato (chairperson), Yuzo Toga, Akira Toyama, and Hiroumi Shioji

4. Directors Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji have been designated as independent directors as stipulated in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. and the Company has submitted notification of this to the exchange.

5. The Company has assigned a full-time internal audit staff member to assist the Audit Committee in its duties and therefore does not appoint a full-time corporate auditor.

ii) Policy regarding determination of remuneration for directors and executive officers by the Compensation Committee

The Compensation Committee has decided on the following policy regarding determination of remuneration details for individual directors and executive officers.

a. Basic policy

The remuneration for the Company's directors and executive officers is to be determined giving consideration to factors such as each individual's career, work history, duties, and responsibilities, and the Company's performance and economic environment.

b. Director remuneration

Director remuneration comprises a fixed salary, the level of which is decided based on the basic policy for each fiscal year, giving consideration to their full-time or part-time engagement, and the nature of their duties as a director.

Directors who serve concurrently as executive officers receive executive officer remuneration as their primary consideration.

3. Executive officer remuneration

Executive officer remuneration comprises basic remuneration and performance-linked remuneration. Basic remuneration is a fixed salary reflecting each executive officer's duties and responsibilities, and performance-linked remuneration is an amount determined in accordance with the degree to which the divisions overseen by each director achieve their performance targets.

When a certain level has been reached, part of the performance-linked remuneration is paid in shares of the Company.

iii) Total amounts of remuneration paid to directors and executive officers

Classification	Total number of payees	Amount paid
Directors (Of which, outside directors)	6 (5)	¥29,864 thousand (¥23,075 thousand)
Executive Officer	4	153,673 thousand
Total	10	183,537 thousand

Notes

1. Number of personnel as of March 31, 2016 was 9 directors (including 4 outside directors), and 11 executive officers (including 4 serving concurrently as directors). The above number of directors includes one outside director who retired at the end of the 57th Annual General Meeting of

Shareholders held on June 22, 2015.

2. Remuneration for directors serving concurrently as executive officers is presented in the column for executive officers.

3. Remuneration of executive officers serving concurrently as managing executive officers of subsidiaries is paid by the subsidiaries.

iv) Matters concerning outside directors

a. Status of concurrent important positions held at other legal entities and relationship between the Company and the other legal entities

There are no items of note regarding either the legal entities at which outside directors hold concurrent positions, or the Company's relationship with them.

Director Fumio Kato	Committee Member of Board of Education at Shizuoka Prefecture
Director Yuzo Toga	Representative of YT Techno Frontier
Director Akira Toyama	—
Director Hiroumi Shioji	Chief of Shioji Law Office External Auditor of TACHIBANA ELETECH CO.,LTD.

b. Status of principal activities during the business year under review

(i) Attendance at meetings of the Board of Directors and the Audit Committee

	Meetings of the Board of Directors (19 meetings)	Meetings of Audit Committee (7 meetings)
	Number of meetings attended	Number of meetings attended
Director Fumio Kato	19	7
Director Yuzo Toga	19	7
Director Akira Toyama	14	5
Director Hiroumi Shioji	14	5

Note Messrs. Akira Toyama and Hiroumi Shioji were newly appointed at the 57th Annual General Meeting of Shareholders held on June 22, 2015 and have attended all Board of Directors meetings and Audit Committee meetings held since their appointment.

(ii) Opinions in meetings of the Board of Directors and Audit Committee

Fumio Kato contributes necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight as the manager of a holding company and a person involved in education. He also offers advice and proposals for ensuring the appropriate and correct decision-making by the Board of Directors.

Yuzo Toga contributes necessary opinions in the deliberation of proposals and so forth, drawing on

his abundant experience and broad insight as the responsible manager of a research and development department in the chemical field, and a director of a globally expanding company. He also offers advice and proposals for ensuring the appropriate and correct decision-making by the Board of Directors.

Akira Toyama contributes necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight in manufacturing as a manager responsible for safety, products, and technology development, mainly in the engineering field. He also offers advice and proposals for ensuring the appropriate and correct decision-making by the Board of Directors.

