

Stock Code:7250

May 27, 2016

To Our Shareholders:

Shinya Ogawa

President, Member of the Board



**PACIFIC INDUSTRIAL CO., LTD.**

100 Kyutoku-Cho, Ogaki, Gifu, Japan

## **NOTICE OF THE 92ND ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We hereby inform you of the 92nd Ordinary General Meeting of Shareholders to be held as follows.

If you are unable to attend the meeting, you can exercise your voting rights by mailing the enclosed Voting Rights Exercise Form or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights **no later than 17:00 on Friday, June 17, 2016(JST)**.

- 1. Date:** 10:00 am, Saturday, June 18, 2016
- 2. Place:** at the room Seiun in OGAKI FORUM HOTEL.  
2-31 Mangoku, Ogaki, Gifu, Japan

### **3. Objectives of the Meeting:**

#### **Reports:**

- (1) Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board for the 92nd Fiscal Term (from April 1, 2015 to March 31, 2016).
- (2) Financial Statements for the 92nd Fiscal Term (from April 1, 2015 to March 31, 2016)

#### **Agenda:**

**Proposal No.1: Distribution of Surplus**

**Proposal No.2: Election of seven (7) Members of the Board**

**Proposal No.3: Election of Four (4) Audit & Supervisory Board Members**

**Proposal No.4: Election of One (1) Substitute Audit & Supervisory Board Member**

**Proposal No.5: Provision of Retirement Benefits to Audit & Supervisory Board Members**

**Who Resign**

- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk of the venue.
- If any corrections are made to the reference materials to be distributed at the shareholders' meeting, as well as the business report and statements of accounts (consolidated and non-consolidated), such corrections will also be listed on the following website.
- Notes to the consolidated and non-consolidated statements of accounts are listed on our website in accordance with law and with Article 14 of the Articles of Incorporation. The notes can be viewed online and, therefore, are not included in this notice or accompanying materials. The consolidated and non-consolidated statements of accounts audited by the accounting auditor and the board of corporate auditors include the notes listed on the website as well as the contents of this notice and accompanying materials. (Japanese only)

website: <http://www.pacific-ind.co.jp/investor/meeting/>

## **Guide to the Exercise of voting Rights via the Internet, etc.**

If you exercise your voting rights via the Internet, please check the following prior to doing so.

If you are attending the meeting, it is unnecessary to exercise your voting rights by mailing or via the Internet, etc.

### **1.Exercise of Voting Rights via the Internet**

- (1)On the website for exercise of voting rights (<http://www.evotep.jp/>), please use the log-in ID and temporary password given on your Voting Rights Exercise Form and follow the on-screen instructions to indicate your approval or disapproval of each proposal.
- (2)To prevent unauthorized access by persons who are not qualified shareholders ("impersonation") and manipulation of voting details, please be aware that shareholders using this site will be asked to change their temporary passwords.
- (3)Every time the Annual General Meeting of Shareholders is convoked, new log-in IDs and temporary passwords will be issued.

### **2.Handling of Duplicate Voting**

- (1)If you exercise your voting rights in duplicate in both writing and via the Internet, the vote Exercised via the Internet will be deemed valid.
- (2)If you exercise your voting rights in duplicate via the Internet, your last vote exercised will be deemed valid. Also, if you exercise your voting rights in duplicate on computers, smartphones and/or mobile phones, your last vote exercised will be deemed valid.

### **3.Cost Incurred in Accessing the Exercise of Voting Rights Website**

The costs incurred when accessing the voting website, such as Internet access fees and telephone charges, will be borne by shareholders. Also, fees required to use mobile phones, such as packet transmission fees, will be borne by shareholders.

### **4. Exercise of Voting Rights Website**

- (1)Exercise of your voting rights via the Internet is possible only by accessing the Exercise of Voting Rights Website that is designated by the Company (<http://www.evotep.jp/>), from a computer, smartphone, and/or mobile phone.  
(Please note that operation stops from 2:00 a.m. to 5:00 a.m. each day)
- (2)The exercise of voting rights on the Exercise of Voting Rights Website for computers or Smartphones may not be possible in certain operating environments due to factors including the use of a firewall when accessing the Internet, the use of antivirus software, and/or the use of a proxy server.
- (3)To exercise your voting rights on mobile phones, please use i-mode, EZweb, or Yahoo! Keitai services. For security reasons, you cannot vote by a mobile phone which does not have functions of encrypted transmission (TLS transmission) or transmission of phone ID

information.

