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(Security Code 7408)
June 8, 2018

To Shareholders:

Harutoshi Okita
President & CEO
JAMCO Corporation
Registered Office:
6-11-25, Osawa, Mitaka-shi, Tokyo, Japan
Head Office:
1-100, Takamatsu-cho, Tachikawa-shi, Tokyo,
Japan

**NOTICE OF
THE 78TH 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 78th Annual General Meeting of Shareholders of JAMCO 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. Accordingly, please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:30 p.m. on Tuesday, June 26, 2018, Japan time.

1. Date and Time: Wednesday, June 27, 2018 at 10:00 a.m. Japan time

2. Place: 3F “Hakuho,” Keio Plaza Hotel Tama located at
1-43, Ochiai, Tama-shi, Tokyo, Japan

3. Objectives of the Meeting:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 78th Fiscal Year (April 1, 2017 - March 31, 2018) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 78th Fiscal Year (April 1, 2017 - March 31, 2018)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of ten (10) Directors
Proposal 3: Election of one (1) Substitute Audit & Supervisory Board Member
Proposal 4: Award of Retirement Benefits to Retiring Directors and Final Payments of Retirement Benefits upon Abolition of Retirement Benefits Plan
Proposal 5: Revision of Compensation Amount for Directors and Audit & Supervisory Board Members

4. Matters determined for the General Meeting of Shareholders: If neither approval nor disapproval of each proposal is indicated on the Voting Rights Exercise Form, the Company will deem that you indicated your approval of the proposal.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- The Notes to the Consolidated Financial Statements and the Notes to the Non-Consolidated Financial Statements, which are not stated pursuant to laws and regulations and Article 17 of the Company's Articles of Incorporation, are posted on the Company's corporate website on the Internet.
- The Consolidated Financial Statements and the Non-consolidated Financial Statements in the Attachment of this convocation notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements subject to audits when the Audit & Supervisory Board Members prepared its Audit Report and the Accounting Auditor prepared its Independent Auditor's Report.
- Should the Reference Documents, Business Report, Consolidated and Non-consolidated Financial Statements for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's corporate website on the Internet.

The Company's corporate website: <https://www.jamco.co.jp>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

With regard to the year-end dividend for the 78th Fiscal Year, taking into consideration overall matters including the business result for the current fiscal year and the Company's dividend policies to ensure a stable and continuous return, in order to reward shareholders for their support, the Company proposes to distribute dividends, as follows:

1. Type of dividend property
Cash
2. Matters concerning allocation of dividend property and the total amount
¥20 per common stock of the Company, total amount will be ¥536,504,240
3. Effective date of the Surplus distribution
June 28, 2018

Proposal 2: Election of ten (10) Directors

The terms of office of all eight (8) current Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of ten (10) Directors is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Harutoshi Okita (March 21, 1958)	April 1980 Joined ITOCHU Corporation October 2000 General Manager of Business Function Integration Department of ITOCHU Corporation April 2008 SVP & General Manager of Machinery Division of ITOCHU International Inc. April 2011 Executive Officer, Chief Operating Officer, New Energy & Coal Division of ITOCHU Corporation April 2012 Executive Officer, Chief Operating Officer, Coal, Nuclear & Solar Division of ITOCHU Corporation April 2013 Executive Officer, Chief Operating Officer, Plant Project, Marine & Aerospace Division of ITOCHU Corporation April 2015 Adviser of ITOCHU Corporation June 2015 Corporate Auditor of ITOCHU Corporation April 2016 President & CEO of the Company June 2016 Representative Director, President & CEO (to present)	1,800
[Reasons for appointment] Mr. Harutoshi Okita served as Executive Officer and Corporate Auditor of ITOCHU Corporation, our major shareholder. He has abundant experience and deep insight concerning management in general. As President & CEO of the Company from April 2016, he has led the Board of Directors' decision-making process and the execution of operation. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies properly, we propose him as a candidate for Director.			

