



YULON NISSAN MOTOR CO., LTD.  
2015 ANNUAL SHAREHOLDERS' MEETING  
MINUTES

(Translation)

Meetint Time: Tuesday, June 30, 2015 9:00 a.m.

Meetint Place: 1F, No. 3, Sec. 3, Zhonxing Road, Xindian District, New Taipei City

(The Dome Theater at Auto Mall)

Total outstanding YNM shares : 300,000,000 shares

Total shares represented by shareholders present in person or by proxy : 281,219,321 shares

Percentage of shares held by shareholders present in person or by proxy : 93.74%

Directors Present : Kenneth K. T. Yen. , Kuo-Rong Chen , Wen-Rong Tsay , Zhen-Xiang Yao , Junichi

Ohori, and Moritami Matsumoto.

Supervisor Present : Kwan-Tao Li, Tai-Ming Chen

In Attendance : Wan-Yi Liao CPA Deloitte & Touch

Chairman : Kenneth K. T. Yen.

Recorder : Chao-Yen Liang

1.Called the meeting to order

2.Chairman's Address(omitted)

3.Report Items

(1) To report the business operations of 2014

(Please refer to 2015 annual shareholders' meeting agenda)

(2) 2014 supervisors' review financial report .

(Please refer to 2015 annual shareholders' meeting agenda)

#### 4 Approval Items

##### **Proposal 1: Ratification of the 2014 Business Report and Financial Statements.**

**Please ratify.**

(Proposed by the Board of Directors.)

##### **Description:**

- (1) The compilation of the Company's Fiscal 2014 Business Report and Financial Statements are completed and has been approved by the Board of Directors. The Financial Statements have been audited and certified by Chien-Hsin Hsieh, CPA, and Wan-Yi Liao, CPA, of Deloitte & Touche. The Business Report and Financial Statements have been audited by the Supervisors, and are hereby submitted for adoption by this Annual General Shareholders' Meeting.
- (2) Please refer to the Fiscal 2014 Business Report, the CPA Audit Report issued by Deloitte & Touche and the Financial Statements, respectively.  
(Please refer to 2015 Regular Shareholders' Meeting Agenda.)
- (3) Adoption requested.

##### **Resolution :**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	280,645,373	0	0	573,948
%		99.80	0	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

**Proposal 2:Ratification of 2014 earnings distribution Explanation:**

**Please ratify.**

(Proposed by the Board of Directors.)

**Description:**

- (1) Based on the audited 2014 financial statement, we present earnings distribution sheet.  
(Please refer to 2015 Regular Shareholders’ Meeting Agenda.)
- (2) According to earnings distribution sheet, we propose to distribute cash dividend of NT\$30 per share. After this proposal resolved by the shareholders’ meeting, cash dividend pay date will be determined in coming B.O.D. meeting.
- (3) Please ratify.

**Resolution:**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	280,645,373	0	0	573,948
%		99.80	0	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

5 Discussions and Election Items

**Proposal 1:** Amendment to “Articles of Incorporation”. Please proceed to discuss.

(Proposed by the Board of Directors.)

**Description:**

- (1) In order to strengthen corporate governance system, candidates nomination system will be adopted for election of the directors and supervisors. We propose to amend Incorporation articles. Please refer to page 6 for details.
  
- (2) Request to resolve

**Resolution:**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	280,645,373	0	0	573,948
%		99.80	0	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