Hiroumi Shioji contributes necessary opinions in the deliberation of proposals and so forth, drawing on his abundant experience and broad insight cultivated through his work as a lawyer. He also offers advice and proposals for ensuring the appropriate and correct decision-making by the Board of Directors.

3. Outline of limitation of liability agreement

To ensure that it can obtain useful human resources to serve as outside directors, the Company's current Articles of Incorporation have a provision enabling it to enter agreements with its outside directors for limiting their liability to the Company within a certain scope. In accordance with this provision, outside directors Fumio Kato, Yuzo Toga, Akira Toyama, and Hiroumi Shioji have entered such limitation of liability agreements with the Company.

An overview of these agreements follows.

“If the outside director becomes liable for damages to the Company due to negligence of duties, he or she shall bear this liability, limited to the minimum liability amount provided in Article 425 paragraph 1 of the Companies Act of Japan. The above liability limitation may be recognized only in cases where the outside director has acted in good faith and without gross negligence in executing the duty that caused his or her liability.”

4. Criteria for Independence of Outside Directors

Criteria for independence are listed in the “Reference Documents for the General Meeting of Shareholders” in this convocation notice.

(4) Outside accounting auditor

i) Name Deloitte Touche Tohmatsu LLC

ii) Remuneration amount

	Amount payable
1. Amount of remuneration payable to the outside accounting auditor for the fiscal year under review for duties provided under Article 2 paragraph 1 of the Certified Public Accountants Act	¥32,400 thousand
2. The total amount of remuneration and other financial benefits payable to the outside accounting auditor by the Company and its	¥45,000 thousand

subsidiaries	
--------------	--

Notes:

1. Important consolidated subsidiaries of the Company overseas audited by certified public accountants and auditing companies (including entities with corresponding qualifications in overseas countries) other than the outside accounting auditor of the Company. They are audited only on the items specified by the Companies Act and the Financial Instruments & Exchange Act, or corresponding laws of overseas companies.
2. The amount of remuneration for audits pursuant to the Companies Act and the amount of remuneration for audits pursuant to the Financial Instruments and Exchange Act are not divided in the auditing agreement concluded between the Company and the outside accounting auditor. Since they are not practically separable, the total amount of remuneration is presented for the fiscal year under review.
3. The Audit Committee performed the required verification of the outside accounting auditor's audit plan details, the status of accounting audit execution, and the grounds for calculation of the remuneration estimate and so forth to determine whether they were appropriate, and agreed with the outside accounting auditor's remuneration amount pursuant to the Article 399 paragraph 1 of the Companies Act.

iii) Details of non-auditing duties

No applicable information.

iv) Dismissal or Non-reappointment of Accounting Auditor

If the Audit Committee judges that it is appropriate to dismiss or not reappoint the outside accounting auditor, it determines the details of a proposal for the dismissal or non-reappointment of the outside accounting auditor to be submitted at the General Meeting of Shareholders in accordance with the Audit Committee Regulations.

If the Audit Committee acknowledges that the outside accounting auditor is subject to any of the conditions set forth in Article 340 paragraph 1 of the Companies Act, it shall dismiss the outside accounting auditor by a unanimous resolution of all the Audit Committee members. In such cases, the dismissal and the reason shall be reported at the next General Meeting of Shareholders held after the dismissal by an Audit Committee member appointed by the Audit Committee.

v) Outline of Limitation of liability agreement

No applicable information.

(5) System for ensuring appropriate business execution

The Company has a system for ensuring that the directors' execution of duties complies with laws and regulations and with the Articles of Incorporation and a system for ensuring that other operations of the corporate group formed by the Company and its subsidiaries (hereinafter "the

Group”) are appropriate. An overview of the details decided for these systems is given below.

i) Matters concerning directors and employees assigned to assist the duties of the Audit Committee
The Group Internal Audit Office is the organization responsible for assisting the duties of the Audit Committee. The employees responsible for providing assistance (hereinafter “audit officers, etc.”) are the Group Internal Audit Office Manager and other staff of the Group Internal Audit Office, who are assigned to that office, as well as other audit officers who are appointed by the Group Internal Audit Office Manager with the approval of the Audit Committee.

ii) Matters regarding the independence of the directors and employees of the preceding item from executive officers, and matters regarding ensuring the effectiveness of instructions given by the Audit Committee

Transfers, performance reviews, and salary revision of audit officers, etc. shall require prior consent of the Audit Committee.

