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(Stock Exchange Code 7404)
June 5, 2017

To Shareholders with Voting Rights:

Chiaki Tanuma
President and CEO
Showa Aircraft Industry Co., Ltd.
600, Tanaka-cho, Akishima-shi, Tokyo

**NOTICE OF
THE 113TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 113th Annual General Meeting of Shareholders of Showa Aircraft Industry Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing. If exercising your voting rights in writing, please review the attached Reference Documents for the General Meeting of Shareholders below, indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:00 p.m. on Monday, June 26, 2017, Japan time.

1. Date and Time: Tuesday, June 27, 2017 at 10:00 a.m. Japan time

2. Place: Oh-rin Hall, Forest Inn Showakan
4017-3 Haijima-cho, Akishima-shi, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 113th Fiscal Year (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 113th Fiscal Year (April 1, 2016 - March 31, 2017)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of 10 Directors
Proposal 3: Election of 1 Substitute Corporate Auditor
Proposal 4: Granting of Retirement Benefits to Retiring Directors

4. Matters for Determination for the Convocation:

If you diversely exercise your voting right, you are required to notify the Company in writing to this effect, together with the reason thereof, at least three days prior to the date of the General Meeting of Shareholders.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Also, please bring this Notice with you to preserve paper resources.
- Notes on the Consolidated Financial Statements and Notes on the Non-consolidated Financial Statements have been posted on the Company's website (<http://www.showa-aircraft.co.jp>) based on laws and regulations and Article 16 of the Company's Articles of Incorporation and have not been included in the documents attached to the Notice of the 113th Annual General Meeting of Shareholders.

The Consolidated Financial Statements and the Non-consolidated Financial Statements in the documents attached to this notice are a part of the documents that were audited by the Accounting Auditors and Corporate Auditors in preparing the Accounting Audit Reports and the Audit Reports.

- Any modification made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements shall be posted on the Company's website (<http://www.showa-aircraft.co.jp>).
- Please arrive at the venue early as reception will become crowded just before the Meeting starts.
- All attendants from the Company are to be lightly dressed in the "business casual" style. We appreciate your understanding, and we ask that you come to the meeting wearing light clothing.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company considers the appropriate return of profits through continuous improvement of corporate value as one of the important management issues. Its policy is to pay dividend with a basic principle of maintaining stable dividend over the long term, while considering of performance trends, etc., as well.

With respect to the dividend for the fiscal year under review, taking comprehensive account of the business performance and management environment, the Company proposes to pay a year-end dividend as follows:

Information on the year-end dividend

- (1) Type of dividend assets
Cash
- (2) Appropriation of dividend assets to shareholders and amount of appropriation
¥4 per share of common stock of the Company total amount ¥130,459,804
- (3) Surplus dividend effective date
June 28, 2017

(As the Company paid an interim dividend of ¥4 per share, the annual dividend will be ¥8 per share.)

Proposal 2: Election of 10 Directors

The terms of office of all current Directors (11 persons) will expire at the conclusion of this General Meeting. Accordingly, the Company proposes to elect 10 Directors, a reduction of 1 person, in order that decision-making is conducted in an agile manner.

The candidates for Directors are as follows:

No.		Name		Positions and Responsibilities	Attendance at Board of Directors meetings	
1	Reelection	Chiaki Tanuma	(63 years old)	President and CEO	100% (11/11)	
2	Reelection	Katsunosuke Fukumochi	(63 years old)	Executive Director Assistant to President and in charge of Business Development & Innovation Promotion Div.	90.9% (10/11)	
3	Reelection	Hidehiko Ogawa	(60 years old)	Managing Director General Manager of Real Estate Div.	100% (11/11)	
4	Reelection	Yoshihiko Tomita	(60 years old)	Managing Director General Manager of Administration Div., and in charge of Auditing Dept. and Procurement Dept.	100% (11/11)	
5	Reelection	Akira Masaki	(61 years old)	Managing Director General Manager of Transportation & Equipments Div.	100% (11/11)	
6	New	Takahisa Kinoshita	(59 years old)	Deputy Director Deputy General Manager of Administration Div. and General Manager of Accounting & Finance Dept.	—	
7	New	Makoto Hasei	(57 years old)	Deputy Director Deputy General Manager of Transportation & Equipments Div.	—	
8	Reelection	Outside	Fumioki Hirahata	(73 years old)	Director	100% (11/11)
9	Reelection		Yuji Kozai	(57 years old)	Director	100% (11/11)
10	Reelection	Outside	Shunsuke Naoe	(40 years old)	Director	100% (8/8)

(Notes) 1. The ages of Directors are shown as of the conclusion of this General Meeting of Shareholders.

