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(Securities code: 6345)
June 5, 2018

To Shareholders with Voting Rights:

Osamu Miura
President
AICHI CORPORATION
1152-10 Ryoke, Ageo-shi, Saitama,
Japan

**NOTICE OF
THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

You are cordially invited to attend the 70th Ordinary General Meeting of Shareholders of AICHI CORPORATION (“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 by submitting the enclosed form or by electromagnetic means (Internet). Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise your voting rights by 5:30 p.m. on Wednesday, June 20, 2018, Japan time.

- 1. Date and Time:** Thursday, June 21, 2018 at 10:00 a.m., Japan time
- 2. Place:** The Company’s Head Office,
1152-10 Ryoke, Ageo-shi, Saitama, Japan
(Please see the brief map attached at the end of this notice.)
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated Financial Statements for the 70th Fiscal Year (April 1, 2017 - March 31, 2018) 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 70th Fiscal Year (April 1, 2017- March 31, 2018)
 - Proposals to be resolved:**
 - Proposal No. 1:** Distribution of Surplus
 - Proposal No. 2:** Partial Amendments to the Articles of Incorporation
 - Proposal No. 3:** Election of 3 Directors (excluding Directors serving as Audit and Supervisory Committee Members)
 - Proposal No. 4:** Election of 4 Directors serving as Audit and Supervisory Committee Members
 - Proposal No. 5:** Determination of the Amount of Compensation for Directors (excluding Directors serving as Audit and Supervisory Committee Members)
 - Proposal No. 6:** Determination of the Amount of Compensation for Directors serving as Audit and Supervisory Committee Members
 - Proposal No. 7:** Granting of Retirement Benefits to Retiring Corporate Auditors

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- For those attending, please present the enclosed ballot form at the reception desk on arrival at the meeting.
 - If any revisions are made to the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements and Reference Documents for the General Meeting of Shareholders, the revised contents will be posted on the Company’s web site (<https://www.aichi-corp.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Distribution of Surplus

The Company's basic dividend policy is to pay dividends to its shareholders from a long-term perspective while giving consideration to reinforcement of management structure, future business development, etc. Based on this, the Company proposes a year-end dividend as follows.

Matters concerning year-end dividend:

- (1) Dividend property
Cash
- (2) Matters concerning the allotment of the dividend property and the total amount distributed
11 yen per share of common stock of the Company, for a total of 853,884,152 yen
- (3) Effective date of distribution of surplus
June 22, 2018

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Purpose of the amendments

The Company is to change to a company with Audit and Supervisory Committee as established by the “Act for Partial Amendment of the Companies Act” (Act No. 90 of 2014) in order to further enhance managerial transparency and speed up managerial decision-making by strengthening the supervisory functions of the Board of Directors and reinforcing corporate governance. Accordingly, the Company proposes to amend the Articles of Incorporation as required for the above purpose, including the establishment of new provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members and the deletion of provisions concerning the Board of Corporate Auditors and Corporate Auditors.

2. Description of the amendments

Description of the amendments is as follows.

This proposal will become effective at the conclusion of this Ordinary General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
Chapter I. General Provisions	Chapter I. General Provisions
(Trade Name)	(Trade Name)
Article 1. The name of the Company shall be <i>Kabushiki Kaisha Aichi Corporation</i> , which shall be expressed in English as “AICHI CORPORATION”.	Article 1. The name of the Company shall be <i>Kabushiki Kaisha Aichi Corporation</i> , which shall be expressed in English as “AICHI CORPORATION”.
(Purpose)	(Purpose)
Article 2. (Omitted) <u>1.</u> to <u>6.</u>	Article 2. (Same as current) <u>(1)</u> to <u>(6)</u>
Chapter II. Shares	Chapter II. Shares
(Restriction on Shareholders Rights with respect to Shares of less than One Unit)	(Restriction on Shareholders Rights with respect to Shares of less than One Unit)
Article 9. (Omitted) Rights specified in the items of Article 189, Paragraph 2 of the Companies Act; Rights to demand acquisition of shares with the right to demand acquisition; Rights to receive share subscriptions or the allotment of stock acquisition rights; and Rights to request sales of shares of less than one unit stipulated in the preceding Article.	Article 9. (Same as current) <u>(1)</u> (Same as current) <u>(2)</u> (Same as current) <u>(3)</u> (Same as current) <u>(4)</u> (Same as current)
(Transfer Agent)	(Transfer Agent)
Article 11. (Omitted) <u>2.</u> The transfer agent and its business office shall be designated by resolution of the Board of Directors.	Article 11. (Same as current) <u>2</u> (Same as current)

