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(Securities Code: 7952)

June 6, 2018

To Shareholders with Voting Rights:

Hiroataka Kawai
Chairman, President & CEO
**Kawai Musical Instruments
Manufacturing Co., Ltd.**
200 Terajima-cho, Naka-ku, Hamamatsu,
Shizuoka, Japan

NOTICE OF CONVOCATION OF THE 91ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 91st Annual General Meeting of Shareholders of Kawai Musical Instruments Manufacturing Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Tuesday, June 26, 2018 (JST).

- 1. Date and Time:** Wednesday, June 27, 2018 at 10:00 a.m. (JST, the reception desk opens at 9:00 a.m.)
- 2. Venue:** Building No. 10 at the Company Headquarters located at
200 Terajima-cho, Naka-ku, Hamamatsu, Shizuoka, Japan

3. Meeting Agenda:

Matters to be reported:

1. The Business Report and Consolidated Financial Statements for the 91st Fiscal Year (from April 1, 2017 to March 31, 2018), and results of audits of the Consolidated Financial Statements by the Board of Corporate Auditors
2. Non-consolidated Financial Statements for the 91st Fiscal Year (from April 1, 2017 to March 31, 2018)

Matters to be resolved:

- Proposal 1:** Dividends of Surplus
Proposal 2: Election of Ten Directors

4. Other Matters Concerning the General Meeting of Shareholders

- (1) If you arrange attendance by your proxy, please appoint one shareholder of the Company holding voting rights. In this case, you are kindly requested to submit a document proving such proxy prior to the opening of the General Meeting of Shareholders.
- (2) If you are diversely exercising your voting rights, please give notice in writing to the Company on your intention of such diverse exercise and the reasons therefor, no later than three days prior to the date of the General Meeting of Shareholders.
- (3) Of the documents to be included in this notice of convocation, “Systems and policies of the Company” in the Business Report, Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are posted on the Company’s website (<http://www.kawai.co.jp/ir/sokai/>) (in Japanese only) pursuant to the applicable laws and regulations as well as Article 15 of the Company’s Articles of Incorporation. Therefore, they are not included in the Attachment of this Notice. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by Corporate Auditors and the Accounting Auditor include the aforementioned documents posted on the Company’s website, in addition to those presented in the Attachment.

Request to shareholders: When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Notice: Any amendment to the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements or Reference Documents for the General Meeting of Shareholders will be posted on the Company’s website (<http://www.kawai.co.jp>) (in Japanese only).

Exercise of Voting Rights

Please review the attached Reference Documents for the General Meeting of Shareholders (pages 4 through 10) and exercise your voting rights.

You may exercise your voting rights by one of the following three methods.

Exercise of voting rights by attendance at the General Meeting of Shareholders

Please submit the enclosed Voting Rights Exercise Form at the reception desk. Please be sure to bring with you this Notice of Convocation of the 91st Annual General Meeting of Shareholders.

Date of the General Meeting of Shareholders: Wednesday, June 27, 2018 at 10:00 a.m. (JST, the reception desk opens at 9:00 a.m.)

Exercise of voting rights in writing

Please indicate approval or disapproval on each proposal on the enclosed Voting Rights Exercise Form and return the completed form to the Company by the deadline for the exercise.

Deadline for the exercise of voting rights: Tuesday, June 26, 2018 at 5:00 p.m. (JST)

Exercise of voting rights via the Internet (for details, please refer to the following page)

Please have access to the voting rights exercise website (<https://www.web54.net>) (in Japanese only) designated by the Company and exercise your voting rights at the website.

Deadline for the exercise of voting rights: Tuesday, June 26, 2018 at 5:00 p.m. (JST)

Exercise of Voting Rights via the Internet

In exercising voting rights via the Internet, please note the following.

Website for the exercising of voting rights designated by the Company: <https://www.web54.net>

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|---|---|
| 1 | <p>Voting rights exercise website</p> <ul style="list-style-type: none">- To exercise voting rights via the Internet, please have access to the voting rights exercise website (https://www.web54.net) (in Japanese only) designated by the Company from your PCs or smartphones and exercise your voting rights at the website.- You may not exercise voting rights via the Internet depending on your Internet environment or other reasons. |
| 2 | <p>Procedures to exercise voting rights</p> <ul style="list-style-type: none">- Please enter the “voting rights exercise code” written on the Voting Rights Exercise Form on the voting rights exercise website and press the “Login” button.- As you are on the password authentication screen, please enter the “password” written on the Voting Rights Exercise Form and press the “Next” button. At the time of initial login, you will be transferred to the password change screen.- As you will find “approval/disapproval input column” and “exercise button,” please use them after reviewing the Notes. |
| 3 | <p>Multiple exercise of voting rights</p> <ul style="list-style-type: none">- In the event of multiple exercise of voting rights in writing and via the Internet, the exercise via the Internet will be valid.- In the event of multiple exercise of voting rights via the Internet, the last exercise of voting rights will be valid. |
| 4 | <p>Other</p> <ul style="list-style-type: none">- Costs involving the use of the Internet (such as provider fees and communication fees) are to be borne by shareholders. |