2. There are no special interests between each candidate and the Company.

3. Attendance of Mr. Shunsuke Naoe for the Board of Directors meeting held after his appointment as Director of the Company on June 24, 2016.

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	<p>Chiaki Tanuma (September 18, 1953)</p> <p>[Reelection]</p>	<p>April 1977 Joined Mitsui Trust and Banking Company, Limited (current Sumitomo Mitsui Trust Bank, Limited)</p> <p>April 2000 General Manager, Real Estate Department of Osaka Branch, The Chuo Mitsui Trust and Banking Company, Limited (current Sumitomo Mitsui Trust Bank, Limited)</p> <p>January 2004 General Manager, Institutions Business Department I of Head Office, The Chuo Mitsui Trust and Banking Company, Limited</p> <p>April 2010 Joined the Company Deputy Director, Deputy General Manager of Real Estate Div., General Manager of Business Administration Dept., and Business Planning Office</p> <p>April 2011 Deputy Director, Deputy General Manager of Real Estate Headquarters, and General Manager of Lease & Rent Facilities Div.</p> <p>April 2012 Deputy Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning & Strategy Dept.</p> <p>June 2012 Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning & Strategy Dept.</p> <p>April 2014 Managing Director, General Manager of Administration Headquarters, and in charge of Auditing Dept. and labor administration</p> <p>April 2015 President and CEO (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Chiaki Tanuma has wide-ranging operational experience at trust banks. After joining the Company, he assumed important positions in the Real Estate Division and Administration Division. Serving as Director since June 2012 and President and CEO since April 2015, he has been playing a central role in the management of the Company. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Chiaki Tanuma and the Company.</p>	8,500

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
2	<p>Katsunosuke Fukumochi (February 19, 1954)</p> <p>[Reelection]</p>	<p>August 1984 Joined the Company</p> <p>October 1996 Director and General Manager of President Office, Showa no Mori Enterprise Co., Ltd.</p> <p>July 1999 Managing Director, Showa no Mori Enterprise Co., Ltd.</p> <p>January 2001 Representative Director of Showa no Mori Golf Course Co., Ltd.</p> <p>August 2002 Managing Director, Urban Resorts Showa no Mori Co., Ltd.</p> <p>April 2005 Representative Director of Harley-Davidson Showa-no-Mori Co., Ltd.</p> <p>April 2008 Deputy Director and General Manager of Real Estate Div., the Company</p> <p>June 2009 Director and General Manager of Real Estate Div.</p> <p>April 2011 Director, General Manager of Real Estate Headquarters, General Manager of RE Development & Innovation Div., and General Manager of New Business Development Dept.</p> <p>April 2012 Director and General Manager of Real Estate Headquarters</p> <p>June 2013 Managing Director and General Manager of Real Estate Headquarters</p> <p>April 2016 Managing Director, General Manager of Real Estate Div.</p> <p>April 2017 Executive Director, Assistant to President, and in charge of Business Development & Innovation Promotion Div. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Katsunosuke Fukumochi has been successively taking key positions and executing important business operations at the Real Estate Division since 2008. Since assuming the office as Director, he has been committed to making significant managerial decisions and supervising the management of the Company. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Katsunosuke Fukumochi and the Company.</p>	4,300