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
2	Katsuhiro Ogami (December 1, 1956)	April 1980	Joined ALL NIPPON AIRWAYS CO., LTD.	1,500
		April 2007	Director, Corporate Planning of ALL NIPPON AIRWAYS CO., LTD.	
		April 2008	Director, Engineering , Engineering & Maintenance of ALL NIPPON AIRWAYS CO., LTD.	
		April 2012	Senior Vice President, Engineering & Maintenance and Director, Planning & Administration of ALL NIPPON AIRWAYS CO., LTD.	
		June 2012	Director of the Company	
		November 2012	Senior Vice President , Engineering & Maintenance Center and Director, Planning & Administration of ALL NIPPON AIRWAYS CO., LTD.	
		March 2014	Resigned from Director of the Company	
		April 2014	Senior Vice President of ALL NIPPON AIRWAYS CO., LTD. President of Air Japan Co., Ltd.	
		April 2015	Adviser of Air Japan Co., Ltd.	
		June 2015	Representative Director & EVP (Assistant to President, Quality Assurance, Information System and Aircraft Maintenance Company, CIO) of the Company	
June 2016	Representative Director & EVP (Assistant to President, Quality Assurance, Information System and Aircraft Maintenance Group, CIO)			
April 2017	Representative Director & EVP (Assistant to President, Information System, Quality Assurance and Aircraft Maintenance Group, CIO) (to present)			
[Reasons for appointment] Mr. Katsuhiro Ogami served as Outside Director of the Company from 2012 to 2014. He has engaged in important business execution, and has been involved in the Board of Directors' decision-making and checking process concerning the execution as Director in charge of Quality Assurance, Information System and Aircraft Maintenance Group since 2015. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies, we propose him as a candidate for Director.				
3	Toshikazu Kimura (October 14, 1959)	April 1980	Joined the Company	4,500
		April 2009	General Manager of Corporate Planning Department	
		June 2012	Director, General Manager of Corporate Planning Department	
		June 2013	Executive Officer (Corporate Planning, IR & PR and Corporate Administration)	
		April 2014	Executive Officer (Strategies and Corporate Administration)	
		June 2014	Executive Officer (Strategies, General Manager of Corporate Administration Department)	
		April 2015	Managing Executive Officer (Corporate Administration & Human Resource, CRO, General Manager of Corporate Planning Department)	
		June 2015	Director & Managing Executive Officer (Corporate Administration & Human Resource, CRO, General Manager of Corporate Planning Department)	
		April 2016	Director & Senior Managing Executive Officer (Corporate Planning, Public Relations & Investor Relations, CRO, General Manager of Corporate Planning Department)	
		November 2016	Director & Senior Managing Executive Officer (Corporate Administration & Human Resource, CFO, CCO)	
April 2017	Director & Senior Managing Executive Officer (Corporate Administration & Human Resource, CFO)			
December 2017	Director & Senior Managing Executive Officer (Corporate Administration & Human Resource, CCO)			
April 2018	Director & Senior Managing Executive Officer (Corporate Administration & Human Resource, CCO) (to present)			
[Reasons for appointment] Mr. Toshikazu Kimura has abundant experience in and a wealth of knowledge of Corporate Planning and Corporate Administration. He has a good track record as CRO, CFO and CCO. He has engaged in important business execution, and has been involved in the Board of Directors' decision-making and checking process concerning the execution. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies, we propose him as a candidate for Director.				