Moreover, executive officers must take care that audit officers, etc., are not subject to unjustified restrictions in the execution of their duties. If the audit officers, etc. are subject to unjustified restrictions in the course of executing their duties, they shall be able to report this to the Audit Committee or to an Audit Committee member and request the unjustified restriction to be lifted. Audit officers must follow the instructions of the Audit Committee.

iii) System for reporting by the Group’s directors, executive officers, and employees to the Audit Committee and system for other reports made to the Audit Committee

The Audit Committee may have persons other than Audit Committee members attend its meetings as needed to hear their reports and opinions. In this way, the directors, executive officers, and other employees (hereinafter “executives and employees”) who attend an Audit Committee meeting must explain matters to the Audit Committee as the committee requests. Executives and employees shall be able to report to the Audit Committee via the Group Internal Audit Office. The Company is not allowed to dismiss the executives and employees who make such reports or subject them to any other disadvantage because of having made the report.

Executives and employees should report the following matters.

- a. Matters regarding the reporter’s decision on a matter entrusted by a resolution of the Board of Directors
- b. Discovered facts that could cause significant loss to the Company

iv) Matters regarding policies on prepayment of expenses incurred by Audit Committee members when executing their duties, reimbursement procedures, and other handling of expenses and liabilities arising in connection to the duties

When Audit Committee members request prepayment of expenses and so forth for executing their duties, as provided by the Companies Act, provided the execution of the duties is not considered

unnecessary, the Company shall promptly process the liabilities, including such expenses.

v) Other systems for ensuring that Audit Committee's audits are conducted effectively

The Audit Committee conducts regular liaison meetings to report and coordinate with the Group Internal Audit Office.

Furthermore, the Audit Committee has established the Group Internal Audit Regulations, and has a structure in place to manage internal audits smoothly and effectively. Furthermore, the committee maintains close coordination with the outside accounting auditor and holds regular meetings with the outside accounting auditor to exchange opinions about the audit policy and audits.

The Group Internal Audit Office establishes the internal audit mechanisms for the Group, and oversees policy and management risk. In this way, the office aims to maintain the Group's internal controls and upgrade the internal audit system.

vi) System for ensuring appropriateness of reports to the Company on matters relating to execution of duties by the directors and other executives in the Group and appropriateness of other Group operations

As a holding company, the Company manages and administers the entire Group in line with the Group management strategy. The Board of Directors therefore decides and approves important matters concerning Group management, and hears reports on business execution by all Group companies.

The Company has formulated the Group Company Management Regulations and the FSG Positional Authority Regulations. These regulations set the systems for making approval requests and reports to the Company, which are used to manage and support the business activities of the Group companies.

The Group Internal Audit Office coordinates with the departments responsible for the operations of each Group company to determine their internal control status. The office reports on this to the Audit Committee and proposes measures for improvement.

vii) System for ensuring execution of duties by the Group's directors, other executives, and employees is compliant with laws and regulations, and with the Articles of Incorporation

The Company has formulated the "FSG Code of Ethics," the "Group Compliance Management Regulations," and the "Executives Rules," and has established a Compliance Committee and Consultation Hotline.

The Compliance Committee deliberates and decides on revisions of operation processes and other measures to prevent recurrences of material problems and serious infringements, as well as other relevant issues, based on the Group Compliance Management Regulations. The committee reports to the Board of Directors as needed, and requests the deliberation and decision of the board in cases that require important management decisions. Moreover, the Consultation Hotline

provides a system that enables the Group's executives and employees to report directly to the Compliance Committee or an outside law office when they encounter suspicious behavior. This enables the Company to maintain and upgrade its systems, conduct awareness-raising and education, and quickly identify compliance issues and respond to them appropriately.