(4) If you have any questions, please contact our Help Desk listed on the next page.

(Note) "i-mode", "EZweb", and "Yahoo!" are trademarks or registered trademarks of NTT DOCOMO Inc., KDDI Corporation and Yahoo! Inc. respectively.

For inquiries about the system and other matters, contact:

Securities Business Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

Phone: (0120)173-027 (Toll Free) (available from 9:00 to 21:00) (Japan only)

**Proposal No.1: Distribution of Surplus**

The Company intends to maintain a policy of stable improvement of the dividend level with due consideration of operation results and the payout ratio for the distribution of profits of shareholders.

To improve the value of the Company and secure the profits for shareholders, internal reserves will be utilized for investment and future business development to reinforce and improve the corporate quality.

Based on the policy, to respond the support of shareholders, we hereby propose that you approve the fiscal year-end dividend for this fiscal year as described below.

1. Type of property for dividends: Money
2. Allotment of property for dividends to shareholders and total amount thereof:

14 yen per share of the Company's common stock

Total amount 762,483,470 yen

Note: The annual dividend proposed for the fiscal year, including the interim dividend, is 26 yen per share.


3. Effective date of the dividends from surplus: June 20, 2016

## Proposal No.2: Election of seven (7) Members of the Board


The term of all of eight (8) current members of the board expires at the conclusion of this 92nd Ordinary General Meeting of Shareholders. The Company decided to reduce one (1) member of the board to enable flexible decision making, and we hereby propose that you elect seven (7) members of the board.

The nominees for members of the board are as follows:


### 1. Shinya Ogawa (September 8, 1947) Reappointment

	■ Brief personal history, posts and assignments in the Company	
	April 1973:	Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation)
	January 1981:	Left Toyota Motor Co., Ltd.
	February 1981:	Joined Pacific Industrial Co., Ltd.
	June 1983:	Member of the Board
	June 1985:	Managing Officer, Member of the Board
	March 1989:	Senior Managing Officer, Member of the Board
	February 1990:	Executive Vice President, Member of the Board
	June 1996:	President, Member of the Board (current position)
■ Number of the Company's shares owned: 614,469		
■ Reason that the Company appointed Shinya Ogawa as a candidate for member of the board: President Shinya Ogawa has led our long-term management plan "PACIFIC GLOCAL VISION 2020," and has advanced the Company's growth and development through management with consideration given to all stakeholders. He has good insight and abundant experience as a corporate manager, which is proven by his past achievements, so we appointed him as a candidate.		


### 2. Takayuki Ishizuka (December 16, 1948) Reappointment

	■ Brief personal history, posts and assignments in the Company	
	May 1973:	Joined Pacific Industrial Co., Ltd.
	June 2004:	Operating Officer
	June 2007:	Managing Officer
	June 2008:	Managing Officer, Member of the Board
	June 2009:	Senior Managing Officer, Member of the Board
	June 2015:	Executive Vice President, Member of the Board
	January 2016:	Executive Vice President, Member of the Board
		General Manager, Stamping & Molding Business Unit In charge of cost (current position)
■ Important post concurrently held at another corporation: President, Taiheiyo Sangyo Co., Ltd.		
■ Number of the Company's shares owned: 25,000		
■ Reason that the Company appointed Takayuki Ishizuka as a candidate for member of the board: Takayuki Ishizuka has been involved in the sales and production departments for many years and created a good relationship with customers, as well as showing strong leadership to reinforce business. He is currently serving as Vice President to assist the President, and has abundant work experience and the knowledge for general sales and production operations, so we appointed him as a candidate.		


### 3. Katsuya Suzuki (August 26, 1955) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>
	April 1979:                Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation)
	January 2002:           General manager, Body Department, Tsutsumi Plant
	January 2003:           General manager, Stamping Production Technology Department
	January 2005:           General manager, Body Department, Tahara Plant
	January 2009:           Seconded to Pacific Industrial Co., Ltd. Managing Officer of Pacific Industrial Co., Ltd.
	June 2009:              Left Toyota Motor Corporation Managing Officer, Member of the Board
	June 2015:              Senior Managing Officer, Member of the Board
January 2016:	Senior Managing Officer, Member of the Board
	General Manager, Technical Planning Center Deputy General Manager, Stamping & Molding Business Unit In charge of quality assurance and QMS (current position)
<b>■ Number of the Company's shares owned: 16,800</b>	
<b>■ Reason that the Company appointed Katsuya Suzuki as a candidate for member of the board:</b> Katsuya Suzuki has been involved in the technology development, production engineering, and production departments for many years, and has worked to develop and produce high-value-added products. In addition, as an Officer in charge of quality assurance, he contributed to building a quality management system and has gained abundant experience and professional knowledge, so we appointed him as a candidate.	