Current Articles of Incorporation	Proposed amendments
<p>(Record Date)</p> <p>Article 12. The Company shall deem those shareholders with voting rights whose names are listed or recorded in the last register of shareholders as of March 31 of each fiscal year to be shareholders entitled to exercise their rights at the ordinary general meeting of shareholders to be held with respect to such fiscal year.</p> <p>In addition to the record date set forth in these Articles of Incorporation, the Company may determine an ad hoc record date whenever necessary, in accordance with resolution of the Board of Directors and upon giving prior public notice.</p> <p>Chapter III. General Meeting of Shareholders</p> <p>(Convocation)</p> <p>Article 13. The ordinary general meeting of shareholders shall be convened within three (3) months after the end of each fiscal year.</p> <p>An extraordinary general meeting of shareholders shall be convened whenever necessary.</p> <p>(Chairman)</p> <p>Article 14. The President of the Company shall <u>act as the chairman of</u> a general meeting of shareholders.</p> <p>In the event that the President is unable to act, another Director shall <u>act in his/her place</u>.</p> <p>(Exercise of Voting Rights by Proxy)</p> <p>Article 16. A shareholder may exercise his/her voting rights by authorizing <u>another</u> shareholder with voting rights of the Company to act as his/her proxy.</p>	<p>(Record Date)</p> <p>Article 12. The Company shall deem those shareholders with voting rights whose names are listed or recorded in the last register of shareholders as of March 31 of each fiscal year to be shareholders entitled to exercise their rights at the ordinary general meeting of shareholders to be held with respect to such fiscal year.</p> <p><u>2</u> In addition to the record date set forth in these Articles of Incorporation, the Company may determine an ad hoc record date whenever necessary, in accordance with resolution of the Board of Directors and upon giving prior public notice.</p> <p>Chapter III. General Meeting of Shareholders</p> <p>(Convocation)</p> <p>Article 13. The ordinary general meeting of shareholders shall be convened within three (3) months after the end of each fiscal year.</p> <p><u>2</u> An extraordinary general meeting of shareholders shall be convened whenever necessary.</p> <p>(<u>Person Authorized to Convene the Meeting and Act as Chairman</u>)</p> <p>Article 14. The <u>Director &</u> President of the Company shall <u>convene</u> a general meeting of shareholders <u>and act as the chairman thereof</u>.</p> <p><u>2</u> In the event that the <u>Director &</u> President is unable to act, another Director, <u>determined in accordance with an order of priority predetermined by resolution of the Board of Directors</u>, shall <u>convene the general meeting of shareholders and act as the chairman thereof</u>.</p> <p>(Exercise of Voting Rights by Proxy)</p> <p>Article 16. A shareholder may exercise his/her voting rights by authorizing <u>one (1) other</u> shareholder with voting rights of the Company to act as his/her proxy; <u>provided, however, that the shareholder or his/her proxy shall submit to the Company a document evidencing his/her authority of representation</u>.</p>

Current Articles of Incorporation	Proposed amendments
<p>(Resolutions)</p> <p>Article 17. Except as otherwise provided by laws and regulations or by these Articles of Incorporation, all resolutions of a general meeting of shareholders shall be adopted by a majority vote of the attending shareholders entitled to exercise voting rights. Resolutions to be adopted pursuant to Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the votes of the attending shareholders who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.</p> <p>Chapter IV. Directors and the Board of Directors</p> <p>(Quota)</p> <p>Article 19. The number of Directors of the Company shall be <u>fifteen (15)</u> or less.</p> <p>(Newly established)</p> <p>(Election of Directors)</p> <p>Article 20. (Newly established)</p> <p>Resolutions for the election of Directors shall be adopted by a majority vote of the attending shareholders who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights. Resolutions for the election of Directors shall not be by cumulative voting.</p>	<p>(Resolutions)</p> <p>Article 17. Except as otherwise provided by laws and regulations or by these Articles of Incorporation, all resolutions of a general meeting of shareholders shall be adopted by a majority vote of the attending shareholders entitled to exercise voting rights. <u>2</u> Resolutions to be adopted pursuant to Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds (2/3) or more of the votes of the attending shareholders who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.</p> <p>Chapter IV. Directors and the Board of Directors</p> <p>(Number of Directors)</p> <p>Article 19. The number of Directors (<u>excluding Directors serving as Audit and Supervisory Committee Members</u>) of the Company shall be <u>ten (10)</u> or less. <u>2</u> <u>The number of Directors serving as Audit and Supervisory Committee Members (hereinafter referred to as "Audit and Supervisory Committee Members") of the Company shall be five (5) or less.</u></p> <p>(Election of Directors)</p> <p>Article 20. <u>Directors shall be elected at a general meeting of shareholders, provided that Directors serving as Audit and Supervisory Committee Members and other Directors shall be elected separately.</u> <u>2</u> Resolutions for the election of Directors shall be adopted by a majority vote of the attending shareholders who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights. <u>3</u> (Same as current)</p>