**YULON NISSAN MOTOR CO., LTD.**

**Comparison of Amendments to the “Articles of Incorporation”**

Article No	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explain
20	<p>The Company is with five to ten (5~10) directors and one to three (1~3) supervisors, <u>candidates nomination system is adopted for election of the directors and supervisors,-the shareholders shall elect the directors and supervisors from among the nominees listed in the roster of director and supervisor candidates</u> in the shareholders’ meeting, for a 3-year term and may be re-elected. The proportion of total shares owned by all directors and supervisors shall be in accordance with the regulations specified by the security authority. Among the Company’s aforementioned directors, two are independent directors who shall be elected by adopting candidate nomination system from the candidate list of independent director in the shareholders’ meeting. The professional qualification, shares, restrictions of holding two positions, nomination and election method and other conditions of the independent directors to be complied, shall be in accordance with the relevant regulations of the security authority.</p>	<p>The Company is with five to ten (5~10) directors and one to three (1~3) supervisors <u>who are elected from capable individuals</u> in the shareholders’ meeting, for a 3-year term and may be re-elected. The proportion of total shares own by all directors and supervisors shall be in accordance with the regulations specified by the security authority. Among the Company’s aforementioned directors, two are independent directors who shall be elected by adopting candidate nomination system from the candidate list of independent director in the shareholders’ meeting. The professional qualification, shares, restrictions of holding two positions, nomination and election method and other conditions of the independent directors to be complied, shall be in accordance with the relevant regulations of the security authority.</p>	To strengthen corporate governance system
35	<p>The Articles were formulated on June 30th, 2003; the first amendment was made on March 30th, 2004; the second amendment was made on June 18th, 2004; the third amendment was</p>	<p>The Articles were formulated on June 30th, 2003; the first amendment was made on March 30th, 2004; the second amendment was made on June 18th, 2004; the third amendment was</p>	To add revision date

	<p>made on November 11th, 2004; the fourth amendment was made on June 17th, 2005; the fifth amendment will be made on June 16th, 2006; the sixth amendment was made on June 22nd, 2007; the seventh amendment was made on June 21st, 2010; the eighth amendment was made on June 13th, 2012; and the ninth amendment was made on June 14th, 2013. <u>the tenth amendment was made on June 30th, 2015.</u></p>	<p>made on November 11th, 2004; the fourth amendment was made on June 17th, 2005; the fifth amendment will be made on June 16th, 2006; the sixth amendment was made on June 22nd, 2007; the seventh amendment was made on June 21st, 2010; the eighth amendment was made on June 13th, 2012; and the ninth amendment was made on June 14th, 2013.</p>	
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**Proposal 2:** Amendment to " Rules of Procedure for Shareholders' Meeting". Please proceed to discuss.

(Proposed by the Board of Directors.)

**Description:**

- (1) In order to strengthen corporate governance system, hereby proposes to amend the voting power at a shareholders' meeting may be exercised by way of electronic transmission We propose to amend Rules of Procedure for Shareholders Meeting. Please refer to page 9 for details.
- (2) Request to resolve

**Resolution:**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	280,645,373	0	0	573,948
%		99.80	0	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.



## YULON NISSAN MOTOR CO., LTD.

### Comparison of Amendments to the Rules of Procedure for Shareholders Meeting

Article No	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explain
2	Shareholders (representatives) present at the shareholders' meeting shall submit the Attendance Card instead of signing in. The shareholding of the present shareholders is based on the Attendance Cards <u>plus the number of shares whose voting rights are exercised by correspondence or electronically . Attendance at shareholders meetings shall be calculated based on numbers of shares.</u>	Shareholders (representatives) present at the shareholders' meeting shall submit the Attendance Card instead of signing in. The shareholding of the present shareholders is based on the Attendance Cards. The attendance and vote of shareholders meeting is based on the shareholding	To strengthen corporate governance system
21	The Procedures was regulated on March 30, 2004 ; <u>the first amendment was made on June 30th, 2015.</u>		To add revision date

**Proposal 2:** Amendment to " Rules of Procedure for Shareholders' Meeting". Please proceed to discuss.

(Proposed by the Board of Directors.)

