

**[NOTICE: This Notice of Convocation is a translation of the Japanese original for reference purposes only, and in the event of any discrepancy, the Japanese original shall prevail.]**

Securities Code 7245

June 9, 2017

To shareholders with voting rights

3-1, Sakae 2-chome, Naka-ku, Nagoya  
13F Nagoya Hirokoji Building

**DAIDO METAL CO., LTD.**

Chairman and  
Chief Executive Officer **Seigo Hanji**

## Notice of Convocation of the 109th Annual Shareholders' Meeting

Dear shareholders,

You are cordially invited to the 109th Annual Shareholders' Meeting to be held as set forth below. Your attendance at the meeting will be greatly appreciated.

**If you are unable to attend the meeting on the day, you may exercise your voting rights by post or via the Internet. Please kindly review the reference materials for the Annual Shareholders' Meeting that follow this notice, and exercise your voting rights by no later than 5 p.m. on June 28, 2017 (Wednesday).**

Yours sincerely,

Note

- 1. Date and time** 10 a.m. on June 29, 2017 (Thursday)
- 2. Venue** 4-2, Marunouchi 2-chome, Naka-ku, Nagoya, Japan  
5<sup>th</sup> Floor Grand Hall of Nagoya Bankers Association  
(Please see "Information Map of Venues of Shareholders' Meeting on the final page)
- 3. Purpose**
  - Reporting matters 1. Reporting of the 109th business report (from April 1, 2016 to March 31, 2017), consolidated financial statements and results of the audit of consolidated financial statements by the Accounting Auditor and Audit & Supervisory Board
  2. Reporting of non-consolidated financial statements for the 109th fiscal year (from April 1, 2016 to March 31, 2017)

Matters for resolution

- |                   |  |
|-------------------|--|
| Agenda Item No. 1 | Appropriation of Surplus                                       |
| Agenda Item No. 2 | Election of Six Directors                                      |
| Agenda Item No. 3 | Election of One Substitute Member of Audit & Supervisory Board |
| Agenda Item No. 4 | Payment of Bonuses to Directors                                |

#### **4. Guidance on exercising voting rights**

- (1) Exercising voting rights by post  
Please complete the enclosed Voting Card, indicating your approval or disapproval, and send the Card by return mail to be delivered to us no later than 5 p.m. of June 28, 2017 (Wednesday).
- (2) Exercising voting rights via the Internet.  
If you exercise your voting rights via the Internet, please review the instructions under “Guidance for exercising your voting rights via the Internet” described on pages 4 and 5. Please access the Website designated by the Company (<http://www.web54.net>) to exercise your voting rights following the instructions on the screen by no later than 5 p.m. on June 28, 2017 (Wednesday).
- (3) If you exercise your voting rights by post AND via the Internet, the voting rights exercised via the Internet shall be treated as the valid vote. If you exercise your voting rights multiple times via the Internet, only your last vote shall be treated as valid.

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- ⦿ **If you attend the meeting in person on the day, please kindly submit the enclosed Voting Card to the reception desk.**
  - ⦿ **If you intend to exercise your voting right by proxy, you can designate a single shareholder of the Company to vote on your behalf. In this case, please submit documentation to prove you have properly assigned your rights to your proxy to vote on your behalf.**
  - ⦿ **The reception desk is scheduled to open at 9 a.m. on the day.**
  - ⦿ **If there are any revisions to the attached documents and Reference Materials for Annual Shareholders’ Meeting they will be posted online on the Company’s website (<http://www.daidometal.com/>).**



### **Guidance for exercising your voting rights via the Internet**

If you exercise your voting rights via the Internet, please follow the instruction below and access the Website to exercise your voting rights at <http://www.web54.net>. Please enter the “Voting Rights Exercise Code” and “Password” given on the bottom right of the Voting Card, and exercise your voting rights following the instructions on screen.

1. Accessing the Website to exercise your voting rights  
URL of the Website: <http://www.web54.net>  
If you use a cellular phone or smartphone, you may access the website by scanning the “QR Code” provided on the right-hand side of the Voting Card as well as on the following page of this document.  
(\*QR Code is the registered trademark of DENSO WAVE INCORPORATED.)
2. Login  
Please enter the “Voting Rights Exercise Code” given on the bottom right of the Voting Card.
3. Entering password  
Please enter the “Password” given on the bottom right of the Voting Card.