### 4. Tetsushi Ogawa (August 16, 1978) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>
	April 2005:                Joined Toyota Motor Corporation
	December 2010:        Left Toyota Motor Corporation
	January 2011:           Joined Pacific Industrial Co., Ltd.
	June 2011:                Operating Officer
	June 2013:                Managing Officer
	June 2014:                Managing Officer, Member of the Board
	June 2015:                Senior Managing Officer, Member of the Board
January 2016:	Senior Managing Officer, Member of the Board
	General Manager, Planning & Administration Center
	General Manager, Strategic Production Planning Center In charge of Risk Management, Corporate Ethics, Safety & Health, and EMS (current position)
<b>■ Number of the Company's shares owned: 65,695</b>	
<b>■ Reason that the Company appointed Tetsushi Ogawa as a candidate for member of the board:</b> As an Officer in charge of production planning, Tetsushi Ogawa has led production site improvement to enhance safety, health, and risk management, and as an Officer supervising the headquarters' departments, he has contributed to reinforcing the strategic planning function and increasing the operational efficiency. He has diverse views, including Kaizen Mind, as well as excellent insight, so we appointed him as a candidate.	


## 5. Hisashi Kayukawa (October 24, 1957) Reappointment

	<b>■ Brief personal history, posts and assignments in the Company</b>
	<p>March 1980: Joined Pacific Industrial Co., Ltd.</p> <p>June 2009: Operating Officer</p> <p>June 2013: Managing Officer</p> <p>June 2015: Managing Officer ,Member of the Board</p> <p>January 2016: Managing Officer , Member of the Board</p> <p>Deputy General Manager, Valve &amp; Tire Pressure Monitoring System Business Unit</p> <p>Deputy General Manager, Technical Planning Center (current position)</p>
<b>■ Number of the Company's shares owned: 35,000</b>	
<b>■ Reason that the Company appointed Hisashi Kayukawa as a candidate for member of the board:</b> Hisashi Kayukawa has been involved in all production related phases, from development, design, production engineering, and through to production for many years, and has worked on advanced technology development with his abundant experience and knowledge, taking the lead to enhance the Company's technology. We appointed him as a candidate, because of his abundant experience and professional knowledge in this area.	

## 6. Hiroshi Kurokawa (June 28, 1944) Reappointment, Outside Board Member and Independent Officer

	<b>■ Brief personal history, posts, assignments in the Company and Important posts concurrently held at other organizations</b>
	<p>April 1991: Professor, Faculty of Economics,Gifu Keizai University</p> <p>April 1995: Professor, Faculty of Business Administration, Gifu Keizai University</p> <p>December 2001: Dean, Faculty of Business Administration,Gifu Keizai University</p> <p>February 2003: President, Gifu Keizai University</p> <p>June 2010: Member of the Board, Pacific Industrial Co., Ltd. (current position)</p> <p>April 2013: Part-time Lecturer, Gifu College of Nursing(current position)</p> <p>April 2013: Professor Emeritus, Gifu Keizai University(current position)</p>
<b>■ Duration of assignment of Outside Board Member: Five (6) years (at the conclusion of this 92nd Ordinary General Meeting of Shareholders)</b>	
<b>■ Board Meeting attendance in fiscal year 2015: 13/13 (100%)</b>	
<b>■ Important post concurrently held at another organization: Professor Emeritus, Gifu Keizai University</b>	
<b>■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd.</b> The Company and the organization that Hiroshi Kurokawa concurrently holds an important post have no capital or other business relationship.	
<b>■ Reason that the Company appointed Hiroshi Kurokawa as a candidate for Outside Board Member and reason that the Company judged that he can properly perform the task as Outside Board Member :</b> As an expert in economics and management, Hiroshi Kurokawa has abundant experience and a high level of academic knowledge. In addition, he has been supervising management from an objective standpoint with academic views, by using advanced knowledge he obtained when managing the university as a university president. We appointed him as a candidate, because of his professional knowledge and experience in management.	
<b>■ Number of the Company's shares owned: 0</b>	

