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(Securities Code: 6269)

March 9, 2015

To Our Shareholders:

Toshiro Miyazaki

President and Chief Executive Officer

MODEC, INC.

Nihonbashi Maruzen Tokyu Building 4th & 5th Floors

3-10, Nihonbashi 2-chome Chuo-ku, Tokyo 103-0027 Japan

NOTICE OF CONVOCATION OF THE 29TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 29th Annual General Meeting of Shareholders of MODEC, INC. (the “Company”) to be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing (by mail).

Please review the attached Reference Documents for the Annual General Meeting of Shareholders and exercise your voting rights by 5:40 p.m. on Thursday, March 26, 2015.

1. Date and Time: Friday, March 27, 2015, at 10:00 a.m. (The reception desk opens at 9:00 a.m.)

2. Place: Room A to C, 2nd floor, bellesalle Yaesu
3-7, Yaesu 1-chome Chuo-ku, Tokyo

3. Meeting Agenda:

Matters to be reported:

1. Operations Report, Consolidated Financial Statements, and Audit Report concerning Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the 29th Term (from January 1, 2014, to December 31, 2014)
2. Non-consolidated Financial Statements for the 29th Term (from January 1, 2014, to December 31, 2014)

Matters to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Seven Directors

Proposal 3: Payment of Bonuses to Directors

Reference Documents for the Annual General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The distribution of stable and consecutive dividends to shareholders while retaining an appropriate amount of internal reserve required for future business development and reinforcement of management base is the Company's basic policy on distribution of profits.

Based on this policy, and as well as in light of the Company's performance and management base reinforcement for the fiscal year ended December 31, 2014 and future business development, a year-end dividend for the fiscal year ended December 31, 2014 is proposed as indicated below.

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

¥16.25 per share of common stock of the Company

Total amount of dividends: ¥916,619,227

(3) Effective date of dividends from surplus

Monday, March 30, 2015

Proposal 2: Election of Seven Directors

The terms of office of all of the eight current directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of seven directors is proposed.

The candidates for directors are as indicated below.

No.	Name (Date of birth)	Positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Toshiro Miyazaki (August 21, 1949)	President and Chief Executive Officer, Representative Director of the Board (March 2011 - present)	16,300
2	Shigeru Usami (May 31, 1950)	Executive Managing Officer, Representative Director of the Board (March 2013 - present)	2,700
3	Akira Nishihata (May 27, 1955)	External Director of the Board (March 2013 - present) (significant concurrent position) Director of Mitsui Engineering & Shipbuilding Co., Ltd.	-
4	Shinsuke Nippo (October 17, 1956)	External Director of the Board (March 2014 - present) (significant concurrent position) Director of Mitsui Engineering & Shipbuilding Co., Ltd.	-
5	Takeshi Kanamori (September 7, 1956)	External Director of the Board (March 2013 - present) (significant concurrent position) Executive Managing Officer of Mitsui & Co., Ltd.	-
6	*Teruhisa Konishi (November 19, 1957)	Executive Officer, General Manager of Human Resources (April 2013 - present)	1,000

7	*Katsuya Natori (May 15, 1959)	Chief, Natori Law Office (February 2012 - present) (significant concurrent position) External Statutory Auditor of Olympus Corporation	-
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Notes:

1. The persons with an asterisk (*) are new candidates.
2. Reason for selection of the candidate for external director
Mr. Katsuya Natori has a wealth of experience as a corporate manager and as an attorney. He has an insight cultivated through his overseas business experience over the years. If election of Mr. Katsuya Natori is approved as proposed, the Company intends to appoint him as external director as defined by the Tokyo Stock Exchange.
3. Liability limitation contract with the external directors
The Company has entered into a liability limitation contract with Mr. Takeshi Kanamori. If his reelection is approved, the Company intends to renew the liability limitation contract with him. If election of Mr. Katsuya Natori is approved as proposed, the Company intends to enter into a liability limitation contract with him.
- The maximum amount of liability under the aforementioned contract shall be the amount prescribed in Article 425, Paragraph 1 of the Japanese Companies Act.

Proposal 3: Payment of Bonuses to Directors

In view of the Company's performance for the fiscal year ended December 31, 2014, it is proposed that bonuses up to ¥25,000,000 in total be paid to five directors who were in office at the end of fiscal year ended December 31, 2014 (Three external directors are excluded).