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(Stock Exchange Code 7404)  
June 3, 2019

**To Shareholders with Voting Rights:**

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

**NOTICE OF  
THE 115TH 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 115th 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 24, 2019, Japan time.**

**1. Date and Time:** Tuesday, June 25, 2019 at 10:00 a.m. Japan time

**2. Place:** Oh-rin Hall, First Floor, 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 115th Fiscal Year (April 1, 2018 - March 31, 2019) 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 115th Fiscal Year (April 1, 2018 - March 31, 2019)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of ten (10) Directors  
**Proposal 3:** Election of two (2) Corporate Auditors  
**Proposal 4:** Election of one (1) Substitute Corporate Auditor

**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 115th 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

¥5 per share of common stock of the Company      total amount ¥163,073,580

(3) Surplus dividend effective date

June 26, 2019

(As the Company paid an interim dividend of ¥5 per share, the annual dividend will be ¥10 per share.)

**Proposal 2:** Election of ten (10) Directors

The terms of office of all current Directors (ten [10] persons) will expire at the conclusion of this General Meeting. Accordingly, the Company proposes to elect ten (10) Directors.

The candidates for Directors are as follows:

No.	Name	Positions and Responsibilities	Attendance at Board of Directors meetings
1	<input type="checkbox"/> Reelection Chiaki Tanuma	President Representative Director	100% (14/14)
2	<input type="checkbox"/> Reelection Katsunosuke Fukumochi	Executive Director Assistant to President and in charge of Business Development & Innovation Promotion Div.	100% (14/14)
3	<input type="checkbox"/> Reelection Hidehiko Ogawa	Managing Director General Manager of Real Estate Div.	100% (14/14)
4	<input type="checkbox"/> Reelection Yoshihiko Tomita	Managing Director General Manager of Administration Div., and in charge of Auditing Dept. and Procurement Dept.	100% (14/14)
5	<input type="checkbox"/> Reelection Akira Masaki	Managing Director General Manager of Transportation & Equipments Div.	92.8% (13/14)
6	<input type="checkbox"/> Reelection Takahisa Kinoshita	Director Deputy General Manager of Administration Div., General Manager of Accounting & Finance Dept., and General Manager of Information Systems Dept.	100% (14/14)
7	<input type="checkbox"/> Reelection Makoto Hasei	Director Deputy General Manager of Transportation & Equipments Div.	100% (14/14)
8	<input type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent Fumioki Hirahata	Director	92.8% (13/14)
9	<input type="checkbox"/> Reelection <input type="checkbox"/> Outside <input type="checkbox"/> Independent Shunsuke Naoe	Director	100% (14/14)
10	<input type="checkbox"/> Reelection Shoichi Taguchi	Director	100% (11/11)

(Notes) 1. There are no special interests between each candidate and the Company.

2. Attendance of Mr. Shoichi Taguchi is for Board of Directors meetings held after his appointment as Director of the Company on June 26, 2018.

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	Chiaki Tanuma (September 18, 1953)  [Reelection]	<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 &amp; Rent Facilities Div.</p> <p>April 2012      Deputy Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning &amp; Strategy Dept.</p> <p>June 2012      Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning &amp; 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 Representative Director (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 Representative Director 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>	12,200

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
2	Katsunosuke Fukumochi (February 19, 1954)  [Reelection]	<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 &amp; 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 &amp; 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>	4,700

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 &amp; 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 &amp; 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 &amp; Innovation Div.</p> <p>June 2014      Director, Deputy General Manager of Real Estate Headquarters, General Manager of RE Development &amp; 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 &amp; 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	Yoshihiko Tomita (January 14, 1957)  [Reelection]	<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 &amp; Strategy Dept., Administration Headquarters</p> <p>April 2012      Deputy General Manager of Real Estate Headquarters and General Manager of Lease &amp; Rent Facilities Div.</p> <p>June 2012      Deputy Director, Deputy General Manager of Real Estate Headquarters, and General Manager of Lease &amp; Rent Facilities Div.</p> <p>April 2014      Deputy Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning &amp; Strategy Dept.</p> <p>June 2014      Director, Deputy General Manager of Administration Headquarters, and General Manager of Corporate Planning &amp; Strategy Dept.</p> <p>April 2016      Director, Deputy General Manager of Administration Div., and General Manager of Corporate Planning &amp; 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>	1,900