## 7. Osamu Motojima (December 5, 1948) Reappointment, Outside Board Member and Independent Officer

	<p>■ Brief personal history, posts, assignments in the Company and important posts concurrently held at other organizations</p>
	<p>July 1987: Professor, Kyoto University, Plasma Physics Laboratory</p>
	<p>April 1988: Professor, Institute of Plasma Physics, Nagoya University</p>
	<p>April 1998: Scientific Advisor, Ministry of Education, Science and Culture</p>
	<p>April 2002: Director-General, National Institute for Fusion Science</p>
	<p>April 2004: Vice President, National Institutes of Natural Sciences</p>
	<p>March 2009: Foreign Member, The Royal Swedish Academy of Engineering Sciences (current position)</p>
	<p>April 2009: Professor Emeritus, National Institutes for Fusion Science (current position)</p>
	<p>May 2009: President, Future Energy Research Association (current position)</p>
	<p>July 2010: Director General, ITER International Fusion Energy Organization</p>
	<p>June 2013: Professor Emeritus, The Graduate University for Advanced Studies (current position)</p>
	<p>March 2015: Director General Emeritus, ITER International Fusion Energy Organization (current position)</p>
	<p>June 2015: Member of the Board, Pacific Industrial Co., Ltd. (current position)</p>
	<p>December 2015: Advisor to the Chairman, Chubu University (current position)</p>
<p>■ Duration of assignment of Outside Board Member: One (1) year (at the conclusion of this 92nd Ordinary General Meeting of Shareholders)</p>	
<p>■ Board Meeting attendance in fiscal year 2015: 11/11 (100%)</p>	
<p>■ Important posts concurrently held at other organizations:</p> <p>Professor Emeritus, National Institutes for Fusion Science</p> <p>President, Future Energy Research Association</p> <p>Director General Emeritus, ITER International Fusion Energy Organization</p> <p>Advisor to the Chairman, Chubu University</p>	
<p>■ The relationship between the organizations that he concurrently holds an important post and Pacific Industrial Co., Ltd.</p> <p>The Company and the organizations that Osamu Motojima concurrently holds an important post have no capital or other business relationship.</p>	
<p>■ Reason that the Company appointed Osamu Motojima as a candidate for Outside Board Member and reason that the Company judged that he can properly perform the task as Outside Board Member :</p> <p>The Company proposes that we elect Osamu Motojima as Outside Board Member because he has experience in acting as a professor at universities and specialized agencies for many years as well as Director-General of National Institute for Fusion Science and Director General of ITER. He has abundant international experiences and advanced special knowledge of environment and technologies.</p>	
<p>■ Number of the Company's shares owned: 0</p>	

Note:

1. No nominee has any special interest in the Company.
2. Hiroshi Kurokawa and Osamu Motojima are the nominees for outside board members. Hiroshi Kurokawa and Osamu Motojima have filed as an independent officer to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. When they are elected as an outside board member as proposed, they will continuously perform as an independent officer.
3. Since Osamu Motojima was elected as a new member of the board at the 91st Ordinary General Meeting of Shareholders held in June 13, 2015, the above "Board Meeting attendance" describes his attendance to board meetings that were held in June 13, 2015 and after.



#### 4. Liability limitation agreement with outside board members

The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside board members. When the appointment of Hiroshi Kurokawa and Osamu Mtojima are approved, at the assignment of outside board member, the Company intends to extend the liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over 2 million yen or the legal minimum liability.


### Proposal No.3: Election of Four (4) Audit & Supervisory Board Members

The term of all of four (4) current audit & supervisory board members expires at the conclusion of this 92nd Ordinary General Meeting of Shareholders. Accordingly, we hereby propose that you elect four(4) audit & supervisory board members.


For this agenda, we have received consent of the Audit & Supervisory Board.

The nominees for audit & supervisory board members are as follows:

#### 1. Hiroshi Nagata (March 7, 1947) Reappointment


	<b>■ Brief personal history, posts and assignments in the Company</b>
	April 1969:      Joined Pacific Industrial Co., Ltd.
	April 2000:      General Manager, Tire Valve Business Unit Engineering Dept.
	April 2003:      Senior General Manager Deputy General Manager, Tire Valve Business Unit
	April 2006:      Senior General Manager Deputy General Manager, Tire Valve & Control Devices Business Unit
	April 2007:      Operating Officer, Deputy General Manager, Tire Pressure Monitoring System Business Unit
June 2009:      Audit & Supervisory Board Member (current position)	
<b>■ Number of the Company's shares owned: 20,000</b>	
<b>■ Reason that the Company appointed Hiroshi Nagata as a candidate for Audit &amp; Supervisory Board Member:</b> Hiroshi Nagata has been involved in the production engineering departments in the Company for many years, and has been a leader in the production engineering field of the Company. In addition, he served as Operating Officer and has the broad knowledge and deep insight cultivated from his management work experience at the Company, and we consider that this is necessary to ensure the legality of our business judgments, so we appointed him as a candidate.	