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Masamichi Kato (July 19, 1957)	<p>April 1981 Joined the Company</p> <p>April 2008 General Manager of Aircraft Interiors Company, Assigned to JAMCO AMERICA INC.</p> <p>June 2013 Executive Officer and President of JAMCO AMERICA INC.</p> <p>July 2015 Executive Officer (Vice President, Aircraft Interiors Company, General Manager of Operations, Aircraft Interiors Company)</p> <p>April 2016 Managing Executive Officer (Vice President, Aircraft Interiors Company, General Manager of Operations, Aircraft Interiors Company)</p> <p>June 2016 Director & Managing Executive Officer (Deputy Chief Operating Officer of Aircraft Interiors and Components Group, General Manager of Aircraft Seat Manufacturing Division, General Manager of Aircraft Interiors Manufacturing Division)</p> <p>April 2017 Director & Senior Managing Executive Officer (Chief Operating Officer of Aircraft Interiors and Components Group)</p> <p>April 2018 Director & Senior Managing Executive Officer (Chief Operating Officer of Aircraft Interiors and Components Group, General Manager of Aircraft Interiors Manufacturing Division) (to present)</p> <p>[Significant concurrent positions] Director of Niigata JAMCO Corporation Director of Miyazaki JAMCO Corporation Director of JAMCO AMERICA, INC. Director of JAMCO SINGAPORE PTE LTD. Director (Alternate) of JAMCO AERO DESIGN & ENGINEERING PTE LTD.</p>	1,300
<p>[Reasons for appointment] Mr. Masamichi Kato served as President of overseas subsidiary in the U.S. and Singapore. He has accumulated abundant experience through his role and a wealth of knowledge in management of overseas business. He has also served as Executive Officer, General Manager and Chief Operating Officer in the division of Aircraft Interiors and Aircraft Seat Manufacturing since 2015. As Director, he has engaged in important business execution, and has been involved in the Board of Directors' decision-making and checking process concerning the execution. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies, we propose him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Kentaro Goto (February 3, 1962)	<p>April 1985 Joined ITOCHU Corporation</p> <p>April 2009 Deputy General Manager of ICT, Aerospace & Electronics Planning & Coordinating Department of ITOCHU Corporation</p> <p>April 2010 General Manager of Aircraft & Interior Systems Department of ITOCHU Corporation</p> <p>June 2010 Director of the Company</p> <p>March 2013 Resigned from Director of the Company</p> <p>April 2013 General Manager of Human Resource Department of the Company (assigned to the Company)</p> <p>June 2013 Executive Officer (Assistant to Executive Officer in charge of Personnel and Labor relations, General Manager of Human Resource Department)</p> <p>November 2013 Executive Officer (Personnel and Labor relations, General Manager of Human Resource Department)</p> <p>April 2015 Executive Officer (CCO, General Manager of Corporate Administration & Human Resource Department)</p> <p>March 2016 Resigned from ITOCHU Corporation</p> <p>April 2016 Managing Executive Officer (Corporate Administration & Human Resource, CCO, General Manager of Corporate Administration & Human Resource Department)</p> <p>June 2016 Director & Managing Executive Officer (Corporate Administration & Human Resource, CCO, General Manager of Corporate Administration & Human Resource Department)</p> <p>November 2016 Director & Managing Executive Officer (Corporate Planning, PR & IR, CRO, General Manager of Corporate Planning Department)</p> <p>April 2017 Director & Managing Executive Officer (PR & IR, CRO, General Manager of Corporate Planning Department)</p> <p>December 2017 Director & Managing Executive Officer (IR, PR & Corporate Planning, CFO) (to present)</p>	400
<p>[Reasons for appointment]</p> <p>Mr. Kentaro Goto served as Outside Director of the Company from 2010 to 2013. He has engaged in important business execution as Executive Officer since 2013 and as Director since June 2016. He has been involved in the Board of Directors' decision-making and checking process concerning the execution. In addition, he has a good track record as CCO, CRO and CFO. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies, we propose him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	*Tutomu Tadokoro (October 19, 1965)	<p>April 1989 Joined the Company</p> <p>April 2010 General Manager of 787 Development Office, Aircraft Interiors Company</p> <p>April 2011 General Manager of Planning Department, Aircraft Interiors Company</p> <p>April 2013 General Manager of Operations, Aircraft Interiors Company</p> <p>June 2013 Executive Officer (Vice President, Aircraft Interiors Company, General Manager of Operations, Aircraft Interiors Company)</p> <p>July 2015 Executive Officer (Vice President, Aircraft Interiors Company and President of JAMCO AMERICA INC.)</p> <p>April 2016 Managing Executive Officer (Vice President, Aircraft Interiors Company and President of JAMCO AMERICA INC.)</p> <p>July 2016 Managing Executive Officer (General Manager of Business Planning and Strategy Department, Aircraft Interiors and Components Group)</p> <p>September 2016 Managing Executive Officer (General Manager of Business Planning and Strategy Department, Aircraft Interiors and Components Group, General Manager of Planning Department, Aircraft Interiors Manufacturing Division)</p> <p>April 2017 Managing Executive Officer (General Manager of Business Planning and Strategy Department, Aircraft Interiors and Components Group)</p> <p>December 2017 Managing Executive Officer (PR, CRO, General Manager of Corporate Planning Department, General Manager of Business Planning and Strategy Department, Aircraft Interiors and Components Group)</p> <p>April 2018 Managing Executive Officer (PR, CRO, General Manager of Corporate Planning Department) (to present)</p> <p>[Significant concurrent positions] Director of JAMCO AMERICA, INC.</p>	4,000
<p>[Reasons for appointment] Mr. Tutomu Tadokoro has abundant experience and advanced expertise in the Aircraft Interiors Business. He has engaged in important business execution as Executive Officer since 2013. In addition, since 2017, he has been responsible for public relations and corporate planning, and has a good track record as CRO. Having judged that he will be able to realize the management philosophy of the Company and carry out business strategies, we propose him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
7	Naoya Osaki (July 19, 1961)	April 1985 April 2007 May 2009 April 2014 June 2015 April 2018 [Significant concurrent positions] Senior Officer of Plant Project, Marine & Aerospace Division, Machinery Company of ITOCHU Corporation	Joined ITOCHU Corporation Deputy General Manager of Aircraft & Electronics Department of ITOCHU Corporation Director & President of ITOCHU AVIATION, INC. (assigned to ITOCHU AVIATION, INC.) General Manager of Aerospace & Defense Department of ITOCHU Corporation Director of the Company Senior Officer of Plant Project, Marine & Aerospace Division, Machinery Company of ITOCHU Corporation (to present)	0
		[Reasons for appointment] Mr. Naoya Osaki is currently Senior Officer of Plant Project, Marine & Aerospace Division, Machinery Company of ITOCHU Corporation, our major shareholder. He has abundant experience in the aviation industry. Having judged that he will be able to appropriately perform his duties by leveraging his experience and knowledge in this industry, we propose him as a candidate for Outside Director.		
8	*Toshihiko Noguchi (February 3, 1962)	April 1986 April 2009 October 2012 April 2013 April 2014 April 2016 June 2016 April 2018 [Significant concurrent positions] Deputy Senior Vice President, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD Director of Japan Aeronautical Engineer's Association	Joined ALL NIPPON AIRWAYS CO., LTD. Director, Planning & Administration, Power Plant Maintenance Center, Engineering & Maintenance of ALL NIPPON AIRWAYS CO., LTD. Director, Planning & Administration, Material Management, Engineering & Maintenance of ALL NIPPON AIRWAYS CO., LTD. Director, Material Management & Spares, Material Management, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD. Vice President, Aircraft Operation Engineering, Aircraft Operations, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD. Vice President, Engineering, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD. Director of Japan Aeronautical Engineer's Association Deputy Senior Vice President, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD. (to present)	0
		[Reasons for appointment] Mr. Toshihiko Noguchi is currently Deputy Senior Vice President, Engineering & Maintenance Center of ALL NIPPON AIRWAYS CO., LTD., a subsidiary of our major shareholder, ANA HOLDINGS INC. He has abundant experience in the airline industry. Having judged that he will be able to appropriately perform his duties by leveraging his experience and knowledge in this industry, we propose him as a candidate for Outside Director.		