**Description:**

- (1) In order to strengthen corporate governance system, hereby proposes to amend the voting power at a shareholders' meeting may be exercised by way of electronic transmission We propose to amend Rules of Procedure for Shareholders Meeting. Please refer to page 11 for details.
- (2) Request to resolve

**Resolution:**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	280,645,373	0	0	573,948
%		99.80	0	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

## YULON NISSAN MOTOR CO., LTD.

### Comparison of Amendments to the Rules of Procedure for Shareholders Meeting

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21	The Procedures was regulated on March 30, 2004 ; <u>the first amendment was made on June 30th, 2015.</u>		To add revision date

**Proposal 3:** Approval of an Election of the sixth Directors and Supervisors. Please elect.

(Proposed by the Board of Directors.)

**Description:**

- (1) The term of office of the fifth term of directors and Supervisors shall expire on June 30, 2015. According to article 195 of the company law an election of the sixth term of ten directors and three supervisors shall be conducted, whose term of office shall be effective from June 30, 2015 to June 29, 2018.
- (2) Based on article No.20 of Incorporation, we adopt Nomination Mechanism for Independent Director Candidates. Two Independent Directors among the nominees shall be elected on the shareholders’ meeting. The candidate roster has been approved on the Board meeting of May 11, 2015. the name, education background and past work experience of the director candidates are as follows:

	Independent Director Candidate	
Name	Jin-Shun Wu	Robert Y.L., Mao
Education	Master of Professional Accounting, National Chengchi University	Master of Management, Massachusetts Institute of Technology, U.S.A Master of Engineering, Cornell University, U.S.A
Current Position	Independent Director and Remuneration Committee member, Evergreen Marine Corporation	Chairman, Hewlett-Packard Company in China
Shares	0	0

- (3) According to article 4 of the Rules for the Election of Directors and Supervisors, the chairman shall nominate the teller and the scrutineer for the election.
- (4) Request to elect.

**Election results :**

Ten directors and two supervisors were elected by the shareholders present. The newly elected directors and Supervisors with votes received follows :

Title	Name	Votes Receives
Director	Yulon Motor Co., Ltd. Representative : Kenneth K.T. Yen	284,490,665
Director	Yulon Motor Co., Ltd. Representative : Kuo-Rong Chen	278,992,373
Director	Yulon Motor Co., Ltd. Representative : Wen-Rong Tsay	277,490,665
Director	Yulon Motor Co., Ltd. Representative : Zhen-Xiang Yao	276,748,519
Director	Nissan Motor Co., Ltd. Representative : Takashi Nishibayashi	276,010,665
Director	Nissan Motor Co., Ltd. Representative : Atsushi Kubo	276,010,665
Director	Nissan Motor Co., Ltd. Representative : Junichi Ohori	276,010,665
Director	Nissan Motor Co., Ltd. Representative : Kenji Shimoyama	276,010,665
Independent Director	Robert Ma	273,965,493
Independent Director	Jin-Shun Wu	273,852,706
Supervisor	Wei Wen Investment Co., Ltd Representative : Kwan-Tao Li	279,680,668
Supervisor	Wei Wen Investment Co., Ltd Representative : Tai-Ming Chen	276,662,519
Supervisor	Toru Nakano	273,564,370

**Proposal 4: The lift of non-competition restriction on directors.**

**Please proceed to discuss.**

(Proposed by the Board of Directors.)

**Description:**

- (1) According to the first paragraph of article 209 of the ROC company law, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) The director of the sixth term assumes a director and/or a manager for himself or on behalf of another person that is within the scope of the company’s business or for a company of partnership with the Company during the term of office of director, We propose the lift of such non-competition restriction on the directors for the approval from the shareholders’ meeting.
- (3) Request to resolve

**Resolution :**

Voting Results :

		Votes in favor	Votes against	Votes invalid	Votes abstained
shares represented of voting	281,219,321	279,021,519	1,623,854	0	573,948
%		99.22	0.58	0	0.20

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

6 . Extraordinary Motions

None

7. Others to be contained

None

8. Closure of the Meeting

9:36 a.m

Chairman : Kenneth K. T. Yen.



Recorder : Chao-Yen Liang