Contact number for the inquiries concerning exercise of voting rights via the Internet
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Sumitomo Mitsui Trust Bank, Limited
Toll-free telephone number (in Japan only) for the transfer agency’s website technical support
0120-652-031 (Operating hours: 9:00 a.m. to 9:00 p.m., JST) (in Japanese only)

For institutional investors

Apart from the exercise of voting rights via the Internet as mentioned above, an on-line voting platform is available for exercising voting rights, if requested in advance.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Dividends of Surplus

The Company's basic principle is to provide flexible shareholder returns with the aims of distributing stable dividends to shareholders and enhancing capital efficiency, while ensuring sufficient level of internal reserve for stabilizing the management base, in consideration of the business results of each fiscal year as well as the business environment and business development in the future. Currently, the Company only pays year-end dividends, in principle.

The Company proposes to pay the year-end dividends as follows for the fiscal year under review based on such principle and in appreciation of the constant support by the shareholders.

Matters concerning the year-end dividends

Type of the dividend property

Cash

Matters concerning the assignment of the dividend property and its amount

¥50 per common share of the Company

Total dividends: ¥429,774,850

Effective date of the dividends of surplus

June 28, 2018

Proposal 2: Election of Ten Directors

The terms of office of all ten incumbent Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of ten Directors is proposed.

The candidates for Directors are as follows.

No.	Name		Current positions	Responsibilities
1	Hiroataka Kawai	Reappointment	Chairman, President & CEO	General Manager, Business Division
2	Teruyuki Ito	Reappointment	Director	Executive Officer, General Manager, Administration Division
3	Kazuhiro Kaneko	Reappointment	Director and Vice President	Executive Officer General Manager, Corporate Planning Division
4	Masakazu Kusaka	Reappointment	Senior Managing Director	Executive Officer Deputy General Manager, Business Division and General Manager, Domestic Business Division
5	Masayuki Nishio	Reappointment	Senior Managing Director	Executive Officer Deputy General Manager, Business Division and General Manager, Overseas Business Division
6	Kentaro Kawai	Reappointment	Managing Director	Executive Officer General Manager, Musical Instruments Manufacturing Division and Piano Division
7	Harumitsu Makita	Reappointment	Director	Executive Officer General Manager, Material Processing Division and Metal Division
8	Hiroshi Ushio	Reappointment	Director	Executive Officer Deputy General Manager, Piano Division, Musical Instruments Manufacturing Division
9	Ichisei Katagiri	Reappointment Outside	Director	
10	Shoji Nakamura	Reappointment Outside	Director	