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
3	Hidehiko Ogawa (October 28, 1956) [Reelection]	<p>April 1981 Joined the Company</p> <p>April 2002 General Manager of Sales Dept., Aircraft Equipments Div.</p> <p>June 2008 General Manager of Auditing Dept.</p> <p>April 2012 Deputy General Manager of Real Estate Headquarters, General Manager of RE Development & Innovation Div., and General Manager of New Business Development Dept.</p> <p>June 2012 Deputy Director, Deputy General Manager of Real Estate Headquarters, General Manager of RE Development & Innovation Div., and General Manager of New Business Development Dept.</p> <p>October 2012 Deputy Director, Deputy General Manager of Real Estate Headquarters, and General Manager of RE Development & Innovation Div.</p> <p>June 2014 Director, Deputy General Manager of Real Estate Headquarters, General Manager of RE Development & Innovation Div., and General Manager of New Business Development Dept.</p> <p>April 2015 Director, Deputy General Manager of Real Estate Headquarters, and General Manager of RE Development & Innovation Div.</p> <p>April 2016 Director and Deputy General Manager of Real Estate Div.</p> <p>April 2017 Managing Director and General Manager of Real Estate Div. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Hidehiko Ogawa has abundant operational experience at the Manufacturing Division, Auditing Department, and Real Estate Division of the Company. Since assuming office as Director, he has been committed to making significant managerial decisions and supervising the management of the Company. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Hidehiko Ogawa and the Company.</p>	3,000

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
4	<p>Yoshihiko Tomita (January 14, 1957)</p> <p>[Reelection]</p>	<p>April 1979 Joined Mitsui Trust and Banking Company, Limited (current Sumitomo Mitsui Trust Bank, Limited)</p> <p>July 2003 General Manager of Business Department II, Nagoya, The Chuo Mitsui Trust and Banking Company, Limited (current Sumitomo Mitsui Trust Bank, Limited)</p> <p>July 2006 General Manager of Pension Business Department I, The Chuo Mitsui Asset Trust and Banking Company, Limited (current Sumitomo Mitsui Trust Bank, Limited)</p> <p>December 2011 Joined the Company General Manager of Corporate Planning & Strategy Dept., Administration Headquarters</p> <p>April 2012 Deputy General Manager of Real Estate Headquarters and General Manager of Lease & Rent Facilities Div.</p> <p>June 2012 Deputy Director, Deputy General Manager of Real Estate Headquarters, and General Manager of Lease & Rent Facilities Div.</p> <p>April 2014 Deputy Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning & Strategy Dept.</p> <p>June 2014 Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning & Strategy Dept.</p> <p>April 2016 Director, Deputy General Manager of Administration Div., and General Manager of Corporate Planning & Strategy Dept.</p> <p>April 2017 Managing Director, General Manager of Administration Div., and in charge of Auditing Dept. and Procurement Dept. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Yoshihiko Tomita has wide-ranging operational experience at trust banks. He has been successively taking key positions at the Administration Division and Real Estate Division since joining the Company, and has been committed to making significant managerial decisions and supervising the management of the Company since assuming office as Director. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Yoshihiko Tomita and the Company.</p>	1,500

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
5	Akira Masaki (August 12, 1955) [Reelection]	<p>April 1980 Joined the Company</p> <p>February 2007 General Manager of Quality Assurance Dept., Transportation & Equipments Div.</p> <p>April 2011 General Manager of Quality Assurance Dept., Manufacturing Div., Transportation & Equipments Headquarters</p> <p>June 2012 Deputy Director, General Manager of Quality Assurance Dept., Manufacturing Div., Transportation & Equipments Headquarters</p> <p>April 2014 Deputy Director, General Manager of Special Purpose Vehicles & Defense Equipments Unit, Manufacturing Div., Transportation & Equipments Headquarters</p> <p>April 2015 Deputy Director, Deputy General Manager of Transportation & Equipments Headquarters, and General Manager of Manufacturing Div.</p> <p>June 2015 Director, Deputy General Manager of Transportation & Equipments Headquarters, and General Manager of Manufacturing Div.</p> <p>April 2016 Director and Deputy General Manager of Transportation & Equipments Div. (General Supervisor)</p> <p>April 2017 Managing Director and General Manager of Transportation & Equipments Div. (to present)</p> <p>[Significant concurrent positions] Not applicable [Reasons for election of the candidate for Director] Mr. Akira Masaki has been successively taking key positions such as General Manager of Quality Assurance Department and General Manager of Special Purpose Vehicle & Defense Equipments Unit, at the Manufacturing Division, and has been committed to making significant managerial decisions and supervising the management of the Company. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Akira Masaki and the Company.</p>	1,400