Please then follow the instructions on the screen and indicate your approval or disapproval on the website.

<Help desk for Internet voting>  
Sumitomo Mitsui Trust Bank, Limited  
Stock Transfer Agency Web Support:  
Toll free (only within Japan) 0120-652-031  
(Business Hours: from 9 a.m. to 9 p.m., Japanese time)

«Passwords»

- The password is a means to verify the identity of the person exercising voting rights as a shareholder. Please keep the password in a safe place until the conclusion of this Annual Shareholders' Meeting.
- We will not be able to respond to inquiries about the password by telephone.
- If you enter an incorrect password more than a certain number of times, the operation will be locked. If you would like a new password to be issued, please follow the instructions on the screen.

«Notes on the system»

- Accessing the website using PCs (computers)
  - For browser and PDF viewer specification, please check the information on the web site <http://www.web54.net/>
  - Depending on your computer, settings and other software installed, you may not be able to access the Website with your computer even if you use the browser specified above.
  - Please enable Cookies.
  - Please set your screen resolution to at least 800 x 600 pixels (width by height) (SVGA).
- Accessing the Website using cellular phones
  - Please use any cellular phones compatible with the internet connection service of i-mode, EZweb, or Yahoo! Keitai. (Cellular phones must be equipped with SSL communication function which enables encrypted communication.)
  - Please access the website using the QR Code or by entering the URL directly.



QR Code

- Accessing the Website using smartphones or cellular phones via browser
  - You may access the website using full browser function. However, depending on your model, browser or Internet connection, you may not be able to access the website.
- Internet connection and communication charges to Internet service providers as well as communication charges to telecommunication carriers shall be borne by the shareholder.

# Reference Materials for the Annual Shareholders' Meeting

## Agendas and Matters for Reference

### Agenda Item No. 1 Appropriation of Surplus

The Company proposes to make the following appropriation of surplus:

It is the Company's policy to pay appropriate dividends to our shareholders based on the results of operations and payout ratio. It is also our policy to maintain a stable and sustainable level of dividend in overall consideration of the internal reserve for future business development, expansion of research and development, strengthening of business foundations and changes to the business environment.

In consideration of the factors above, including the consolidated performance of the Company for the full year, we propose the year-end dividend of 15 yen per share.

As a result, the annual dividend, including the interim dividend of 15 yen per share (actual), would be 30 yen per share.

#### Details of the year-end dividend

- (1) Type of dividend  
Cash
- (2) Allocation of dividends to shareholders and the total amount  
15 yen per ordinary share of the Company  
Total amount: 597,238,905 yen
- (3) Date when dividends from surplus become effective  
June 30, 2017

## Agenda Item No. 2 Election of Six Directors

The terms of office for all seven Directors expire at the close of this Shareholders' Meeting. We therefore propose the election of six Directors.

The candidates for the position of Director are as follows:

Candidate No.	Name (Date of birth)	Career history, positions at the Company, and important positions at other entities	Number of shares of the Company held by the candidate
(1)	Seigo Hanji (January 2, 1942)  <u>Reappointment</u>	<p>April 1965      Joined the Company</p> <p>April 1980      General Manager of Tokyo Sales Office</p> <p>April 1991      General Manager of Corporate Planning Department</p> <p>April 1993      Deputy General Manager of Business Division 3</p> <p>June 1993      Director and Deputy General Manager of Business Division 3</p> <p>April 1994      Director and General Manager of Business Division 1</p> <p>June 1995      President</p> <p>June 2005      President &amp; Chief Executive Officer</p> <p>June 2007      Chairman &amp; Chief Executive Officer (current)</p> <p>May 2008      Executive &amp; Vice Chairman of Japan Auto Parts Industries Association and Chubu Branch Manager of the same Association (current)</p> <p>June 2010      Outside Director of Nichirei Co., Ltd.</p> <p>[Important positions at other entities] Executive &amp; Vice Chairman of Japan Auto Parts Industries Association and Chubu Branch Manager of the aforementioned Association</p>	140,555 shares
(2)	Kotaro Kashiya (March 28, 1947)  <u>Reappointment</u>	<p>April 1971      Joined the Company</p> <p>April 1993      General Manager of Product Planning Department, Production Engineering Laboratory</p> <p>April 1994      Manager of Maehara Plant</p> <p>April 1996      Deputy General Manager of Business Division 2, and Manager of Maehara Plant</p> <p>April 1999      Head of Heavywall Bearings, RPB, Heavy Industrial Bearings, Fluid Systems &amp; New Products Division</p> <p>April 2000      Head of Polymer Bearings Division</p> <p>June 2003      Director and Head of Polymer Bearings Division</p> <p>April 2005      Director and Head of Thinwall Bearings &amp; Turbo Charging Bearings Division</p> <p>July 2005      Director and Executive Officer, and Head of Thinwall Bearings &amp; Turbo Charging Bearings Division</p> <p>June 2007      Managing Director and Executive Officer, and Head of Thinwall Bearings &amp; Turbo Charging Bearings Division</p> <p>July 2007      Managing Director and Senior Executive Officer, and Head of Thinwall Bearings &amp; Turbo Charging Bearings Division</p> <p>June 2009      Managing Director and General Manager of Strategy Development Division</p> <p>June 2010      Senior Managing Director and Senior Executive Officer, and General Manager of Strategy Development Division</p> <p>April 2011      President of Daido Plain Bearings Co., Ltd. Senior Managing Director and Senior Executive Officer, and General Manager of Global Strategy Division and Head of Technology Division</p> <p>June 2011      President &amp; Chief Operating Officer Head of Global Strategy Division and Technology Division</p> <p>April 2012      President &amp; Chief Operating Officer (current)</p>	80,923 shares

Candidate No.	Name (Date of birth)	Career history, positions at the Company, and important positions at other entities	Number of shares of the Company held by the candidate
(3)	Toshiyuki Sasaki (December 7, 1950)  <span style="border: 1px solid black; padding: 2px;">Reappointment</span>	<p>April 1974      Joined Tokai Bank Ltd.  April 1997      Manager of Taipei Branch  March 2001     Manager of Americas, Manager of New York Branch, Manager of Cayman Branch and Manager of Chicago Office  June 2002      General Manager of Toyota Corporate Sales Division and Manager of Toyota Branch of UFJ Bank Co., Ltd.</p> <p>October 2003    Seconded to the Company  April 2004      Joined the Company  April 2004      General Manager of Overseas Planning Department, Corporate Planning Division  April 2005      General Manager of Corporate Planning Department, Corporate Planning Division  June 2005      Director and General Manager of Corporate Planning Department, Corporate Planning Division  July 2005      Director and Executive Officer, and General Manager of Corporate Planning Department, Corporate Planning Division  June 2007      Director and Executive Officer, and General Manager of Corporate Planning Division  April 2008      Director and Executive Officer, and Head of Corporate Planning Division  July 2008      Director and Senior Executive Officer, and Head of Corporate Planning Division  July 2009      Director and Senior Executive Officer, and Head and General Manager of Corporate Planning Department of Corporate Planning Division  October 2009    Director and Senior Executive Officer, and Head of Corporate Planning Division  April 2010      Director and Senior Executive Officer, and Head of Corporate/Financial Planning Division  June 2010      Managing Director and Senior Executive Officer, and Head of Corporate/Financial Planning Division  June 2011      Managing Director and Senior Executive Officer, and Head of Corporate/Financial Planning Division and Head of Human Resources Planning Division  April 2012      Managing Director and Senior Executive Officer, and Head of Corporate/Financial Planning Division  April 2015      Managing Director and Senior Executive Officer, and Head of Corporate/Financial Planning Division  July 2015      President of DAIDO METAL SAGA CO., LTD. (part-time)  Director and Managing Executive Officer, and Head of Corporate/Financial Planning Division  April 2016      President of DAIDO METAL SAGA CO., LTD. (part-time)  Director and Managing Executive Officer, and General Manager of Business Process Re-engineering (BPR) Department  July 2016      President of DAIDO METALSAGA CO., LTD. (part-time)  Director and Senior Managing Executive Officer  General Manager of Business Process Re-engineering (BPR) Department  April 2017      President of DAIDO METAL SAGA CO., LTD. (part-time)  Director and Senior Managing Executive Officer  General Manager of Business Process Re-engineering (BPR) Department (current)</p>	64,702 shares