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of shares of the Company held
1	Hiroataka Kawai (June 27, 1947) Reappointment	<p>Jan. 1976 Joined the Company</p> <p>Aug. 1979 Director</p> <p>Aug. 1983 Managing Director</p> <p>Aug. 1985 Representative Director and Senior Managing Director</p> <p>June 1987 Representative Director and Vice President</p> <p>Oct. 1989 President & Chief Executive Officer</p> <p>June 2015 Chairman, President & CEO (to present)</p> <p>Apr. 2016 General Manager, Business Division (to present)</p> <p>(Significant concurrent positions)</p> <p>Director, KAWAI FOUNDATION FOR SOUND TECHNOLOGY & MUSIC</p> <p>Director, KAWAI SEIMITSU KINZOKU Co., Ltd</p> <p>Audit & Supervisory Board Member, Kabushiki Kaisha Kawai Shadan</p>	118,500
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Hiroataka Kawai has served as Chief Executive Officer for many years and has deep knowledge and achievements concerning the Group's business management. In the midst of severe changes in the business environment, he has exerted strong leadership and contributed to the enhancement of corporate value. We believe that he will continue to exert management leadership and is qualified to supervise the business execution.</p>			
2	Teruyuki Ito (September 1, 1953) Reappointment	<p>Apr. 1978 Joined the Company</p> <p>Apr. 2004 Manager, Middle Kanto Business Department, Kanto Business Division</p> <p>Oct. 2008 General Manager, Musical Education Department, Domestic Business Division</p> <p>Feb. 2010 Executive Officer</p> <p>June 2014 Director (to present) Senior Executive Officer</p> <p>Apr. 2015 Executive Officer (to present) General Manager, Business Strategy Department, Domestic Business Division</p> <p>Apr. 2016 General Manager, General Affair & Human Resources Division</p> <p>Aug. 2016 General Manager, General Affair & Human Resources Division</p> <p>Apr. 2018 General Manager, Administration Division (to present)</p> <p>(Significant concurrent positions)</p> <p>None</p>	3,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Teruyuki Ito works on many issues and has experience and achievements as a person in charge of the General Affairs & Human Resources Division. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of shares of the Company held
3	Kazuhiro Kaneko (November 10, 1953) Reappointment	Apr. 1978 Joined the Company	6,600
		Apr. 1989 Seconded to Hamanako Institute Corporation	
Feb. 2009 General Manager, Secretary's Office			
May 2010 General Manager, Corporate Planning Division (to present)			
June 2011 Director			
Senior Executive Officer			
Apr. 2013 General Manager, Accounting & Finance Division			
June 2013 Managing Executive Officer			
June 2014 Senior Managing Executive Officer			
June 2015 Executive Vice President (to present)			
(Significant concurrent positions)			
None			
Reasons for nomination as a candidate for Director Mr. Kazuhiro Kaneko has abundant experience and achievements in management as a person in charge of the Corporate Planning Division. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.			
4	Masakazu Kusaka (November 12, 1953) Reappointment	Mar. 1976 Joined the Company	4,500
		Apr. 2004 Deputy General Manager, Kanto (Tokyo and surrounding areas) Business Division	
Feb. 2008 General Manager, Chubu (central area) Business Division			
June 2008 Executive Officer			
Feb. 2009 General Manager, Kanto (Tokyo and surrounding areas) Business Division			
Apr. 2013 General Manager, Domestic Business Division			
June 2013 Director			
Senior Executive Officer			
June 2014 Managing Executive Officer			
June 2015 Managing Director			
Apr. 2016 Deputy General Manager, Business Division and General Manager, Domestic Business Division (to present)			
June 2016 Senior Managing Director (to present)			
(Significant concurrent positions)			
None			
Reasons for nomination as a candidate for Director Mr. Masakazu Kusaka has abundant experience and achievements in management as a person in charge of the Domestic Business Division. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of shares of the Company held
5	Masayuki Nishio (December 24, 1953) Reappointment	Apr. 1977 Joined the Company Feb. 2005 General Manager, Marketing Strategy Office Feb. 2006 Manager, Business Department, Overseas Business Division Aug. 2008 Executive Officer Apr. 2013 General Manager, Overseas Business Division June 2013 Director Senior Executive Officer June 2015 Managing Director Apr. 2016 Deputy General Manager, Business Division and General Manager, Overseas Business Division (to present) June 2016 Senior Managing Director (to present) (Significant concurrent positions) Director, Kawai America Corporation Director, Kawai Europa GmbH	4,500
Reasons for nomination as a candidate for Director Mr. Masayuki Nishio has abundant experience and achievements in the Company's global development as a person in charge of the Overseas Business Division. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.			
6	Kentarō Kawai (June 1, 1977) Reappointment	Oct. 2007 Joined the Company Feb. 2010 Deputy General Manager, Accounting & Finance Division Aug. 2011 Deputy General Manager, Piano Division Apr. 2012 General Manager, Piano Division Executive Officer (to present) June 2015 Director Apr. 2016 General Manager, Musical Instruments Manufacturing Division and Piano Division (to present) June 2016 Managing Director (to present) (Significant concurrent positions) Director, KAWAI SEIMITSU KINZOKU Co., Ltd Auditor, PT. Kawai Indonesia	1,900
Reasons for nomination as a candidate for Director Mr. Kentarō Kawai works on many issues and has well-informed experience in the field and achievements as a person in charge of the Musical Instruments Manufacturing Division. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of shares of the Company held
7	Harumitsu Makita (January 18, 1957) Reappointment	Apr. 1979 Joined the Company Aug. 2005 General Manager, Hamamatsu Factory, KAWAI SEIMITSU KINZOKU Co., Ltd Feb. 2010 General Manager, Matsumoto Factory, KAWAI SEIMITSU KINZOKU Co., Ltd Apr. 2013 General Manager, Metal Division (to present) June 2013 Representative Director and President, KAWAI SEIMITSU KINZOKU Co., Ltd (to present) June 2014 Executive Officer (to present) Apr. 2016 General Manager, Material Processing Division (to present) June 2016 Director (to present) (Significant concurrent positions) Representative Director and President, KAWAI SEIMITSU KINZOKU Co., Ltd	2,100
		Reasons for nomination as a candidate for Director Mr. Harumitsu Makita works on many issues and has experience and achievements as a person in charge of the material processing business. We believe that he is qualified to continuously carry out management strategies and supervise the business execution as a Director.	
8	Hiroshi Ushio (February 11, 1961) Reappointment	Jan. 1983 Joined the Company Apr. 2005 General Manager, PT. Kawai Indonesia June 2011 President, PT. Kawai Indonesia (to present) Executive Officer (to present) Apr. 2012 Deputy General Manager, Piano Division Apr. 2016 Deputy General Manager, Piano Division, Musical Instruments Manufacturing Division (to present) June 2017 Director (to present) (Significant concurrent positions) Director and President, PT. Kawai Indonesia	2,200
		Reasons for nomination as a candidate for Director Mr. Hiroshi Ushio has served as a person in charge of overseas manufacturing bases for many years, works on many issues and has abundant experience and achievements. In addition, he is working on many issues as a person in charge (secondary) of Piano Division. We believe that he is qualified to carry out management strategies and supervise the business execution as a Director.	
9	Ichisei Katagiri (July 9, 1947) Reappointment Outside	Apr. 1985 Registered as an attorney Established Ichisei Katagiri Law Office, Representative June 2010 Substitute Corporate Auditor June 2012 Outside Director (to present) (Significant concurrent positions) Representative, Ichisei Katagiri Law Office	900
		Reasons for nomination as a candidate for Outside Director Mr. Ichisei Katagiri has abundant knowledge and deep insight as an attorney and has offered helpful advice and supervision concerning the Company's management from his professional perspective. We expect to continuously receive appropriate guidance from him. Although he does not have direct experience of corporate business outside of serving as an Outside Director and Outside Corporate Auditors, we believe that he can appropriately carry out duties as an Outside Director for the reasons stated above.	