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
6	Takahisa Kinoshita (July 29, 1957) [New]	<p>April 1980 Joined the Company</p> <p>December 2005 Seconded to Nakayama SANGYO Co. Ltd. (current METOS Inc.)</p> <p>July 2009 General Manager of Accounting & Finance Dept., the Company</p> <p>April 2011 General Manager of Accounting & Finance Dept., Administration Headquarters</p> <p>June 2013 Deputy Director and General Manager of Accounting & Finance Dept., Administration Headquarters</p> <p>April 2016 Deputy Director and General Manager of Accounting & Finance Dept., Administration Div.</p> <p>April 2017 Deputy Director, Deputy General Manager of Administration Div., and General Manager of Accounting & Finance Dept. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Takahisa Kinoshita has abundant operational experience at the Accounting & Finance Division of the Company. Since July 2009, he has been executing important business operations as General Manager of Accounting & Finance Department. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Takahisa Kinoshita and the Company.</p>	3,300
7	Makoto Hasei (March 20, 1960) [New]	<p>April 1983 Joined Mitsui Engineering & Shipbuilding Co., Ltd.</p> <p>June 2009 General Manager of Manufacturing Dept., Chiba Shipyard, Ship & Ocean Project Hq., Mitsui Engineering & Shipbuilding Co., Ltd.</p> <p>October 2011 General Manager of Planning & Administration Dept., Ship & Ocean Project Hq., Mitsui Engineering & Shipbuilding Co., Ltd.</p> <p>June 2013 General Manager of Corporate Planning Dept., General manager of Global Strategy Sect., Corporate Planning Dept., and General Manager of IR Dept., Mitsui Engineering & Shipbuilding Co., Ltd.</p> <p>July 2015 Deputy Director, Mitsui Engineering & Shipbuilding Co., Ltd.</p> <p>October 2015 Seconded to the Company Deputy Director and Assistant Manager of Administration Headquarters</p> <p>January 2016 Deputy Director and Assistant Manager of Manufacturing Dept., Transportation & Equipments Headquarters</p> <p>April 2016 Deputy Director and Deputy General Manager of Transportation & Equipments Div. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Director] Mr. Makoto Hasei has abundant operational experience at Mitsui Engineering & Shipbuilding Co., Ltd. and the Manufacturing Division of the Company. Since April 2016, he has been executing important business operations as Deputy General Manager of Transportation & Equipments Div. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to the management of the Company with the aim of enhancing the corporate value over the medium- to long-term, and therefore proposes to reappoint him as Director of the Company.</p> <p>[Special interests] There are no special interests between Mr. Makoto Hasei and the Company.</p>	1,000

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
8	<p>Fumioki Hirahata (September 7, 1943)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>April 1966 Joined Akishimagas Co., Ltd. February 1969 Managing Director, Akishimagas Co., Ltd. February 1971 Executive Director, Akishimagas Co., Ltd. May 1980 President and Representative Director, Akishimagas Co., Ltd. (to present) June 2006 Director of the Company (to present)</p> <p>[Significant concurrent positions] President and Representative Director, Akishimagas Co., Ltd. Chairman of Akishima City Society of Commerce and Industry [Reasons for election of the candidate for Outside Director] Mr. Fumioki Hirahata currently serves as President and Representative Director of Akishimagas Co., Ltd. He has been serving as Outside Director of the Company since June 2006, as the Company judges that he is able to provide appropriate advice on the management of the Company in general by drawing on his abundant insights and experience as a corporate manager, thereby strengthening the management structure. Based on his record of achievements, the Company has judged that he is able to contribute to enhancing the transparency and soundness of management and strengthening corporate governance of the Company, and therefore proposes to reappoint him as Outside Director of the Company. The term of office of Mr. Hirahata as Outside Director will be 11 years at the conclusion of this General Meeting. Mr. Hirahata is a candidate for Independent Officer under the rules of the Tokyo Stock Exchange. [Special interests] Although Mr. Fumioki Hirahata serves concurrently as President and Representative Director of Akishimagas Co., Ltd., there are no special interests between Akishimagas Co., Ltd. and the Company. In addition, although he serves concurrently as Chairman of Akishima City Society of Commerce and Industry, of which the Company is a member, there are no special interests between the Akishima City Society of Commerce and Industry and the Company. [Liabilities Limitation Agreements] The Company has entered into agreements with Directors (excluding Executive Directors, etc.) to limit liability for damages as provided for in Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement shall be the greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the reappointment of Mr. Fumioki Hirahata is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Hirahata.</p>	0