No.	Name (Date of birth)	Brief past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
9	Shinichi Suzuki (November 12, 1948)	<p>July 1971 Joined Kawasaki Heavy Industries, Ltd.</p> <p>July 2000 General Manager of Defense Systems Department, Marketing & Sales Division, Aerospace Business Division of Kawasaki Heavy Industries, Ltd.</p> <p>April 2003 Assistant Director, Deputy General Manager of Marketing & Sales Division, Aerospace Company and General Manager of Defense Aircraft Department of Kawasaki Heavy Industries, Ltd.</p> <p>April 2005 Executive Officer, Vice President of Aerospace Company and General Manager of Marketing & Sales Division of Kawasaki Heavy Industries, Ltd.</p> <p>June 2008 President of NIPPI Corporation</p> <p>June 2012 Adviser of NIPPI Corporation</p> <p>June 2014 Director of the Company (to present)</p> <p>[Significant concurrent positions] Corporate Auditor of Goko Trading Co., Ltd.</p>	0
[Reasons for appointment] Mr. Shinichi Suzuki has abundant experience and broad knowledge as a Corporate Management. As an Outside Director, he has offered his opinions proactively and supervised the Board of Directors from perspective of Independent Director. Having judged that he will be able to appropriately perform his duties, we propose him as a candidate for Outside Director.			
10	Juichi Watanabe (June 7, 1955)	<p>April 1979 Joined ITOCHU Corporation</p> <p>December 1986 Director in charge of Energy & Chemicals, Bureau de Liaison Office a Alger of ITOCHU Corporation</p> <p>April 1991 Deputy Director of ITOCHU Oil Exploration Co., Ltd.</p> <p>December 1997 Joined Sony Life Insurance Co., Ltd.</p> <p>January 1998 Joined AIDA ENGINEERING, LTD. Manager, International Business Department</p> <p>March 1999 General Secretary, International Business Promotion Office and General Manager, Sales Planning & Administration Department</p> <p>October 2003 Group Manager, Administration Group, Administration Headquarters</p> <p>November 2004 Vice President in charge of European Operation and CFO, AIDA S.r.l. (Italian subsidiary) and Director, German subsidiary</p> <p>January 2007 General Manager, Group Company Audit Office, General Manager, Internal Control Audit Office and General Manager, Group Company Business Office</p> <p>April 2010 Joined Teikoku Printing Inks Mfg. Co., Ltd. Manager, Overseas Operations Department</p> <p>April 2011 Joined Japan Business Assurance Co., Ltd. Manager, Management and Planning HQ</p> <p>April 2015 Senior Manager, Second CS Department, Japan Business Assurance Co., Ltd. Director, Global Business Law Institute Contract Teacher, Waseda University</p> <p>June 2016 Director of the Company (to present)</p> <p>[Significant concurrent positions] Senior Manager, Second CS Department, Japan Business Assurance Co., Ltd. Director, Global Business Law Institute Contract Teacher, Waseda University</p>	0
[Reasons for appointment] Mr. Juichi Watanabe has abundant experience in international corporate activities and broad knowledge of Accounting and Internal Control as a U.S. Certified Public Accountant, Certified Internal Auditor and Certified Fraud Examiner. As an Outside Director, he has proactively offered his opinions and supervised the Board of Directors from perspective of Independent Director. Having judged that he will be able to appropriately perform his duties, we propose him as a candidate for Outside Director.			