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 &amp; Equipments Div.</p> <p>April 2011      General Manager of Quality Assurance Dept., Manufacturing Div., Transportation &amp; Equipments Headquarters</p> <p>June 2012      Deputy Director, General Manager of Quality Assurance Dept., Manufacturing Div., Transportation &amp; Equipments Headquarters</p> <p>April 2014      Deputy Director, General Manager of Special Purpose Vehicles &amp; Defense Equipments Unit, Manufacturing Div., Transportation &amp; Equipments Headquarters</p> <p>April 2015      Deputy Director, Deputy General Manager of Transportation &amp; Equipments Headquarters, and General Manager of Manufacturing Div.</p> <p>June 2015      Director, Deputy General Manager of Transportation &amp; Equipments Headquarters, and General Manager of Manufacturing Div.</p> <p>April 2016      Director and Deputy General Manager of Transportation &amp; Equipments Div. (General Supervisor)</p> <p>April 2017      Managing Director and General Manager of Transportation &amp; Equipments Div. (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[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 &amp; 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.</p> <p>[Special interests] There are no special interests between Mr. Akira Masaki and the Company.</p>	2,200

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
6	Takahisa Kinoshita (July 29, 1957)  [Reelection]	<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 &amp; Finance Dept., the Company</p> <p>April 2011      General Manager of Accounting &amp; Finance Dept., Administration Headquarters</p> <p>June 2013      Deputy Director and General Manager of Accounting &amp; Finance Dept., Administration Headquarters</p> <p>April 2016      Deputy Director and General Manager of Accounting &amp; Finance Dept., Administration Div.</p> <p>June 2017      Director, Deputy General Manager of Administration Div., and General Manager of Accounting &amp; Finance Dept.</p> <p>April 2018      Director, Deputy General Manager of Administration Div., General Manager of Accounting &amp; Finance Dept., and General Manager of Information Systems Dept. (to present)</p> <p>[Significant concurrent positions]</p> <p>Not applicable</p> <p>[Reasons for election of the candidate for Director]</p> <p>Mr. Takahisa Kinoshita has abundant operational experience at the Accounting &amp; Finance Division of the Company. Since assuming the office as Director, he has been committed to making significant managerial decisions and supervising the management of the Company.</p> <p>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]</p> <p>There are no special interests between Mr. Takahisa Kinoshita and the Company.</p>	3,800

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
7	Makoto Hasei (March 20, 1960)  [Reelection]	<p>April 1983      Joined Mitsui Engineering &amp; Shipbuilding Co., Ltd. (current Mitsui E&amp;S Holdings Co., Ltd.)</p> <p>June 2009      General Manager of Manufacturing Dept., Chiba Shipyard, Ship &amp; Ocean Project Hq., Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>October 2011    General Manager of Planning &amp; Administration Dept., Ship &amp; Ocean Project Hq., Mitsui Engineering &amp; 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 &amp; Shipbuilding Co., Ltd.</p> <p>July 2015      Deputy Director, Mitsui Engineering &amp; 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 &amp; Equipments Headquarters</p> <p>April 2016      Deputy Director and Deputy General Manager of Transportation &amp; Equipments Div.</p> <p>June 2017      Director and Deputy General Manager of Transportation &amp; 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 E&amp;S Holdings Co., Ltd. and the Manufacturing Division of the Company. 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. Makoto Hasei and the Company.</p>	3,400