## 2. Yasuhiko Fujii (April 11, 1954) New appointment

	<b>■ Brief personal history, posts and assignments in the Company</b>	
	April 1977:	Joined Pacific Industrial Co., Ltd.
	April 2002:	General Manager, Control Devices Business Unit Engineering Dept.
	June 2009:	Senior General Manager Deputy General Manager, Research & Development Center
	January 2010:	Senior General Manager Tire Pressure Monitoring System Business Unit
	April 2014:	General Manager, Tire Pressure Monitoring System Business Unit Quality Dept.
<b>■ Number of the Company's shares owned: 5,000</b>		
<b>■ Reason that the Company appointed Yasuhiko Fujii as a candidate for Audit &amp; Supervisory Board Member:</b> Yasuhiko Fujii has been involved in the technology development, design, and quality assurance departments for many years, and has worked for developing new products, expanding new projects, and establishing, maintaining, and improving the quality assurance system. We consider that his abundant experience and professional knowledge in this area are necessary to ensure the legality of our business judgments, so we appointed him as a candidate.		


### 3. Katsuhiro Takahashi (December 20, 1943) Reappointment

#### Outside Audit & Supervisory Board Member and Independent Officer

	<p>■ Brief personal history, posts, assignments in the Company and Important posts concurrently held at other organizations</p>
	<p>July 1988: Representative Partner, Deloitte Touche Tohmatsu LLC</p> <p>August 1997: CPA, Established Takahashi Katsuhiro Accounting Firm and became the head of this firm (current position)</p> <p>June 2007: Outside Audit &amp; Supervisory Board Member, Yamanaka Co., Ltd.</p> <p>June 2008: Outside Audit &amp; Supervisory Board Member, Pacific Industrial Co., Ltd. (current position)</p>
<p>■ Duration of assignment of Outside Audit &amp; Supervisory Board Member: Eight (8) years (at the conclusion of this 92nd Ordinary General Meeting of Shareholders)</p>	
<p>■ Board Meeting attendance in fiscal year 2015: 13/13 (100%)</p>	
<p>■ Audit &amp; Supervisory Board Meeting attendance in fiscal year 2015: 13/13 (100%)</p>	
<p>■ Important post concurrently held at another organization: Head of Takahashi Katsuhiro Accounting Firm</p>	
<p>■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd. The Company and the organization that Katsuhiro Takahashi concurrently holds an important post have no capital or other business relationship.</p>	
<p>■ Reason that the Company appointed Katsuhiro Takahashi as a candidate for Outside Audit &amp; Supervisory Board Member and reason that the Company judged that he can properly perform the task as Outside Audit &amp; Supervisory Board Member :</p> <p>As a certified public accountant, Katsuhiro Takahashi has professional knowledge of corporate accounting and abundant experience in audits. We expect that he will use his knowledge and experience for the audits conducted for the Company, and we consider that he will, from an objective standpoint, provide advice for ensuring the legality of our business judgment as well as advice for our general business operations, so we nominated him as a candidate.</p>	
<p>■ Number of the Company's shares owned: 0</p>	

#### 4. Ayao Sakakibara (December 15, 1940) New appointment

##### Outside Audit & Supervisory Board Member and Independent Officer

	<p>■ Brief personal history, posts, assignments in the Company and Important posts concurrently held at other organizations</p>
	<p>April 1977: Certified as an attorney Jointed Oguri Law Office</p> <p>April 1979: Joined Yamada Kondemi Thomos &amp; Dean Law Firm</p> <p>April 1983: Established Sakakibara Ayao Law Firm and posted to the head of this firm</p> <p>February 2004: Established Legal Professional Corporation SEIWA Representative Partner (current position)</p>
<p>■ Important post concurrently held at another organization:</p> <p>Representative Partner, Legal Professional Corporation SEIWA</p> <p>Auditor, The OGAWA Science and Technology Foundation</p> <p>Chairperson, Examination Committee for Information Disclosure and Personal Information Protection for Ena City, Gifu Prefecture</p> <p>Chairperson, Industrial Development Council for Ena City, Gifu Prefecture</p>	
<p>■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd.</p> <p>The Company and the organization that Ayao Sakakibara concurrently holds an important post have no capital or other important business relationship.</p>	
<p>■ Reason that the Company appointed Ayao Sakakibara as a candidate for Outside Audit &amp; Supervisory Board Member and reason that the Company judged that he can properly perform the task as Outside Audit&amp;Supervisory Board Member :</p> <p>As an attorney, Ayao Sakakibara has professional knowledge and abundant international experience in corporate legal affairs. We expect that he will use his knowledge and experience for the audits conducted for the Company, and we consider that he will, from an objective standpoint, provide advice for ensuring the legality of our business judgment as well as advice for our general business operations, so we nominated him as a candidate.</p>	
<p>■ Number of the Company's shares owned: 1,000</p>	