Current Articles of Incorporation	Proposed amendments
<p>(Term of Office of Directors)</p> <p>Article 21. The term of office of a Director shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within one (1) year after his/her election.</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Term of Office of Directors)</p> <p>Article 21. The term of office of a Director <u>(excluding Directors serving as Audit and Supervisory Committee Members)</u> shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within one (1) year after his/her election.</p> <p><u>2</u> The term of office of an Audit and Supervisory Committee Member shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within two (2) years after his/her election.</p> <p><u>3</u> The term of office of an Audit and Supervisory Committee Member elected to fill a vacancy of another Audit and Supervisory Committee Member who retired before expiry of his/her term of office shall be the same as the remaining term of the retired Audit and Supervisory Committee Member.</p>
<p>(Representative Directors)</p> <p>Article 22. The Company shall, by resolution of the Board of Directors, elect Representative Directors.</p> <p>The Representative Directors shall represent the Company and execute the business operations of the Company.</p>	<p>(Representative Directors)</p> <p>Article 22. The Company shall, by resolution of the Board of Directors, elect Representative Directors <u>from among Directors (excluding Directors serving as Audit and Supervisory Committee Members)</u>.</p> <p><u>2</u> The Representative Directors shall represent the Company and execute the business operations of the Company.</p>
<p>(Executive Directors)</p> <p>Article 23. The <u>Board of Directors</u> may, by resolution, appoint one (1) Chairman, one (1) President, one (1) Executive Vice President, several Senior Managing Directors and Managing Directors.</p>	<p>(Executive Directors)</p> <p>Article 23. The <u>Company</u> may, by resolution of <u>the Board of Directors</u>, appoint one (1) <u>Director &</u> Chairman, one (1) <u>Director &</u> President, one (1) <u>Director &</u> Executive Vice President, several Senior Managing Directors and Managing Directors, <u>from among Directors (excluding Directors serving as Audit and Supervisory Committee Members)</u>.</p>
<p>(Chairman Emeritus)</p> <p>Article 24. <u>The Board of Directors may, by resolution, appoint one (1) Chairman Emeritus.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p>(<u>Convocation of a Meeting of the Board of Directors</u>)</p> <p>Article <u>25</u>. The President of the Company shall convene the meetings of the Board of Directors and act as the chairman thereof.</p> <p>When the President of the Company is unable to act, another Director shall convene the meetings of the Board of Directors and act as the chairman thereof.</p> <p>Notice of convocation of a meeting of the Board of Directors shall be sent to each Director <u>and Corporate Auditor</u> three (3) days prior to the meeting; provided, however, that in the event of urgency, such period may be <u>further</u> shortened.</p> <p>When the consent of all Directors <u>and Corporate Auditors</u> is obtained, a meeting of the Board of Directors may be held without following the procedures for convening a meeting.</p>	<p>(<u>Person Authorized to Convene a Meeting of the Board of Directors and Act as Chairman</u>)</p> <p>Article <u>24</u>. <u>Except as otherwise provided by laws and regulations, the Director &</u> President of the Company shall convene the meetings of the Board of Directors and act as the chairman thereof.</p> <p><u>2</u> When <u>the position of the Director & President is vacant or the Director & President is unable to act, another Director, determined in accordance with an order of priority predetermined by resolution of the Board of Directors,</u> shall convene the meetings of the Board of Directors and act as the chairman thereof.</p> <p><u>3</u> Notice of convocation of a meeting of the Board of Directors shall be sent to each Director <u>at least three (3) days</u> prior to the meeting; provided, however, that in the event of urgency, such period may be shortened.</p> <p><u>4</u> When the consent of all Directors is obtained, a meeting of the Board of Directors may be held without following the procedures for convening a meeting.</p>
<p>(Resolution of the Board of Directors)</p> <p>Article <u>26</u>. All resolutions of the Board of Directors shall be adopted by a majority <u>vote</u> of the attending Directors who constitute a majority of the total number of Directors.</p>	<p>(<u>Method for Adopting Resolution of the Board of Directors</u>)</p> <p>Article <u>25</u>. All resolutions of the Board of Directors shall be adopted by a majority of the attending Directors who constitute a majority of the total number of Directors <u>entitled to participate in the resolution.</u></p>
<p>(Omission of the Procedure for Adopting Resolutions of the Board of Directors)</p> <p>Article <u>27</u>. When requirements provided for in Article 370 of the Companies Act are satisfied, resolutions of the Board of Directors shall be deemed to have been adopted; <u>provided, however, that this provision shall not apply if a Corporate Auditor expresses objections thereto.</u></p>	<p>(Omission of the Procedure for Adopting Resolutions of the Board of Directors)</p> <p>Article <u>26</u>. When requirements provided for in Article 370 of the Companies Act are satisfied, resolutions of the Board of Directors shall be deemed to have been adopted.</p>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<u>(Delegation of Authority to Directors to Decide on the Execution of Business Operations)</u> <u>Article 27. Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may, by resolution of the Board of Directors, delegate the whole or part of the authority to decide on the execution of important business operations (excluding matters specified in the items of Paragraph 5 of the same Article) to Directors.</u>
(Newly established)	<u>(Compensation, etc. for Directors)</u> <u>Article 29. The amount of compensation, bonuses and any other proprietary benefits to be granted to Directors by the Company in consideration of their performance of duties shall be determined by resolution of a general meeting of shareholders, provided that the compensation, etc. for Directors serving as Audit and Supervisory Committee Members and other Directors shall be determined separately.</u>
(Exemption of Liabilities of Directors) Article 29. (Omitted) (Omitted)	(Exemption of Liabilities of Directors) Article 30. (Same as current) 2 (Same as current)
Chapter V. <u>Corporate Auditors and the Board of Corporate Auditors</u>	Chapter V. <u>Audit and Supervisory Committee Members and the Audit and Supervisory Committee</u>
(Establishment of <u>Corporate Auditors and the Board of Corporate Auditors</u>) Article 30. The Company shall have <u>Corporate Auditors and the Board of Corporate Auditors.</u>	(Establishment of the <u>Audit and Supervisory Committee</u>) Article 31. The Company shall have <u>the Audit and Supervisory Committee.</u>
(Quota) Article 31. <u>The number of Corporate Auditors of the Company shall be five (5) or less.</u>	(Deleted)
(Election of Corporate Auditors) Article 32. <u>Corporate Auditors shall be elected by resolution of a general meetings of shareholders. Resolutions for the election of Corporate Auditors shall be adopted by a majority vote of the attending shareholders who hold one-third (1/3) or more of the voting rights of shareholders entitled to exercise voting rights.</u>	(Deleted)