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
9	<p data-bbox="204 1088 408 1151">Yuji Kozai (February 10, 1960)</p> <p data-bbox="242 1178 370 1209">[Reelection]</p>	<p data-bbox="437 367 1315 981"> April 1982 Joined Mitsui Engineering & Shipbuilding Co., Ltd. June 2005 General Manager of Diesel Design Dep., Machinery Factory, Tamano Works, Mitsui Engineering & Shipbuilding Co., Ltd. July 2007 General Manager of Production Planning Dept., Machinery Factory, Tamano Works, Mitsui Engineering & Shipbuilding Co., Ltd. January 2011 General Manager of Quality Assurance Dept., Machinery Factory, Tamano Works, Mitsui Engineering & Shipbuilding Co., Ltd. May 2011 General Manager of Strategic Planning Group, Corporate Planning Dept., Mitsui Engineering & Shipbuilding Co., Ltd. June 2013 General Manager of Corporate Planning Dept., Mitsui Engineering & Shipbuilding Co., Ltd. April 2014 Deputy Director and General Manager of Corporate Planning Dept., Mitsui Engineering & Shipbuilding Co., Ltd. June 2014 Director of the Company (to present) April 2015 Executive Officer and General Manager of Corporate Planning Dept., Mitsui Engineering & Shipbuilding Co., Ltd. October 2016 Executive Officer and Deputy Director of Corporate Planning Hq., General Manager of Corporate Planning Dept., Mitsui Engineering & Shipbuilding Co., Ltd. (to present) </p> <p data-bbox="437 990 1315 1079"> [Significant concurrent positions] Executive Officer and Deputy Director of Corporate Planning Hq., General Manager of Corporate Planning Department, Mitsui Engineering & Shipbuilding Co., Ltd. Burmeister & Wain Scandinavian Contractor A/S Board Member </p> <p data-bbox="437 1115 1315 1146"> [Reasons for election of the candidate for Director] Mr. Yuji Kozai has been serving as Director of the Company since June 2014, as the Company judges that he is able to provide appropriate advice on the management of the Company in general by drawing on his abundant knowledge and experience as General Manager of the Production Division and Corporate Planning Department of Mitsui Engineering & Shipbuilding Co., Ltd., thereby strengthening the management structure. Based on his record of achievements, the Company has judged that he is able to contribute to enhancing the transparency and soundness of management and strengthening corporate governance of the Company, and therefore proposes to reappoint him as Director of the Company. </p> <p data-bbox="437 1451 1315 1688"> [Special interests] Mitsui Engineering & Shipbuilding Co., Ltd. is the parent company of the Company, substantively holding 21,372 thousand shares of the Company (investment ratio of 65.53%). The Company leases its real estate to the company and deposits surplus funds with the company under the CMS deposit and lending system (cash management system). There are no significant transactions or other special interests between Burmeister & Wain Scandinavian Contractor A/S and the Company. </p> <p data-bbox="437 1697 1315 1930"> [Liabilities Limitation Agreements] The Company has entered into agreements with Directors (excluding Executive Directors, etc.) to limit liability for damages as provided for in Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement shall be the greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the reappointment of Mr. Yuji Kozai is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Kozai. </p>	0

