

TECO Electric & Machinery Co., Ltd.
NOTICE of
2017 GENERAL SHAREHOLDERS' MEETING
(Summary Translation)

I. The 2017 General Shareholders' Meeting will be held on Friday, June 16, 2017 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 2016
- (2) Inspection Report of Audit Committee for 2016
- (3) Remuneration distribution to employees and directors for 2016
- (4) Amendment to Corporate Governance Best Practice Principles
- (5) Amendment to Ethical Corporate Management Best Practice Principles
- (6) Amendment to Corporate Social Responsibility Best Practice Principles

2. Ratification:

- (1) Business Report and Financial Statements for 2016
- (2) Distribution of 2016 Profits

3. Discussion:

- (1) Amendment to Procedure for Acquisition or Disposal of Assets

4. Extempore motion(s)

III. Distribution of profits and determination of the dividend amount for 2016 as proposed by the Board of Directors is as follows:

Cash dividends: NT\$0.88 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 issuance of convertible bond, 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.

IV. After being discussed case by case, voting for the Ratification and

Discussion will take place at the same time. Vote counting will be conducted separately.

- V. In accordance with Article 165 of the Company Act, transfer of shares of the Company shall be suspended from April 18, 2017 through June 16 2017.
- VI. The Company will compile and post a general list of information on calls for proxies, if any, by May 16, 2017, 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.
- VII. Voting right for the shareholders' meeting can be exercised via electronic form during the period from May 17, 2017 to June 13, 2017. 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.