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Securities Code 7458
June 1, 2018

To Our Shareholders:

Tadahiro Hoshi
President
DAIICHIKOSHO CO., LTD.
5-5-26 Kitashinagawa, Shinagawa-ku, Tokyo

**Notice of Convocation of
the 43rd Ordinary General Meeting of Shareholders**

- 1. Date and Time:** Friday, June 22, 2018 at 10:00 a.m. (Reception starts at 9:00 a.m.)
- 2. Venue:** “Pegasus,” 1st floor, Hilton Tokyo Odaiba
1-9-1 Daiba, Minato-ku, Tokyo
- 3. Purpose of the Meeting:**
Proposals to be resolved:
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Election of Two (2) Corporate Auditors

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company maintains a basic policy of making active return of profit that reflects consolidated business performance while taking into account internal reserves for future investment, etc.

The Company proposes to pay a year-end dividend for the current fiscal year as follows:

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and the aggregate amount

¥56 per common share of the Company (Annual dividend of ¥111 when including the interim dividend)

Aggregate amount of dividends will be ¥3,190,206,432.

(3) Effective date of dividends of surplus

June 25, 2018

Proposal No. 2: Election of Two (2) Corporate Auditors

At the conclusion of this Ordinary General Meetings of Shareholders, the terms of office of Outside Corporate Auditor Michitoshi Tsuruoka will expire, and Corporate Auditor Nobuyuki Takase will resign as of today. Therefore, the Company proposes to elect two (2) Corporate Auditors.

The consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	[New election] [Outside] [Independent] Hiroshi Umetsu (July 23, 1964)	Oct. 1991 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC) Apr. 1994 Registered as certified public accountant May 2006 Partner, KPMG AZSA LLC (current position)	0
[Reason for nomination as candidate for Outside Corporate Auditor] Although Mr. Umetsu does not have experience of being involved in corporate management, he has extensive experience from his long-standing service as a certified public accountant and suitable insight related to finance and accounting. The Company judges he would appropriately carry out his duties as an Outside Corporate Auditor.			

- (Notes)
1. There is no special interest between the candidate and the Company.
 2. Hiroshi Umetsu is a candidate for Outside Corporate Auditor.
 3. As for limited liability, if Hiroshi Umetsu's election is approved, the Company plans to enter into an agreement with Hiroshi Umetsu to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages pursuant to the aforesaid agreement is the amount stipulated by laws and regulations.
 4. Hiroshi Umetsu satisfies the requirements for independent officer as provided for by the Tokyo Stock Exchange. If his election is approved, the Company plans to submit notification to the aforementioned exchange as independent officer.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	[New election] Shigeki Kobayashi (September 7, 1952)	Apr. 1976 Joined Nihon Radiator Manufacturing Co., Ltd. (currently Calsonic Kansei Corporation) Jul. 1998 Supervisor (Deputy General Manger), Accounting Department, Nihon Radiator Manufacturing Co., Ltd. Apr. 2002 General Manager, Accounting Group, Calsonic Kansei Corporation Apr. 2006 Joined the Company Deputy General Manager, Accounting Department, Administration Headquarters of the Company Jul. 2006 General Manager, Accounting Department, Administration Headquarters of the Company (current position)	7,090
[Reason for nomination as candidate for Corporate Auditor] Mr. Kobayashi has long-standing experience of overseeing Accounting Division of the Company and suitable insight related to finance and accounting. The Company judges he would appropriately carry out his duties as a Corporate Auditor.			

(Note) There is no special interest between the candidate and the Company.

(Reference)

Policies and Procedures for the Election of the Senior Management Team and the Nomination of candidates for Director and Corporate Auditor

Members of the senior management team are elected from talent with a deep understanding of the Group's corporate philosophy and strategies and equipped with powerful business execution capabilities, upon being recommended by each business headquarters and deliberation by the Board of Directors.

With respect to the nomination of candidates for Director, qualified individuals capable of executing their duties and responsibilities, are nominated upon comprehensively taking into consideration their character, skills and insight necessary to carry out management and supervision.

With respect to the nomination of candidates for Corporate Auditor, qualified individuals with insight into corporate risk, capable of voicing honest remarks to management and contributing to the improvement of the soundness and transparency of management are nominated.

In the nomination of candidates for Director and Corporate Auditor, the Personnel Affairs Advisory Committee comprising the President, officers in charge of personnel affairs and Outside Directors, conducts prior deliberation based on the nomination policy and states its opinions to the Board of Directors

Criteria for Assessing the Independence of Independent Officers of the Company

The Company sets forth the "Criteria for Assessing the Independence of Independent Officer of the Company," and designates individuals to whom none of the following criteria apply as Independent Officers.

- (1) An executive of the Company or an affiliate of the Company.
- (2) A person who has the Group as its major business partner or its executive.
- (3) A person who is the major business partner of the Daiichikoshu Group or its executive.
- (4) A person who is a major shareholder of the Company (directly or indirectly holding 10% or more of the voting rights) or its executive.
- (5) A person in whom 10% or more of the voting rights is held directly or indirectly by the Company or its executive.
- (6) A person affiliated with an audit firm, which serves as the Accounting Auditor of the Group.
- (7) An attorney, a certified public accountant, a tax accounting or a consultant, and the like, who receives considerable monetary compensation or other properties from the Group other than executive compensation.
- (8) A director or other executive of legal entities or organization, including legal firms, audit firms, tax accountant firms or consulting firms, and the like, which receives considerable monetary compensation or other properties from the Group.

- (9) A person, who receives considerable amounts of donations or subsidies from the Group, or a director or other executive of legal entities or organizations including legal firms, audit firms, tax accountant firms or consulting firms, and the like, which receives considerable amounts of donations or subsidies from the Group.
- (10) An Executive Director, an Executive Officer, a Corporate Officer or an employee, including a Manager of a company, at which an Executive Director or a Standing Corporate Auditor of the Group concurrently serves as Outside Director or Outside Corporate Auditor
- (11) Any person to whom items (2) through (10) applied in the past three (3) years; and
- (12) In cases where a person to whom items (1) through (11) above applies is in an important position, the spouse or a relative within the second degree of kinship of such person.