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
10	<p>Shunsuke Naoe (January 8, 1977)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>September 2007 Registered as lawyer Joined Naoe Law Offices (to present)</p> <p>June 2016 Director, the Company (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Outside Director] Mr. Shunsuke Naoe has in-depth, professional insights and experience on corporate legal matters, compliance and internal controls, etc. as a lawyer. He has been serving as Outside Director of the Company since June 2016, as the Company judges that he is able to provide supervise the management of the Company from a fair viewpoint.</p> <p>Based on his record of achievements, the Company has judged that he is able to contribute to enhancing the transparency and soundness of management and strengthening corporate governance of the Company, and therefore proposes to reappoint him as Outside Director of the Company. The term of office of Mr. Naoe as Outside Director will be one year at the conclusion of this General Meeting.</p> <p>Mr. Naoe is a candidate for Independent Officer under the rules of the Tokyo Stock Exchange.</p> <p>[Special interests] There are no special interests between Mr. Shunsuke Naoe and the Company.</p> <p>[Liabilities Limitation Agreements] The Company has entered into agreements with Directors (excluding Executive Directors, etc.) to limit liability for damages as provided for in Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement shall be the greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the reappointment of Mr. Shunsuke Naoe is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Naoe.</p>	0

Proposal 3: Election of 1 Substitute Corporate Auditor

To prepare for the event where the number of Corporate Auditors falls below the number defined by laws and regulations, the Company proposes to elect 1 Substitute Corporate Auditor pursuant to the stipulations in Article 329, Paragraph 3 of the Companies Act.

The Board of Corporate Auditors has given its approval to this proposal.

The candidate for Substitute Corporate Auditor is as follows:

Name (Date of birth)	Past experience and positions	Number of shares of the Company held
<p>Kunio Nagai (February 22, 1956)</p> <p>[Outside]</p>	<p>April 1979 Joined Tachikawa Spring Co., Ltd. (current TACHI-S CO., LTD.)</p>	0
	<p>April 2005 General Manager of Tochigi Plant, Tachikawa Spring Co., Ltd.</p>	
	<p>April 2008 General Manager of Administration Department, TACHI-S CO., LTD.</p>	
	<p>April 2010 Executive Officer, Deputy General Manager of Management Administration Division and General Manager of Administration Department, and in charge of Administration Department and Information Systems Department, TACHI-S CO., LTD.</p>	
	<p>April 2011 Executive Officer, Deputy General Manager of Management Administration Division, and in charge of Administration Department, Information Systems Department and compliance, TACHI-S CO., LTD.</p>	
	<p>April 2012 General Manager, Management Administration Division, TACHI-S CO., LTD.</p>	
	<p>June 2013 President and Representative Director of TACHIKAWAHATSUJO Co., Ltd. (to present)</p>	
	<p>June 2014 President and Representative Director of TACHI-S PARTS Co., Ltd. (to present)</p>	
	<p>[Significant concurrent positions]</p>	
	<p>President and Representative Director of TACHIKAWAHATSUJO Co., Ltd.</p>	
<p>President and Representative Director of TACHI-S PARTS Co., Ltd.</p>		
<p>[Reasons for election of the candidate for Substitute Corporate Auditor]</p>		
<p>Based on Mr. Kunio Nagai's experience of serving key positions at TACHI-S CO., LTD. and its group companies, the Company has judged that if appointed as a Corporate Auditor of the Company, he is able to sufficiently execute his duties, and therefore proposes to appoint him as Substitute Corporate Auditor of the Company.</p>		
<p>[Special interests]</p>		
<p>There are no special interests between Mr. Kunio Nagai and the Company.</p>		
<p>[Liabilities Limitation Agreements]</p>		
<p>The Company has entered into agreements with Outside Corporate Auditor to limit liability for damages as provided for in Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement shall be the greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the appointment of Mr. Kunio Nagai as Outside Corporate Auditor is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Nagai.</p>		

Proposal 4: Granting of Retirement Benefits to Retiring Directors

The Company proposes that retirement benefits be granted to Mr. Yasumasa Osamura, Mr. Hajime Saito and Mr. Susumu Yamura, who will resign from Director of the Company at the conclusion of this General Meeting, to reward their service within the reasonable range according to the standard set out by the Company. For the specific amount, timing and method of payment of such retirement benefits, shareholders are kindly requested to leave the decision to the Board of Directors.

Personal history of each person is as follows:

Name	Past experience	
Yasumasa Osamura	June 2011	Director
	April 2012	Managing Director
	April 2015	Senior Managing Director
	April 2017	Director (to present)
Hajime Saito	June 2012	Director
	April 2015	Managing Director
	April 2017	Director (to present)
Susumu Yamura	June 2012	Director
	April 2015	Managing Director
	April 2017	Director (to present)