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
8	Fumioki Hirahata (September 7, 1943)  [Reelection] [Outside] [Independent]	<p>April 1966      Joined Akishimagas Co., Ltd.</p> <p>February 1969      Managing Director, Akishimagas Co., Ltd.</p> <p>February 1971      Executive Director, Akishimagas Co., Ltd.</p> <p>May 1980      President and Representative Director, Akishimagas Co., Ltd. (to present)</p> <p>June 2006      Director, the Company (to present)</p> <p>[Significant concurrent positions]</p> <p>President and Representative Director, Akishimagas Co., Ltd.</p> <p>Chairman of Akishima City Society of Commerce and Industry</p> <p>[Reasons for election of the candidate for Outside Director]</p> <p>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.</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. Hirahata as Outside Director will be thirteen (13) years at the conclusion of this General Meeting.</p> <p>Mr. Hirahata is a candidate for Independent Officer under the rules of the Tokyo Stock Exchange.</p> <p>[Special interests]</p> <p>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.</p> <p>[Liabilities Limitation Agreements]</p> <p>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	Shunsuke Naoe (January 8, 1977)  [Reelection] [Outside] [Independent]	<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 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 three (3) years 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

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
10	Shoichi Taguchi (April 9, 1958)  [Reelection]	<p>April 1985      Joined Mitsui Engineering &amp; Shipbuilding Co., Ltd. (current Mitsui E&amp;S Holdings Co., Ltd.)</p> <p>March 2006      General Manager of Business Co-ordination Dept., Machinery Factory, Machinery and Systems Hq., Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>July 2007      Manager of Corporate Planning Dept., Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>June 2013      General Manager of Machinery Factory, Machinery and Systems Hq., Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>April 2014      Deputy Director, Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>April 2015      Executive Officer, Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>April 2016      Managing Executive Officer, General Manager of Tamano Works, President's Special Missions (Manufacturing Division Supervisor), Mitsui Engineering &amp; Shipbuilding Co., Ltd.</p> <p>March 2018      President and Representative Director, Mitsui E&amp;S Business Service Co., Ltd. (to present)</p> <p>June 2018      Director, the Company (to present)</p> <p>[Significant concurrent positions] President and Representative Director, Mitsui E&amp;S Business Service Co., Ltd.</p> <p>[Reasons for election of the candidate for Director] Mr. Shoichi Taguchi has been successively taking key positions in production division and Corporate Planning Department at Mitsui E&amp;S Holdings Co., Ltd., and has been serving as President of Mitsui E&amp;S Business Service Co., Ltd. since March 2018. Based on his abundant experience and knowledge, 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>[Special interests] Mitsui E&amp;S Holdings 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 funds with the company under the CMS deposit and lending system. There are no significant transactions or other special interests between the Company and Mitsui E&amp;S Business Service Co., Ltd.</p> <p>[Liability Limitation Agreement] 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 greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the appointment of Mr. Shoichi Taguchi is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Taguchi.</p>	0

**Proposal 3:** Election of two (2) Corporate Auditors

The terms of office of Corporate Auditors Messrs. Shuichi Ino and Fumio Harada will expire at the conclusion of this General Meeting. Accordingly, the Company proposes to elect two (2) Corporate Auditors. The Board of Corporate Auditors has given its approval to this proposal. The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Past experience and positions	Number of shares of the Company held
1	Shuichi Ino (February 22, 1955)  [Reelection]	April 1977      Joined the Company April 2002      General Manager of Manufacturing Dept., Life Support Equipment Div. April 2005      Executive Officer and General Manager of Engineering Dept., Transportation & Equipments Div. June 2006      Deputy Director and General Manager of Engineering Dept., Transportation & Equipments Div. June 2008      Director, General Manager of Planning Dept., and in charge of Technology Development June 2011      Corporate Auditor June 2012      Permanent Auditor (to present) [Significant concurrent positions] Not applicable [Reasons for election of the candidate for Corporate Auditor] Mr. Shuichi Ino has abundant operational experience at the Production Department of the Company. Since assuming office as Corporate Auditor in June 2011, he has conducted an appropriate audit on the management in general. Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to strengthening the Board of Corporate Auditors, and therefore proposes to reappoint him as Corporate Auditor of the Company. [Special interests] There are no special interests between Mr. Shuichi Ino and the Company.	10,100