Candidate No.	Name (Date of birth)	Personal history, positions at the Company, and important positions at other corporations	Number of shares of the Company held by the candidate
(4)	Masaki Ikawa (December 12, 1950)  [Reappointment]	<p>April 1973      Joined the Company</p> <p>April 2001      General Manager of Overseas Sales and Concerned Office of Company 1</p> <p>September 2005      President of Daido Metal Bellefontaine LLC</p> <p>July 2008      Executive Officer</p> <p>                         President of Daido Metal Bellefontaine LLC</p> <p>October 2009      Executive Officer and General Manager of Corporate Planning Department, Corporate Planning Division</p> <p>April 2010      Executive Officer and General Manager of Bimetal Division</p> <p>April 2011      Executive Officer and General Manager of Quality Management &amp; Planning Department</p> <p>July 2011      Senior Executive Officer, General Manager of Quality Management &amp; Planning Department and General Manager of Inuyama Site</p> <p>March 2012      Senior Executive Officer, General Manager of Quality Management &amp; Planning Department, President of Daido Metal College and General Manager of Inuyama Site</p> <p>April 2012      Senior Executive Officer, General Manager of Human Resources Planning Department, President of Daido Metal College and General Manager of Inuyama Site</p> <p>June 2012      Director and Senior Executive Officer, Head of Human Resources Planning Division, Head of Daido Metal College and Head of Inuyama Site</p> <p>April 2014      Director and Senior Executive Officer, Head of Human Resources Planning Division and Head of Daido Metal College</p> <p>April 2015      Director and Senior Executive Officer, Head of Human Resources Planning Division, General Manager of Human Resources Planning Department and Head of Daido Metal College</p> <p>July 2015      Director and Managing Executive Officer, Head of Human Resources Planning Division, General Manager of Human Resources Planning Department and Head of Daido Metal College</p> <p>April 2016      Director and Managing Executive Officer, Head of Human Resources Planning Division and Head of Daido Metal College (current)</p>	28,650 shares
(5)	Toshikazu Takei (September 22, 1953)  [Reappointment] [Outside Director] [Independent Officer]	<p>April 1976      Joined the Bank of Japan</p> <p>July 1989      Director of Nagoya Branch</p> <p>November 1991      Director of Secretary Office and Secretariat of the Policy Board</p> <p>June 1994      Deputy General Manager for Europe</p> <p>April 1998      Director of Diet Liaison Division, Secretariat of the Policy Board</p> <p>May 1999      General Manager of Matsuyama Branch</p> <p>February 2002      Director-General, Senior Secretary to the Governor, Secretariat</p> <p>July 2003      Advisor to the Governor for Parliamentary Affairs and Public Relations, Secretariat of the Policy Board</p> <p>July 2005      General Manager of Nagoya Branch</p> <p>July 2006      Chief Representative in Europe of the Bank of Japan (stationed in London)</p> <p>June 2008      Left the Bank of Japan</p> <p>July 2008      Senior Executive Advisor of Accenture</p> <p>October 2012      Managing Director of Japan Center for International Finance (current)</p> <p>June 2015      Outside Director of the Company (current)</p> <p>[Important positions at other entities] Managing Director of Japan Center for International Finance</p>	1,830 shares

Candidate No.	Name (Date of birth)	Career history, positions at the Company, and important positions at other entities	Number of shares of the Company held by the candidate
(6)	Kiyotaka Hoshinaga (November 15, 1950)  <u>Reappointment</u> <u>Outside Director</u> <u>Independent Officer</u>	<p>April 1975      Joined Department of Urology, Keio University School of Medicine</p> <p>August 1994    Assistant Professor, Department of Urology, Fujita Health University School of Medicine</p> <p>April 2000      Professor</p> <p>February 2006   Deputy Director, Fujita Health University Hospital</p> <p>February 2009   Director</p> <p>April 2013      Managing Director, Fujita Academy Incorporated Educational Institution (current)</p> <p>April 2014      President, Fujita Health University (current)</p> <p>June 2016      Outside Director of the Company (current)</p> <p>[Important positions at other entities] President, Fujita Health University Hospital Managing Director, Fujita Academy Incorporated Educational Institution</p>	619 shares