Current Articles of Incorporation	Proposed amendments
<u>(Term of Office of Corporate Auditors)</u>	
Article 33. <u>The term of office of a Corporate Auditor shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within four (4) years from his/her election.</u>	(Deleted)
<u>(Substitute)</u>	
Article 34. <u>The term of office of a Corporate Auditor elected to fill a vacancy shall be the same as the remaining term of office of the retired Corporate Auditor.</u>	(Deleted)
<u>(Full-Time Corporate Auditors)</u>	<u>(Full-Time Audit and Supervisory Committee Members)</u>
Article 35. <u>The Board of Corporate Auditors shall elect full-time Corporate Auditors from among Corporate Auditors.</u>	Article 32. <u>The Audit and Supervisory Committee may elect full-time Audit and Supervisory Committee Members from among Audit and Supervisory Committee Members.</u>
<u>(Convocation of a Meeting of the Board of Corporate Auditors)</u>	<u>(Convocation of a Meeting of the Audit and Supervisory Committee)</u>
Article 36. <u>Meetings of the Board of Corporate Auditors shall be convened by each Corporate Auditor.</u> Notice of convocation of a meeting of the <u>Board of Corporate Auditors</u> shall be sent to each <u>Corporate Auditor</u> three (3) days prior to the meeting; provided, however, that in the event of urgency, such period may be <u>further</u> shortened. When the consent of all <u>Corporate Auditors</u> is obtained, a meeting of the <u>Board of Corporate Auditors</u> may be held without following the procedures for convening a meeting.	Article 33. (Deleted) Notice of convocation of a meeting of the <u>Audit and Supervisory Committee</u> shall be sent to each <u>Audit and Supervisory Committee Member</u> at <u>least</u> three (3) days prior to the meeting; provided, however, that in the event of urgency, such period may be shortened. <u>2</u> When the consent of all <u>Audit and Supervisory Committee Members</u> is obtained, a meeting of the <u>Audit and Supervisory Committee</u> may be held without following the procedures for convening a meeting.
<u>(Resolution of the Board of Corporate Auditors)</u>	<u>(Methods for Adopting Resolution of the Audit and Supervisory Committee)</u>
Article 37. <u>Except as otherwise provided by laws and regulations, all resolutions of the Board of Corporate Auditors shall be adopted by a majority of Corporate Auditors.</u>	Article 34. <u>All resolutions of the Audit and Supervisory Committee shall be adopted by a majority of the attending Audit and Supervisory Committee Members who constitute a majority of the total number of Audit and Supervisory Committee Members entitled to participate in the resolution.</u>