(Notes)

1. * indicates new candidates for Directors.
2. There are no special interests between the candidates and the Company.
3. Matters relating to candidates for Outside Directors are as follows:
 - (1) Messrs. Naoya Osaki, Toshihiko Noguchi, Shinichi Suzuki and Juichi Watanabe are candidates for Outside Directors. The Company has appointed Messrs. Shinichi Suzuki and Juichi Watanabe as independent officers

- prescribed by Tokyo Stock Exchange, Inc. and submitted a notification of the appointment to Tokyo Stock Exchange, Inc.
- (2) Mr. Juichi Watanabe currently serves as the Outside Director of the Company, and his term of office will be two (2) years at the conclusion of the 78th Annual General Meeting of Shareholders. Also, Messrs. Naoya Osaki and Shinichi Suzuki currently serve as Outside Directors, and their terms of office will be three (3) years and four (4) years, respectively, at the conclusion of the 78th Annual General Meeting of Shareholders.
 - (3) If the appointment of the four (4) candidates for Outside Directors, Messrs. Naoya Osaki, Toshihiko Noguchi, Shinichi Suzuki and Juichi Watanabe is approved, the Company will enter into an agreement with each candidate pursuant to the Articles of Incorporation of the Company to limit their liability in order for them to fully play their expected roles. The maximum amount of liability pursuant to the agreement is the minimum amount of liability stipulated by laws and regulations.

Proposal 3: Election of one (1) Substitute Audit & Supervisory Board Member

In preparation of the case that the number of Audit & Supervisory Board Member would be less than the number stipulated in laws and regulations, the appointment of one (1) Substitute Audit & Supervisory Board Member is proposed. The Audit & Supervisory Board has given its approval to this proposal.

The candidate for Substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Brief past experience, positions and significant concurrent positions	Number of shares of the Company held
Hitoshi Takahashi (September 21, 1955)	April 1980	0
	July 1992	
	July 1996	
	April 2000	
	July 2009	
	October 2009	
	October 2010	
	April 2017	
[Significant concurrent positions] Professor, Faculty of Law, Dokkyo University		
[Reasons for appointment] Mr. Hitoshi Takahashi is well versed in the Commercial Code, the Companies Act, the Financial Instruments and Exchange Act and corporate legal affairs. Particularly he has profound insight into both legal theory and practice concerning legal responsibilities and risk management of corporate officers and internal control systems of corporate groups. After serving as General Manager of the Corporate Auditors' Office, Head Office of Nippon Steel Corporation, he assumed the position of Managing Director of the Japan Audit & Supervisory Board Members Association. Having judged that he will be able to appropriately perform duties from his experience, we propose him as a candidate for Substitute Outside Audit & Supervisory Board Member.		

(Notes)

1. There are no special interests between the candidate for Substitute Audit & Supervisory Board Member and the Company.
2. Matters relating to candidate for Substitute Audit & Supervisory Board Member are as follows:
 - (1) Mr. Hitoshi Takahashi is a candidate for Outside Audit & Supervisory Board Member.
 - (2) If Mr. Hitoshi Takahashi, the candidate for Substitute Audit & Supervisory Board Member, takes office as an Outside Audit & Supervisory Board member, the Company will enter into an agreement with him pursuant to the Articles of Incorporation of the Company to limit his liability in order for him to fully play his expected role. The maximum amount of liability pursuant to the agreement is the minimum amount of liability stipulated by laws and regulations.
3. Mr. Hitoshi Takahashi is scheduled to take office as Outside Audit & Supervisory Board Member of Akebono Brake Industry Co., Ltd. at its 117th Ordinary General Meeting of Shareholders to be held on June 15, 2018.

Proposal 4: Award of Retirement Benefits to Retiring Directors and Final Payments of Retirement Benefits upon Abolition of Retirement Benefits Plan

Directors, Messrs. Yasushige Aoki and Toshihisa Kasuya, and Outside Director, Mr. Toshiaki Kobori, retired by resignation on March 31, 2018.

Accordingly, in order to reward them for their contribution during their terms, the Company proposes to award retirement benefits within the range of amount pursuant to the internal rules of the Company. The Company requests that the specific amounts, the timing of award, the methods, etc., of the awards to them be decided by the Board of Directors.

With regard to retirement benefits for Messrs. Yasushige Aoki and Toshihisa Kasuya, who retired from their office as Directors and continue to serve as Managing Executive Officers, the Company proposes to award retirement benefits within the range of amount pursuant to the internal rules of the Company after expiration of their terms of office as Executive Officers. The Company requests that the specific amounts, the timing of award, the methods, etc., of the awards to them be decided by the Board of Directors.