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of shares of the Company held
10	Shoji Nakamura (January 26, 1942) Reappointment Outside	<p>Apr. 1964 Joined Osaka Gas Co., Ltd.</p> <p>Mar. 1969 Joined CHUBU GAS CO., LTD.</p> <p>Mar. 1983 Director, CHUBU GAS CO., LTD</p> <p>Mar. 1990 Managing Director, CHUBU GAS CO., LTD.</p> <p>July 1992 Representative Director and Senior Managing Director, CHUBU GAS CO., LTD.</p> <p>Mar. 1993 Representative Director and Vice President, CHUBU GAS CO., LTD.</p> <p>Mar. 1994 Representative Director and President, CHUBU GAS CO., LTD.</p> <p>Feb. 2003 Chairman and representative director, SALA Corporation (to present)</p> <p>Jan. 2006 Chairman and Representative Director, SALA HOUSE CO., LTD.</p> <p>Mar. 2012 Representative Director and Chairman, CHUBU GAS CO., LTD.</p> <p>June 2015 Outside Director (to present) (Significant concurrent positions)</p> <p>Chairman and representative director, SALA Corporation</p>	3,300
<p>Reasons for nomination as a candidate for Outside Director</p> <p>With many years of experience and knowledge through involvement in corporate management, we believe that Mr. Shoji Nakamura can offer valuable advice and suggestions in ensuring transparency and validity of decision-making for the Company's management.</p>			

- Notes:
1. Mr. Hirotaka Kawai, a candidate for Director, is concurrently serving as Director of KAWAI FOUNDATION FOR SOUND TECHNOLOGY & MUSIC. The Company has business relationship including donation of money and leasing of buildings with KAWAI FOUNDATION FOR SOUND TECHNOLOGY & MUSIC.
 2. Other than the above 1., there is no special interest between each candidate for Director and the Company.
 3. Matters concerning Outside Directors are as follows:
 - 1) Candidates for Directors, Messrs. Ichisei Katagiri and Shoji Nakamura, are the candidates for Outside Directors. The Company has designated them as independent directors defined under the provisions of Tokyo Stock Exchange, Inc. and registered them as such therewith.
 - 2) Candidates for Directors, Messrs. Ichisei Katagiri and Shoji Nakamura, are currently serving as Outside Directors of the Company, and they will have served six years and three years, respectively, at the conclusion of this General Meeting of Shareholders.
 - 3) The Company has entered into an agreement for the limitation of liability with Messrs. Ichisei Katagiri and Shoji Nakamura pursuant to Article 427, Paragraph 1 of the Companies Act, limiting their liability for damages prescribed under Article 423, Paragraph 1 of the said Act. The limit of liability for damages based on the agreement is the minimum liability prescribed by laws and regulations, while the limitation of liability is allowed only when the Directors are carrying out their duties in good faith without involving gross negligence. Upon approval of their reappointment, the Company will continue the agreement for the limitation of liability with them.