- (Notes)
- There are no particular conflicts of interest between each candidate and the Company.
  - As for each candidate's position please refer to "4. Company Officers, (1) Directors and Audit & Supervisory Board Members" on pages 18-19.
  - Mr. Toshikazu Takei and Mr. Kiyotaka Hoshinaga are candidates for Outside Directors.
  - Mr. Toshikazu Takei was long engaged in business execution and served in managerial positions at the Bank of Japan. We expect that he will oversee and supervise the management of the Company with his familiarity with international businesses and based on his rich experience and broad insight. We therefore propose the election of Mr. Takei as an Outside Director. Although he has no experience in the management of a company, he has appropriately overseen and supervised the management of the Company as an Outside Director, and therefore we re-nominated him as a candidate for an Outside Director.
  - Mr. Kiyotaka Hoshinaga has served as a director of a hospital and a president of a university after serving as a professor of a university. We expect that he will oversee and supervise the management of the Company based on his extensive knowledge and experience as a manager of a hospital and a president of a university. We therefore propose the election of Mr. Hoshinaga as an Outside Director. Although he has no experience in the management of a company, he has appropriately overseen and supervised the management of the Company as an Outside Director, and therefore we re-nominated him as a candidate for an Outside Director.
  - Liability limitation agreement  
The Company has entered into a liability limitation agreement with Mr. Toshikazu Takei and Mr. Kiyotaka Hoshinaga. The Company will continue this agreement with them if they are elected as Outside Directors and they assume office.  
The outline of the agreement is as follows:
    - When a non-executive Director is liable to compensate the Company for damages due to his/her negligence of duties, he/she assumes such liability up to the amount stipulated by laws and regulations (the minimum liability amount stipulated in Article 425, paragraph 1 of the Companies Act).
    - The above liability limitation is allowed only when the relevant non-executive Director acts in good faith and without gross negligence with respect to the liability as set forth in Article 423, paragraph 1 of the Companies Act.
  - Mr. Toshikazu Takei and Mr. Kiyotaka Hoshinaga have been registered as "Independent Officers" pursuant to the provisions of the Tokyo Stock Exchange and Nagoya Stock Exchange. If they are elected as Outside Directors and they assume office, the Company will continue to register them as "Independent Officers."
  - The term of office of Mr. Toshikazu Takei as an Outside Director will be two years at the conclusion of this Annual Shareholders' Meeting. The term of office of Mr. Kiyotaka Hoshinaga as an Outside Director will be one year at the conclusion of this Annual Shareholders' Meeting.

[Standards for Independence of Outside Officers]

The Company has established independence standards of Outside Officers, based on those established by the Tokyo Stock Exchange, but much more strict standards. An outside director or an outside audit & supervisory board member who is deemed to have independence from the Company as required by this standards is registered as an independent outside director or as an independent outside audit & supervisory board member. For more details, please refer to [Standards for Independence of Outside Officers of DAIDO METAL CO., LTD.] reported below.

[Standards for Independence of Outside Officers of DAIDO METAL CO., LTD.]  
Established on October 28, 2015

An Outside Director or Outside Audit & Supervisory Board Member is deemed not to have independence from the Company if he/she falls under one of the categories below.

