

TECO Electric & Machinery Co., Ltd.
NOTICE of
2015 GENERAL SHAREHOLDERS' MEETING
(Summary Translation)

I. The 2015 General Shareholders' Meeting will be held on Thursday, June 11th, 2015 at 9:00a.m. at the TECO Chung-Li Plant located at No. 11, An-Tung Road, Chung-Li, Taoyuan County, Taiwan.

II. Agenda.

1. Reports:

- (1) Business Report for 2014
- (2) Inspection Report of Audit Committee for 2014
- (3) Offering of Unsecured Corporate Bond
- (4) Establishment of "Ethical Corporate Management Best Practice Principles"
- (5) Establishment of "Corporate Social Responsibility Best Practice Principles"
- (6) Amendment to "Corporate Governance Best Practice Principles"
- (7) Amendment to "Rules of Ethical Conduct to Directors and Managers"

2. Ratification:

- (1) Business Report and Financial Statements for 2014
- (2) Distribution of 2014 Profits

3. Election:

- (1) Election of the 24th term Board of Directors

4. Discussion:

- (1) Removal of the restrictions on non-competition clauses of the 24th term of Board of Directors

5. Extempore motion(s)

III. Distribution of profits and determination of the dividend amount for 2014 as proposed by the Board of Directors is as follows:

1. Cash dividends: NT\$1.1 will be distributed in cash per share. In the event of any change to the total number of outstanding shares as a result of the Company's buyback of its own shares, transfer, conversion or deregistration of treasury shares, exercise of employees' stock option and other factors, it is proposed that the Shareholders' Meeting grants the Chairman full authority to handle all relevant matters subject to the fixed payout rate mentioned above.
2. Employee profit sharing in cash: A sum of NT\$329,420,844 will be distributed for such purpose.
3. Remuneration to Directors and Supervisors in cash: A sum of NT\$146,409,263 will be distributed for such purpose.

Subject to the resolution of the Shareholders' Meeting on the above proposed profit distribution plan, the record date and the dividend payment date will be determined by the Board of Directors as authorized.

IV. Under the premise of the resolution in accordance with Article 209 of the Company Law, hereby proposes for the removal of restrictions on non-competition clauses for newly elected directors and their representatives. Please see Meeting Agenda for concurrent post of new directors.

V. After discussion of each proposal, voting for all proposals of Ratification and Election will take place at the same time. Vote counting will be conducted separately.

VI. In accordance with Article 165 of the Company Act, transfer of shares of the Company shall be suspended from April 13th, 2015 through June 11th 2015.

VII. The Company will compile and post a general list of information on calls for proxies, if any, by May 11th, 2015, on the Securities & Futures Institute website (<http://free.sfib.org.tw>). Investors may conduct search for the information by logging on the above site. The Stock Transfer Agency Department of Taishin International Bank Co., Ltd. will certify the tally of proxies.

VIII. Voting right for the shareholders' meeting can be exercised via electronic form during the period from May 12th, 2015 to June 8th, 2015. Please access "Shareholder e-voting" at the website of Taiwan Depository and Clearing Corporation. (<https://www.stockvote.com.tw>)

Board of Directors
TECO Electric & Machinery Co., Ltd.