Current Articles of Incorporation	Proposed amendments
<p>(<u>Board of Corporate Auditors Regulations</u>)</p> <p>Article <u>38</u>. The matters concerning the <u>Board of Corporate Auditors</u> shall be governed by, in addition to laws and regulations or these Articles of Incorporation, the <u>Board of Corporate Auditors Regulations</u> established or amended by the <u>Board of Corporate Auditors</u>.</p>	<p>(<u>Audit and Supervisory Committee Regulations</u>)</p> <p>Article <u>35</u>. The matters concerning the <u>Audit and Supervisory Committee</u> shall be governed by, in addition to laws and regulations or these Articles of Incorporation, the <u>Audit and Supervisory Committee Regulations</u> established or amended by the <u>Audit and Supervisory Committee</u>.</p>
<p>(<u>Exemption of Liabilities of Corporate Auditors</u>)</p> <p>Article <u>39</u>. <u>The Company may exempt Corporate Auditors (including former Corporate Auditors) from the liabilities for damages set forth in Article 423, Paragraph 1 of the Companies Act, to the extent permitted by laws and regulations under the condition that they performs their duties in good faith with no acts of gross negligence, by resolution of the Board of Directors.</u></p> <p><u>The Company may enter into an agreement with each of Corporate Auditors to limit the liabilities for damages set forth in Article 423, Paragraph 1 of the Companies Act, to the extent permitted by laws and regulations under the condition that they performs their duties in good faith with no acts of gross negligence.</u></p>	<p>(Deleted)</p>
<p>Chapter VI. Accounting Auditor</p>	<p>Chapter VI. Accounting Auditor</p>
<p>Articles <u>40</u>. to <u>41</u>. (Omitted)</p>	<p>Articles <u>36</u>. to <u>37</u>. (Same as current)</p>
<p>(Term of Office of Accounting Auditor)</p> <p>Article <u>42</u>. The term of office of an Accounting Auditor shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within one (1) year from the Accounting Auditor's election.</p> <p>Unless otherwise resolved at the ordinary general meeting of shareholders prescribed in the preceding Paragraph, the Accounting Auditor shall be deemed to be re-elected at the ordinary general meeting of shareholders.</p>	<p>(Term of Office of Accounting Auditor)</p> <p>Article <u>38</u>. The term of office of an Accounting Auditor shall expire upon conclusion of the ordinary general meeting of shareholders held with respect to the last fiscal year ending within one (1) year from the Accounting Auditor's election.</p> <p><u>2</u> Unless otherwise resolved at the ordinary general meeting of shareholders prescribed in the preceding Paragraph, the Accounting Auditor shall be deemed to be re-elected at the ordinary general meeting of shareholders.</p>

Current Articles of Incorporation	Proposed amendments
Chapter VII. Accounts	Chapter VII. Accounts
Articles <u>43.</u> to <u>45.</u> (Omitted)	Articles <u>39.</u> to <u>41.</u> (Same as current)
(Expiration Period of Year-end Dividend and Interim Dividend)	(Expiration Period of Year-end Dividend and Interim Dividend)
Article <u>46.</u> If a year-end dividend or interim dividend is not claimed after the elapse of a full three (3) years from the date its payment commences, the Company shall be relieved of the obligation to make the payment. No interest shall accrue from unpaid year-end dividend or interim dividend.	Article <u>42.</u> If a year-end dividend or interim dividend is not claimed after the elapse of a full three (3) years from the date its payment commences, the Company shall be relieved of the obligation to make the payment.
	<u>2</u> No interest shall accrue from unpaid year-end dividend or interim dividend.
(Newly established)	<u>Supplementary Provisions</u>
(Newly established)	<u>(Transitional Measures Relating to Exemption from Liability of Corporate Auditors)</u>
	<u>The Company may, by a resolution of the Board of Directors, exempt Corporate Auditors (including former Corporate Auditors) from the liabilities for damages set forth in Article 423, Paragraph 1 of the Companies Act relating to acts performed by them prior to the conclusion of the 70th ordinary general meeting of shareholders held in June 2018, to the extent permitted by laws and regulations.</u>
	<u>2</u> <u>An agreement with each of the Corporate Auditors (including former Corporate Auditors) to limit the liabilities for damages set forth in Article 423, Paragraph 1 of the Companies Act relating to acts performed by him/her prior to the conclusion of the 70th ordinary general meeting of shareholders held in June 2018 shall be construed in accordance with Article 39 of these Articles of Incorporation before the amendments resolved at the said ordinary general meeting of shareholders, insofar as they relate to the above acts.</u>
	<u>3</u> <u>These supplementary provisions shall be deleted on June 20, 2028.</u>