Past experiences of the retiring Directors are as follows:

Name	Brief past experience	
Yasushige Aoki	June 2015	Director & Managing Executive Officer of the Company
	March 2018	Resigned from Director & Managing Executive Officer of the Company
Toshihisa Kasuya	June 2015	Director & Executive Officer of the Company
	March 2018	Resigned from Director & Managing Executive Officer of the Company
Toshiaki Kobori	June 2016	Outside Director of the Company
	March 2018	Resigned from Outside Director of the Company

At a regular meeting of the Company's Board of Directors held on May 8, 2018, it was resolved to abolish the retirement benefits plan for Directors and Audit & Supervisory Board Members at the conclusion of this year's Annual General Meeting of Shareholders, and to introduce a compensation plan for Directors and Audit & Supervisory Board Members which will be more linked with medium- to long-term business results of the Company.

Accordingly, in order to reward eight (8) current Directors and four (4) Audit & Supervisory Board Members for their contribution during their terms from their appointment until the conclusion of this year's Annual General Meeting of Shareholders, the Company proposes to award retirement benefits within the range of amount pursuant to the internal rules of the Company.

With regard to the timing of award, the Company proposes to award retirement benefits after expiration of their terms of office as Directors and Audit & Supervisory Board Members. The Company requests that the specific amounts, the methods, etc., of the awards to the Directors be decided by the Board of Directors and those of the awards to the Audit & Supervisory Board Members be decided by the Audit & Supervisory Board.

Past experiences of the retiring Directors and Audit & Supervisory Board Members are as follows:

Name	Brief past experience	
Harutoshi Okita	June 2016	Representative Director, President & CEO of the Company (to present)
Katsuhiko Ogami	June 2015	Representative Director & EVP of the Company (to present)
Toshikazu Kimura	June 2015	Director & Managing Executive Officer of the Company
	April 2016	Director & Senior Managing Executive Officer of the Company (to present)
Masamichi Kato	June 2016	Director & Managing Executive Officer of the Company
	April 2017	Director & Senior Managing Executive Officer of the Company (to present)
Kentaro Goto	June 2016	Director & Managing Executive Officer of the Company (to present)
Naoya Osaki	June 2015	Outside Director of the Company (to present)
Shinichi Suzuki	June 2014	Outside Director of the Company (to present)
Juichi Watanabe	June 2016	Outside Director of the Company (to present)
Noriyoshi Isogami	June 2015	Audit & Supervisory Board Member of the Company (to present)
Toshiharu Okura	June 2017	Audit & Supervisory Board Member of the Company (to present)
Kanji Kawamura	June 2011	Outside Audit & Supervisory Board Member of the Company (to present)
Yoshitsugu Kisu	June 2015	Outside Audit & Supervisory Board Member of the Company (to present)

Proposal 5: Revision of Compensation Amount for Directors and Audit & Supervisory Board Members

At the 66th Annual General Meeting of Shareholders held on June 29, 2006, it was determined to limit the compensation amounts to ¥275 million per year for Directors and ¥55 million per year for Audit & Supervisory Board Members, and these amounts have remained valid up until present. However, taking into consideration the abolition of the retirement benefits plan for Directors and Audit & Supervisory Board Members and the introduction of the new compensation plan for Directors and Audit & Supervisory Board Members upon the abolition, the Company proposes to revise the compensation amounts to a maximum of ¥375 million per fiscal year for Directors (which includes a maximum of ¥35 million per fiscal year for Outside Directors), and a maximum of ¥70 million per fiscal year for Audit & Supervisory Board Members. For the fiscal year ending March 31, 2019, these revised amounts shall apply retroactively to April.

As in the past, the compensation amount for Directors shall not include salaries as employees for Directors concurrently serving as employees.

The current number of Directors is eight (8) (which includes three (3) Outside Directors) and that of Audit & Supervisory Board Members is four (4). If Proposal 2 is approved as originally proposed, the number of Directors will be ten (10) (which includes four (4) Outside Directors) and that of Audit & Supervisory Board Members will be four (4).