The Company has also taken steps to ensure and reinforce the appropriateness of its financial reporting by formulating the Group Internal Control Regulations and establishing the Internal Control Committee.

viii) System for storage and management of information relating to the execution of duties by executive officers

Executive officers shall store important information relating to the executives execution of duties, such as minutes of General Meetings of Shareholders and Board of Directors meetings of Group companies, approval request documents, calculation documents relating to financial reports, and contracts, for at least 10 years. Moreover, they shall take the measures required to be in accordance with the Group Information Security Policy and be prepared to accommodate requests to browse the documents from the Audit Committee and others.

ix) Rules and Other Systems Related to Managing the Risk of Loss in the Group

The Group has established the Group Risk Management Regulations, which stipulate the basic policy and management system regarding business execution risks facing the Group. The Group strives to ensure sound, stable management, thereby enhancing management efficiency and increasing shareholder benefit and trust in the Company.

Based on the Group Risk Management Regulations, the Group notifies employees of envisaged risks and shares this information. It also has a rapid and appropriate information relay and emergency response system in place in case a risk should materialize.

x) System to Ensure the Efficient Execution of Duties by the Group's Directors and Other Officers

The Company has established a system for correct and efficient execution of duties through positional authority and decision-making rules based on the Executives Rules, the Organization Regulations, and the Approval Regulations.

The Company uses IT to streamline operations through teleconferencing and other means, and has a system for identifying important management information and securely feeding this back to the Board of Directors.

Based on the medium-term management plan formulated in line with the corporate philosophy and the annual business plan, the executive officers work to achieve the targets, report the status of their execution of duties to the Board of Directors, and receive an assessment from the Board of Directors.

(6) Overview of operational status of systems for ensuring appropriateness of operations

i) Operational status of Group compliance system

The Group's Compliance Committee held regular meetings, set themes related to compliance and reported on implementation plans for awareness-raising activities. The Group's executives have signed a compliance declaration and Compliance Cards have been distributed to Group executives and employees in addition to an education program. Through these measures, the Group provided clear guidance on observing laws and regulations, as well as internal company regulations, and acting in accordance with corporate ethics, and took initiatives to ensure their effectiveness.

With regard to the Consultation Hotline, the Group established regulations that oblige the Company to protect the confidentiality of people making reports and prohibit it from subjecting them to disadvantages. The status of reports to the hotline is reported regularly to the Compliance Committee and the Board of Directors.

ii) Operation status of the Group's risk management system

The Group has organized the materiality of latent risks on a Groupwide and regional basis into a risk map, based on the Group Risk Management Regulations. For each risk, systems have been established and made known throughout the Group.

As a risk monitoring function, internal audits are conducted by the Group Internal Audit Office under the direction of the Audit Committee, and risk management system audits are conducted by independent auditors as needed. The results are reported to the Audit Committee and the president & CEO.

iii) Status of execution of duties by directors and others in the Group

The Group held 19 Board of Directors meetings during the fiscal year under review, in accordance with the Rules for Directors.

The Board of Directors deliberated on the formulation of the medium term plan, the budget, and the investment plan. Furthermore, the board heard reports on the status of execution of duties at each Group company, and discussed progress on achieving targets, management priorities, and related response measures.

iv) Status of initiatives to ensure appropriate operations within the Group

The Audit Committee met 7 times during the fiscal year under review in accordance with the Audit Committee Regulations.

The Audit Committee deliberated on the audit plan and audit policy, internal controls, and related matters. The Group Internal Audit Office conducted an audit of the Group companies based on the direction of the Audit Committee, and proposed improvements. A Consultation Hotline desk was also established in the Internal Audit Office, so that reports can now also be made to the Audit Committee, which is composed solely of outside directors.

(7) Policy regarding determination of dividend from surplus

Amid a rapidly changing business environment, Fuji Seal International has sought to raise corporate value by continually developing new products, applications and markets, and achieving sustained growth. To that end, the Group considers the following to be its most important management challenges: 1) maintaining policies that continually promote aggressive investment of internal reserves and, 2) returning profits to shareholders based on Company performance. The Group has set a medium-term minimum payment ratio target of 20% on a consolidated basis.