Proposal No. 3 Election of 3 Directors (excluding Directors serving as Audit and Supervisory Committee Members)

The Company is to change to a company with Audit and Supervisory Committee subject to the approval of the Partial Amendments to the Articles of Incorporation under Proposal No. 2. The terms of office of all 5 incumbent Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of 3 Directors (excluding Directors serving as Audit and Supervisory Committee Members).

A resolution on this proposal shall become effective subject to the effectuation of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

The candidates for Director (excluding Directors serving as Audit and Supervisory Committee Members) are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities and important concurrent positions	Number of Company shares held
1	Osamu Miura (December 12, 1954)	<p>April 1977 Joined NISSAN MOTOR CO., LTD.</p> <p>June 1999 Joined Toyoda Automatic Loom Works, Ltd. (present Toyota Industries Corporation) President and Representative Director of Toyoda Textile Machinery Co., Ltd.</p> <p>January 2007 President and Representative Director of Toyota Industrial Equipment Europe S.A.R.L.</p> <p>June 2007 Managing Officer of Toyota Industries Corporation</p> <p>June 2008 Managing Officer of the same</p> <p>June 2010 Senior Managing Director of the Company</p> <p>June 2015 Senior Managing Director and Representative Director of the Company</p> <p>June 2016 President and Representative Director of the Company (to the present)</p>	20,000 shares
2	Shinya Inakoshi (June 12, 1954)	<p>April 1977 Joined Toyoda Automatic Loom Works, Ltd. (present Toyota Industries Corporation)</p> <p>June 2003 General Manager, Finance Department, Corporate Center of Toyota Industries Corporation</p> <p>January 2008 General Manager, Business Planning Department, Electronics Division of the same</p> <p>July 2014 Executive Officer of the Company</p> <p>June 2015 Director of the Company</p> <p>June 2016 Managing Director and Representative Director of the Company, Head of the Planning and Administration Division and supervising Subsidiaries and Affiliates in China</p> <p>June 2017 Managing Director and Representative Director of the Company, Head of the Planning and Administration Division and Head of the Sales Division (to the present)</p>	10,105 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities and important concurrent positions		Number of Company shares held
3	Akihiko Ohira (July 6, 1955)	<p>April 1978 Joined the Company</p> <p>April 2001 General Manager, Research & Development Department of the Company</p> <p>April 2004 General Manager, Production Technology Department of the Company</p> <p>April 2006 President and Director of Aichi Sharyo Industries Co., Ltd.</p> <p>April 2010 General Manager in charge of China Business Department of the Company</p> <p>July 2010 Executive Officer of the Company</p> <p>June 2016 Director of the Company, supervising Information Systems Division and in charge of Production Management Department</p> <p>June 2017 Director of the Company, Head of the Information Systems Division, Head of the Quality Assurance Division, Head of the Technology and Development Division, Head of the Production Management Division and Head of the Manufacturing Division (to the present)</p>		7,270 shares

Note: No material conflicts of interests exist between the Company and any of the above candidates.

Proposal No. 4 Election of 4 Directors serving as Audit and Supervisory Committee Members

The Company is to change to a company with Audit and Supervisory Committee subject to the approval of the Partial Amendments to the Articles of Incorporation under Proposal No. 2. Accordingly, the Company proposes the election of 4 Directors serving as Audit and Supervisory Committee Members.

The Board of Corporate Auditors has already approved this proposal.