#### Note:

1. No nominee has any special interest in the Company.
2. Katsuhiro Takahashi and Ayao Sakakibara are the nominees for outside audit & supervisory board members. Katsuhiro Takahashi has filed as an independent officer to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. When he is elected as an outside audit & supervisory board member as proposed, he will continuously perform as an independent officer.  
When Ayao Sakakibara is elected as an outside audit & supervisory board member as proposed, he will newly become an independent officer.
3. Liability limitation agreement with outside audit & supervisory board members  
The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside audit & supervisory board members. When the appointment of Katsuhiro Takahashi is approved, at the assignment of outside audit & supervisory board member, the Company intends to extend the liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over 2 million yen or the legal minimum liability. When the appointment of Ayao Sakakibara is approved, the Company intends to conclude a similar agreement with him.


#### **Proposal No.4: Election of One (1) Substitute Audit & Supervisory Board Member**

We hereby propose that we elect a substitute audit & supervisory board member to avoid the situation that the Company does not satisfy the legal requirement for the number of audit & supervisory board members.

For this agenda, we have received consent of the Audit & Supervisory Board.

The nominee for the substitute audit & supervisory board member is as follows:

Toshio Kinjo (August 9, 1932) Substitute Outside Audit & Supervisory Board Member

	■ Brief personal history, posts, assignments in the Company and important post concurrently held at another organization
	April 1988: Dean, Department of Agriculture, Gifu University June 1995: President, Gifu University May 2001: Professor Emeritus, Gifu University (current position) July 2001: Chairman, Gifu Research and Development Foundation June 2002: Audit & Supervisory Board Member, Pacific Industrial Co., Ltd.
■ Important post concurrently held at another organization: Professor Emeritus, Gifu University	
■ The relationship between the organization that he concurrently holds an important post and Pacific Industrial Co., Ltd. The Company and the organizations that Toshio Kinjo, a nominee for substitute outside audit & supervisory board member, concurrently holds an important post have no capital or other business relationship.	
■ Reason that the Company appointed Toshio Kinjo as a candidate for Substitute Outside Audit & Supervisory Board Member and reason that the Company judged that he can properly perform the task as Outside Audit & Supervisory Board Member : We hereby propose that we elect Toshio Kinjo as a substitute outside audit & supervisory board member because he has acted as outside audit & supervisory board member of the Company for many years and has abundant experiences and excellent insight.	
■ Number of the Company's shares owned: 0	

Note:

1. No nominee has any special interest in the Company.
2. Liability limitation agreement with outside audit & supervisory board member

The Articles of Incorporation of the Company allows the conclusion of a liability limitation agreement between the Company and outside audit & supervisory board member. When the appointment of Toshio Kinjo is approved, at the assignment of outside audit & supervisory board member, the Company intends to conclude a liability limitation agreement which limits the maximum amount of liability to be either higher the previously fixed amount of over 2 million yen or the legal minimum liability.

### **Proposal No.5: Provision of Retirement Benefits to Audit & Supervisory Board Members Who Resign**

Satoshi Kawai and Yukio Manita will resign as Audit & Supervisory Board Members at the conclusion of this 92nd Ordinary General Meeting of Shareholders. In recognition of their service, we would like to provide retirement benefits to them, within a reasonable amount, according to the standards defined by the Company. As for the amount of the benefits, when and how the benefits will be provided, and other details, we would like you to leave these to the decisions made by discussion by the Audit & Supervisory Board.

The following is brief personal histories of the members who will resign:

Name	Brief personal history
Satoshi Kawai	June 2016 Audit & Supervisory Board Member (current position)
Yukio Manita	June 2004 Outside Audit & Supervisory Board Member (current position)