- (1) Person related to the Company  
A person who currently works or has previously worked for the DAIDO Group within the last ten years.
- (2) Person related to the major suppliers  
A person who currently is or has previously been an officer or employee of a major supplier to the Company (with which the annual aggregate amount of transactions is 1,000 million yen or more) or its group companies within the last three fiscal years.
- (3) Person related to the major business partners  
A person who currently is or has previously been an officer or employee of the Company's major business partner (with which the annual aggregate amount of transactions is 1,000 million yen or more) during any of the last three fiscal years.
- (4) Person related to the financial institutions
  - 1) A person who currently is or, in the last three fiscal years, has previously has been an officer or employee of a financial institution with which the Company currently has transactions of deposits or borrowings of 1,000 million yen or more.
  - 2) A person who currently is or, in the last three fiscal years, has previously been an officer or employee of a company which is a managing underwriter of the Company.
- (5) Person related to the parties providing professional services  
A person who currently receives, or within the last three years, has received from the Company an annual compensation of 20 million yen or more as the Company's legal counsel (law office), the Company's accounting auditor, a certified tax accountant, patent attorney, judicial scrivener, or as a management, finance, technology or marketing consultant.
- (6) Person related to the parties receiving donations or grants from the Company  
A person who is a representative or operating officer of an organization (public interest incorporated foundation, public interest incorporated association, not-for-profit organization, etc.) to which the Company has made donations or provided grants exceeding a certain amount (1.0 million yen or 30% of the organization's annual average total expenses, whichever the larger) in the current fiscal year or in the last three fiscal years.
- (7) Relatives  
A relative of a person who currently works or has previously worked for the DAIDO Group within the last five years (the person's spouse, parent, child, sibling, grandparent, grandchild, or relatives living with the person). A relative of a person coming under aforementioned categories (2) to (5).
- (8) Reappointment and reappointed person.  
A person who has executed his/her duties as an outside director for a period exceeding ten years without coming under any of the aforementioned categories (\*a period exceeding twelve years with three consecutive terms in case of reappointment of Audit & Supervisory Board Member).

### Agenda Item No. 3 Election of One Substitute Member of Audit & Supervisory Board

We propose to elect one substitute member of Audit & Supervisory Board in advance, just in case we are unable to meet the number of Audit & Supervisory Board Members required by laws and regulations. The effect of this resolution is valid until the commencement of the next Annual Shareholders' Meeting.

We already have the approval of this agenda from the Audit & Supervisory Board.

The candidate for the position is as follows:

Name (Date of birth)	Personal history, positions at the Company, and important positions at other corporations	Number of shares of the Company held by the candidate
<p>Nobuyuki Ishiwata (July 12, 1945)</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px 0;">Substitute Audit &amp; Supervisory Board Member</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px 0;">Outside Audit &amp; Supervisory Board Member</div>	<p>April 1971      Joined Tohmatsu Aoki Audit Corporation (now Deloitte Touche Tohmatsu LLC)            April 1975      Registered as a certified public accountant            January 1976    Registered as a licensed tax accountant            March 1978      Left Tohmatsu Aoki Audit Corporation (now Deloitte Touche Tohmatsu LLC)            April 1978      Opened CPA Nobuyuki Ishiwata accounting firm            April 1988      Established Seishin &amp; Co. Audit Corporation (currently, SeishinShisei &amp; Co. Audit Corporation) and assumed the post of Representative Partner (to present)            August 1999    Outside auditor of Adecco Ltd. (to present)            July 2003      Established Seishin &amp; Co. Tax Corporation (currently, SeishinShisei &amp; Co. Tax Corporation) and assumed the post of Representative Partner (to present)</p> <p>[Important positions at other corporations]            Representative Partner of SeishinShisei &amp; Co. Audit Corporation            Representative Partner of SeishinShisei &amp; Co. Tax Corporation            Outside auditor of Adecco Ltd.</p>	0 shares