A resolution on this proposal shall become effective subject to the effectuation of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

The candidates for Director serving as Audit and Supervisory Committee Member are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities and important concurrent positions	Number of Company shares held
1	Takeshi Suzuki (November 18, 1947)	<p>April 1970 Joined Toyota Motor Sales Co., Ltd. (present Toyota Motor Corporation)</p> <p>June 2000 Member of the Board of Directors of Toyota Motor Corporation</p> <p>June 2003 Managing Officer of the same</p> <p>June 2004 Senior Managing Director of the same</p> <p>June 2008 President and Representative Director of Toyota Financial Services Corporation</p> <p>June 2011 Chairman and Representative Director of Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>June 2013 Director of the Company (to the present)</p> <p>[Important concurrent positions]</p> <p>Senior Advisor of Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>External Director of Sumitomo Mitsui Trust Holdings, Inc.</p>	0 shares
<p>[Reason for nomination]</p> <p>Mr. Takeshi Suzuki has been engaged in management as a Director (Member of the Board of Directors) of Toyota Motor Corporation, Toyota Financial Services Corporation, and Aioi Nissay Dowa Insurance Co., Ltd. He has also provided us with appropriate advice from the standpoint of an Outside Director based on his deep knowledge and the wealth of experience he has accumulated through his long-term career in business. We believe that he will contribute to the further strengthening of the corporate governance of the Company as a Director serving as Audit and Supervisory Committee Member, and therefore nominate him as a candidate.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and important concurrent positions		Number of Company shares held
2	Takushi Ito (September 21, 1952)	<p>July 2006 Director; General Manager, Tokai Headquarters, and General Manager, Nagoya Branch of NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION</p> <p>July 2007 President of NTT West-Tokai Corporation Joined Nippon Denwa Shisetsu Co., Ltd. (present NDS Co., Ltd.)</p> <p>June 2008 Senior Managing Director; General Manager, Corporate Planning Division of the same</p> <p>June 2009 President & CEO of the same</p> <p>June 2017 Corporate Auditor of the Company (to the present) Chairman of NDS Co., Ltd. (to the present)</p> <p>[Important concurrent positions] Chairman of NDS Co., Ltd. Outside Director of Tokai Tsushin Shizai Service Incorporated Outside Director of Aichi Television Broadcasting Co., LTD. Outside Director of FM Aichi Broadcasting Co., Ltd.</p>		0 shares
<p>[Reason for nomination] Mr. Takushi Ito has been engaged in management as a Director of NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION and Nippon Denwa Shisetsu Co., Ltd. (present NDS Co., Ltd.) and has deep knowledge and a wealth of experience accumulated through his long-term career in business. He has also provided us with appropriate advice from the standpoint of an Outside Corporate Auditor. We believe that he will contribute to the further strengthening of the corporate governance of the Company as a Director serving as Audit and Supervisory Committee Member, and therefore nominate him as a candidate.</p>				
3	Shigehiro Takatsuki (January 11, 1950)	<p>April 1974 Joined Mitsui Engineering & Shipbuilding Co., ltd.</p> <p>January 1976 Joined Price Waterhouse & Co. (present PricewaterhouseCoopers Aarata LLC)</p> <p>July 1991 Partner, Price Waterhouse British Farm (present PricehousewaterhouseCoopers)</p> <p>July 2001 Joined Chuo Aoyama Audit Corporation.</p> <p>July 2007 Representative Partner, Ernst & Young ShinNihon (present Ernst & Young ShinNihon LLC)</p> <p>June 2014 Corporate Auditor of the Company (to the present)</p>		0 shares
<p>[Reason for nomination] Although Mr. Shigehiro Takatsuki has not participated directly in corporate management, he has provided us with fair and appropriate advice from the standpoint of an Outside Corporate Auditor based on his qualification as a CPA and his wealth of knowledge and experience in accounting audits and international tax matters. We believe that he will contribute to the further strengthening of the corporate governance of the Company as a Director serving as Audit and Supervisory Committee Member, and therefore nominate him as a candidate.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and important concurrent positions		Number of Company shares held
4	Satoru Kawataki (March 13, 1965)	April 1988	Joined Toyoda Automatic Loom Works, Ltd. (present Toyota Industries Corporation)	0 shares
		January 2010	General Manager, Corporate Management Office, TMHG Administration Department, Toyota L&F Company of Toyota Industries Corporation	
		June 2015	General Manager, TMHG Administration Department, Toyota L&F Company of the same (to the present)	
		June 2016	Director of the Company (to the present)	
	[Reason for nomination] Although Mr. Satoru Kawataki has not participated directly in corporate management, he has a wealth of knowledge and practical experience accumulated through his engagement at the TMHG Administration Department, the department responsible for global strategies at Toyota L&F Company of Toyota Industries Corporation. He has provided us with fair and appropriate advice from the standpoint of a Director. We believe that he will contribute to the further strengthening of the corporate governance of the Company as a Director serving as Audit and Supervisory Committee Member, and therefore nominate him as a candidate.			