To raise long-term corporate value, the Group takes a flexible approach to the acquisition and disposal of treasury stock while taking into account needed capital investments, funding requirements for mergers and acquisitions, and raising capital efficiency.

The Board of Directors decided at a meeting held on May 19, 2016 to pay a year-end dividend for the fiscal year ended March 31, 2016 of ¥21 per share.

The Group will thus pay an annual dividend of ¥42 per share including the already paid interim dividend (¥21 per share), for a consolidated dividend payout ratio of 28.5%.

The starting date for the year-end dividend payment will be June 3, 2016.

(Monetary amounts and numbers of shares presented in this business report have been rounded down to the units of presentation, while year on year comparisons and other figures have been rounded to the nearest unit.)

Consolidated Balance Sheets (As of March 31, 2016)

(Unit: ¥ Thousand)

Assets		Liabilities	
Item	Amount	Item	Amount
Total current assets	66,489,392	Total current liabilities	47,100,420
Cash and deposits	7,747,042	Notes and accounts payable	15,685,658
Notes and accounts receivable	32,533,902	Electronically recorded monetary obligations	5,418,288
Electronically recorded monetary claims	4,641,150	Short-term borrowings	10,275,034
Merchandise and finished products	6,926,618	Current portion of long-term debt	1,480,000
Work in process	2,758,051	Lease obligations	60,219
Raw materials and supplies	6,022,718	Other accounts payable	4,691,881
Deferred tax assets	1,004,032	Income taxes payable	1,123,903
Other current assets	5,028,492	Accrued bonuses	1,230,232
Allowance for doubtful accounts	(172,618)	Other current liabilities	7,135,203
Total noncurrent assets	73,805,026	Total long-term liabilities	13,124,725
Total tangible fixed assets	62,954,262	Corporate bonds	5,000,000
Buildings and structures - net	22,327,211	Long-term debt	1,050,000
Machinery, equipment and vehicles	27,843,943	Lease obligations	147,033
Land	6,969,680	Deferred tax liabilities	3,091,254
Lease assets - net	271,838	Net defined benefit liabilities	3,664,077
Construction in progress	4,273,209	Other	172,360
Other - net	1,268,380	Total liabilities	60,225,146
Total intangible assets	1,646,213	Net assets	
Goodwill	47,242	Total shareholders' equity	72,694,420
Other	1,598,970	Common stock	5,990,186
		Capital surplus	6,302,089
Total investments and other assets	9,204,550	Retained earnings	63,566,726
		Treasury stock	(3,164,581)
Investment securities	6,186,710	Total accumulated other comprehensive income	7,374,850
Net defined benefit asset	1,463,721	Unrealized gain on	795,619

		available-for-sale securities	
Deferred tax assets	949,409	Deferred gain or loss on hedge	3,027
Other	681,611	Foreign currency translation adjustments	7,784,490
		Remeasurements of defined benefit plans	(1,208,287)
Allowance for doubtful accounts	(76,902)	Total net assets	80,069,271
Total assets	140,294,418	Total liabilities and net assets	140,294,418

Consolidated Statements of Income
(April 1, 2015 to March 31, 2016)

(Unit: ¥ Thousand)

Item	Amount	
Net sales		138,488,343
Cost of sales		112,590,181
Gross profit		25,898,162
Selling, general and administrative expenses		17,105,421
Operating income		8,792,740
Non-operating income		
Interest income	70,407	
Dividend income	36,903	
Equity in earnings of affiliates	407,188	
Recycling income	54,285	
Other	99,041	667,826
Non-operating expenses		
Interest expenses	151,394	
Foreign exchange loss	876,075	
Other	32,181	1,059,651
Ordinary income		8,400,915
Extraordinary gains		
Gain on sale of tangible fixed assets	172,089	
Insurance income	3,141,260	3,313,349
Extraordinary losses		
Loss on sale and disposal of tangible fixed assets	202,393	
Factory reorganization costs	181,624	
Loss on fire accident	3,714,325	4,098,343
Income before income taxes		7,615,921
Current	3,111,501	
Deferred	316,550	3,428,051
Net income		4,187,869
Net income attributable to owners of the parent		4,187,869