No.	Name (Date of birth)	Past experience and positions	Number of shares of the Company held
2	Fumio Harada (December 30, 1954)  [Reelection] [Outside] [Independent]	<p>April 1979      Joined Tachikawa Spring Co., Ltd. (current TACHI-S CO., LTD.)</p> <p>April 2001      Senior Manager, Corporate Planning Team, TACHI-S CO., LTD.</p> <p>April 2003      Team Leader, Corporate Planning Team, TACHI-S CO., LTD.</p> <p>April 2006      General Manager of Administration Department, TACHI-S CO., LTD.</p> <p>April 2008      Executive Officer, Deputy General Manager of Management Administration Division, General Manager of Corporate Planning Office, General Manager of Internal Control Promotion Office, and in charge of Corporate Planning, TACHI-S CO., LTD.</p> <p>April 2009      Executive Officer, Deputy General Manager of Management Administration Division, General Manager of Vehicle Model Planning Department, and in charge of Cost and Vehicle Model Planning, TACHI-S CO., LTD.</p> <p>April 2010      Advisor, TACHI-S CO., LTD.</p> <p>June 2010      Full-time Corporate Auditor, TACHI-S CO., LTD.</p> <p>June 2015      Corporate Auditor, the Company (to present)</p> <p>[Significant concurrent positions] Not applicable</p> <p>[Reasons for election of the candidate for Outside Corporate Auditor] Mr. Fumio Harada has experience in management as an officer of TACHI-S CO., LTD. Since assuming office as Corporate Auditor of the Company in June 2015, he has conducted an appropriate audit on the management in general.</p> <p>Based on his abundant experience and record of achievements, the Company has judged that he is able to contribute to strengthening the Board of Corporate Auditors, and therefore proposes to reappoint him as Corporate Auditor of the Company. The term of office of Mr. Harada as Outside Corporate Auditor will be four (4) years at the conclusion of this General Meeting.</p> <p>Mr. Harada 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. Fumio Harada and the Company.</p> <p>[Liability Limitation Agreement] The Company has entered into agreements with Outside Corporate Auditors 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 greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the appointment of Mr. Fumio Harada is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Harada.</p>	0



**Proposal 4:** Election of one (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 one (1) Substitute Corporate Auditor pursuant to the stipulations in Article 329, Paragraph 3 of the Companies Act.

Mr. Naozumi Matsui is a candidate for Outside Corporate Auditor to prepare for the event where the number of Corporate Auditors falls below the number defined by laws and regulations, and is not limited to the substitute for Outside Corporate Auditor.

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
Naozumi Matsui (October 25, 1960)  [Outside] [Independent]	<p>April 1985      Joined Mitsui Bank (current Sumitomo Mitsui Banking Corporation)</p> <p>October 2009    Principal Examiner, Internal Audit Department, Sumitomo Mitsui Banking Corporation</p> <p>July 2012        Joined TACHI-S CO., LTD.</p> <p>January 2013    Registered as Certified Public Accountant</p> <p>April 2013       General Manager of Managing Related Companies, TACHI-S CO., LTD.</p> <p>April 2014       General Manager of Business Administration Department, TACHI-S CO., LTD.</p> <p>April 2015       General Manager of Finance &amp; Accounting Department, TACHI-S CO., LTD.</p> <p>April 2016       Seconded to TACHI-S Engineering U.S.A., Inc. General Manager</p> <p>April 2018       General Manager, Administration and Management Control Division, TACHI-S CO., LTD.</p> <p>June 2018       Full-time Corporate Auditor, TACHI-S CO., LTD. (to present)</p> <p>[Significant concurrent positions] Full-time Corporate Auditor, TACHI-S CO., LTD.</p> <p>[Reasons for election of the candidate for Substitute Outside Corporate Auditor] Based on Mr. Naozumi Matsui's abundant expertise in financial accounting, etc. as a Certified Public Accountant, and experience of serving key positions at Sumitomo Mitsui Banking Corporation and TACHI-S CO., LTD., 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 Outside Corporate Auditor of the Company.</p> <p>Mr. Matsui 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. Naozumi Matsui and the Company.</p> <p>[Liability Limitation Agreement] The Company has entered into agreements with Outside Corporate Auditors 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 greater of ¥1 million or the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If the appointment of Mr. Naozumi Matsui as Outside Corporate Auditor is approved at this Annual General Meeting of Shareholders, the Company plans to enter into the same agreement with Mr. Matsui.</p>	0