- Notes:
1. No material conflicts of interests exist between the Company and any of the above candidates.
 2. Mr. Takeshi Suzuki, Mr. Takushi Ito and Mr. Shigehiro Takatsuki are candidates for Outside Directors.
 - (1) Mr. Takeshi Suzuki will have served as an Outside Director of the Company for 5 years at the conclusion of this Ordinary General Meeting of Shareholders.
 - (2) Mr. Takushi Ito will have served as an Outside Corporate Auditor of the Company for 1 year at the conclusion of this Ordinary General Meeting of Shareholders.
 - (3) Mr. Shigehiro Takatsuki will have served as an Outside Corporate Auditor of the Company for 4 years at the conclusion of this Ordinary General Meeting of Shareholders.
 3. The Company has designated Mr. Takeshi Suzuki, Mr. Takushi Ito and Mr. Shigehiro Takatsuki as independent officers stipulated by the regulations of Tokyo Stock Exchange Inc. and Nagoya Stock Exchange, Inc., and has registered them as independent officers at the exchanges. If they are elected, the Company will continue to register them as independent officers.
 4. The Company has concluded the Liability Limitation Agreement with Mr. Takeshi Suzuki, Mr. Takushi Ito and Mr. Shigehiro Takatsuki as stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the Act.
If Mr. Takeshi Suzuki, Mr. Takushi Ito, Mr. Shigehiro Takatsuki and Mr. Satoru Kawataki are elected, the Company will conclude the same agreement with them.

Proposal No. 5 Determination of the Amount of Compensation for Directors (excluding Directors serving as Audit and Supervisory Committee Members)

The Company is to change to a company with Audit and Supervisory Committee subject to the approval of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

Compensation for Directors of the Company in the amount of ¥360,000,000 or less per year was approved at the 67th Ordinary General Meeting of Shareholders held on June 26, 2015, and the amount so determined has remained unchanged up to the present time.

The Company proposes to abolish the current provisions on the amount of compensation for Directors and to newly set the amount of compensation for Directors (excluding Directors serving as Audit and Supervisory Committee Members) to the amount of ¥240,000,000 or less per year, in consideration of economic circumstances and other factors.

The amount of compensation for Directors (excluding Directors serving as Audit and Supervisory Committee Members) shall not include the portion of employee compensation paid to the Directors who serve concurrently as employees.

If the Partial Amendments to the Articles of Incorporation under Proposal No. 2 and the Election of 3 Directors (excluding Directors serving as Audit and Supervisory Committee Members) under Proposal No. 3 are approved as proposed, the Company will have 3 Directors (excluding Directors serving as Audit and Supervisory Committee Members).

A resolution on this proposal shall become effective subject to the effectuation of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

Proposal No. 6 Determination of the Amount of Compensation for Directors serving as Audit and Supervisory Committee Members

The Company is to change to a company with Audit and Supervisory Committee subject to the approval of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

The Company proposes to set the amount of compensation for Directors serving as Audit and Supervisory Committee Members in the amount of ¥60,000,000 or less per year, in consideration of their duties and responsibilities.

If the Partial Amendments to the Articles of Incorporation under Proposal No. 2 and the Election of 4 Directors serving as Audit and Supervisory Committee Members under Proposal No. 4 are approved as proposed, the Company will have 4 Directors serving as Audit and Supervisory Committee Members.

A resolution on this proposal shall become effective subject to the effectuation of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

Proposal No. 7 Granting of Retirement Benefits to Retiring Corporate Auditors

The Company is to change to a company with Audit and Supervisory Committee subject to the approval of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

The Company proposes the granting of retirement benefits to Mr. Yukihiro Mizuno and Mr. Kenichi Shimada, both of whom will retire as Corporate Auditors at the conclusion of this Ordinary General Meeting of Shareholders, in order to compensate their dedicated efforts in service to the Company during their terms of office, within reasonable amounts in accordance with a certain standard prescribed by the Company. The decisions on specific amounts, timing, and method of payment shall be determined through consultation by the Directors serving as Audit and Supervisory Committee Members.

A resolution on this proposal shall become effective subject to the effectuation of the Partial Amendments to the Articles of Incorporation under Proposal No. 2.

The career summaries of the retiring Corporate Auditors are as follows:

Name	Career summary	
Yukihiro Mizuno	June 2015	Corporate Auditor of the Company (to the present)
Kenichi Shimada	June 2015	Corporate Auditor of the Company (to the present)