- (Notes)
1. There are no particular conflicts of interest between the candidate and the Company.
  2. Mr. Nobuyuki Ishiwata, candidate for a substitute Audit & Supervisory Board Member, is a candidate for an Outside Audit & Supervisory Board Member.
  3. Reason for appointment as candidate for the position of substitute Audit & Supervisory Board Member, and reason for judging that the candidate is able to perform adequately the duties as an Outside Audit & Supervisory Board Member:
    - (1) Reason for appointment as candidate for the position of substitute Outside Audit & Supervisory Board Member  
 Mr. Nobuyuki Ishiwata has rich accounting and taxation knowledge gained from his experience as a certified public accountant and a licensed tax accountant. We expect that he will utilize such knowledge in the audit of the Company if he assumes the role of Audit & Supervisory Board Member.
    - (2) Reason for judging that the candidate is able to perform adequately the duties as an Outside Audit & Supervisory Board Member:  
 Although Mr. Nobuyuki Ishiwata has no experience in the management of a company, he has been in practice as a certified public accountant and a licensed tax accountant, and we judge that he is able to perform the duties appropriately as an Outside Audit & Supervisory Board Member.
  4. Liability limitation agreement  
 The Company will enter into a liability limitation agreement with Mr. Nobuyuki Ishiwata if he is elected as an Audit & Supervisory Board Member and he assumes office.  
 The outline of the agreement is as follows:
    - When an Audit & Supervisory Board Member is liable to compensate the Company for damages due to his/her negligence of duties, he/she assumes such liability up to the amount stipulated by laws and regulations (the minimum liability amount stipulated in Article 425, paragraph 1 of the Companies Act).
    - The above liability limitation is allowed only when the relevant Audit & Supervisory Board Member acts in good faith and without gross negligence with respect to the liability as set forth in Article 423, paragraph 1 of the Companies Act.

**Agenda Item No. 4 Payment of Bonuses to Directors**

The Company requests approval for the payment of bonuses amounting to 121.1 million yen to the five Directors (excluding two Outside Directors) at the end of this fiscal year based on the specified standard of the Company in due consideration of business performance, etc. during the fiscal year.

It is also proposed that decisions as to the amounts of the bonus paid to each Director are delegated to the Board of Directors.

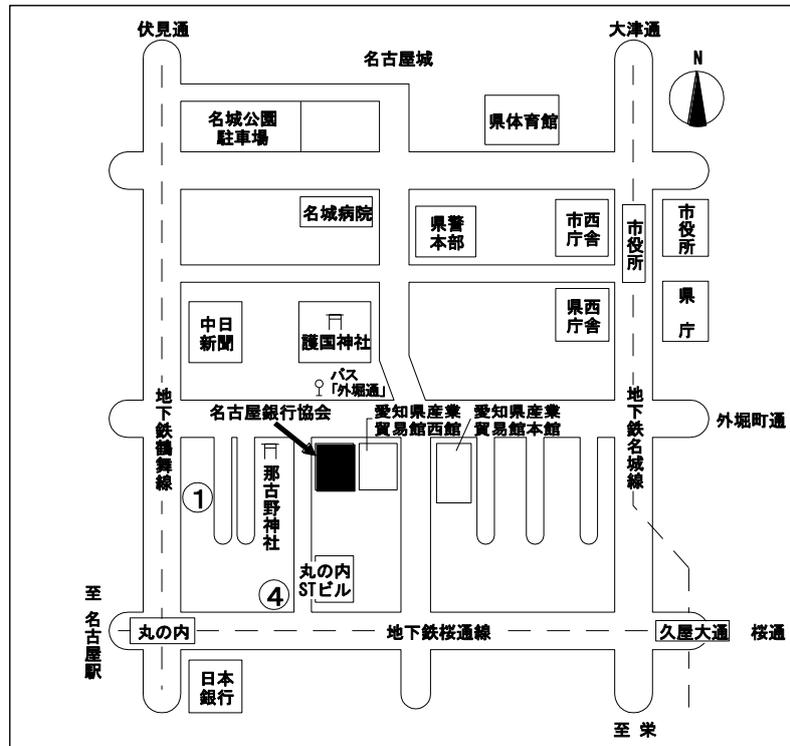
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## Venue of Shareholders' Meeting

**Venue** 4-2, Marunouchi 2-chome, Naka-ku, Nagoya  
5<sup>th</sup> Floor Grand Hall of Nagoya Bankers Association

### Transportation

- Subway 6-minute walk from = No. 1 and No. 4 exit of Marunouchi Station of the Sakuradori Line/Tsurumai Line
- City bus From JR Nagoya Station Bus Terminal gate number 8, Sotoboridori Number 1 bus stop



- ◎ The reception is scheduled to open at 9 a.m. on the day.
- ◎ Shareholders are politely requested not to drive to the venue as the parking spaces are limited.

